

SENATE BILL NO. 104

INTRODUCED BY G. LAMMERS

A BILL FOR AN ACT ENTITLED: "AN ACT EXPANDING ACCESS TO LOW-COST CAPITAL FOR 501(C)(3) ENTITIES AND OTHER PUBLIC-BENEFIT FACILITIES; INCREASING THE BOND ISSUANCE CAP FOR THE MONTANA FACILITY FINANCE AUTHORITY TO \$1.5 BILLION; PROVIDING FOR A BIENNIAL INFLATIONARY ADJUSTMENT TO THE BOND ISSUANCE CAP; AMENDING SECTIONS 90-5-101, 90-7-102, 90-7-104, 90-7-225, 90-7-229, AND 90-7-302, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 90-5-101, MCA, is amended to read:

"90-5-101. Definitions. As used in this part, unless the context otherwise requires, the following definitions apply:

(1) "Agricultural enterprises" includes but is not limited to producing, warehousing, storing, fattening, treating, handling, distributing, or selling farm products or livestock.

(2) "Bonds" means bonds, refunding bonds, notes, or other obligations issued by a municipality or county under the authority of this part, including without limitation short-term bonds or notes issued in anticipation of the issuance of long-term bonds or notes.

(3) "Electric energy generation facility" means any combination of a physically connected generator or generators, associated prime movers, and other associated property and transmission facilities and upgrades and improvements of transmission facilities, including appurtenant land and improvements and personal property, that are normally operated together to produce and transfer electric power. The term includes but is not limited to generating facilities that produce and transfer electricity from coal-fired steam turbines, oil or gas turbines, wind turbines, solar power sources, fuel cells, or turbine generators that are driven by falling water.

(4) "Family services provider" means organizations, including nonprofit corporations, that provide

human services for children and adults, including but not limited to early care services for children, youth services, health services, social services, habilitative services, rehabilitative services, preventive care, and supportive services, and training, educational, and referral activities in support of human services.

(5) "Governing body" means the board or body in which the general legislative powers of the municipality or county are vested.

(6) "Higher education facilities" means any real or personal properties required or useful for the operation of an institution of higher education.

(7) "Institution of higher education" means any private, nonprofit corporation or institution within the state of Montana:

(a) authorized to provide or operate educational facilities; and

(b) providing a program of education beyond the high school level.

(8) "Mortgage" means a mortgage or deed of trust or other security device.

(9) "Municipality" means any incorporated city or town in the state.

(10) "Project" means:

(a) any land, any building or other improvement, and any other real or personal property considered necessary ~~in connection with or related to~~ the improvement, whether or not now in existence, that must be suitable for use for commercial, manufacturing, agricultural, or industrial enterprises;

(b) recreation or tourist facilities;

(c) local, state, and federal governmental facilities;

(d) multifamily housing, hospitals, long-term care facilities, community-based facilities for individuals who are persons with developmental disabilities as defined in 53-20-102, or medical facilities;

(e) higher education facilities;

(f) electric energy generation facilities;

(g) family services provider facilities;

(h) any facilities that are used or considered necessary to create or produce any intangible item, as defined in section 197(d)(1)(C)(iii) of the Internal Revenue Code, 26 U.S.C. 197(d)(1)(C)(iii), including any patent, copyright, formula, process, design, pattern, knowledge, format, or other similar intangible item;

(i) the production of energy using an alternative renewable energy source as defined in 15-6-225;

1 and

2 ~~(j) a facility owned, used, or supported by an entity organized under section 501(c)(3) of the~~
3 ~~Internal Revenue Code, 26 U.S.C. 501(c)(3); and~~

4 ~~(j) facilities to provide broadband service exclusively to locations that do not offer broadband~~
5 ~~service with a speed of at least 100 megabits per second for downloads, a speed of at least 20 megabits per~~
6 ~~second for uploads, and latency less than or equal to 100 milliseconds; and~~

7 ~~(k) any combination of projects in subsections (10)(a) through (10)(i) (10)(j).~~"

8

9 **Section 2.** Section 90-7-102, MCA, is amended to read:

10 **"90-7-102. Definitions.** As used in this chapter, unless the context requires otherwise, the following
11 definitions apply:

12 (1) "Authority" means the Montana facility finance authority created in 2-15-1815.

13 (2) "Capital reserve account" means the account established in 90-7-317.

14 (3) "Costs" means costs allowed under 90-7-103.

15 (4) "Eligible facility" means any eligible facility as defined in 90-7-104.

16 (5) (a) "Institution" means any public or private:

17 (i) nonprofit hospital, corporation, or other organization authorized to provide or operate an eligible
18 facility in this state;

19 (ii) nonprofit prerelease center, corporation, or other organization authorized to operate a
20 prerelease center in this state; or

21 (iii) for-profit or nonprofit corporation or other organization authorized to provide for or to operate a
22 project;

23 ~~(iv) or a eligible facility with qualified small issue bond financing pursuant to section 144(a) of the~~
24 ~~Internal Revenue Code, 26 U.S.C. 144(a); or~~

25 ~~(v) nonprofit organized under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501(c)(3).~~

26 (b) The term also includes the following, provided that the entity is a nonprofit entity or is controlled
27 by one or more nonprofit entities:

28 (i) a network of health care providers, regardless of how it is organized;