

HOUSE BILL NO. 505

INTRODUCED BY M. VINTON, D. ZOLNIKOV, J. KASSMIER

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE MONTANA HOUSING INFRASTRUCTURE REVOLVING LOAN FUND MAY BE USED TO SECURE BONDS AND PROVIDE FINANCING FOR ELIGIBLE PROJECTS AND RETAINING ALL INTEREST AND INCOME IN THE ACCOUNTS; PROVIDING FOR ~~TRANSFERS~~ A TRANSFER OF FUNDS; ELIMINATING ELIGIBILITY PRIORITY; AMENDING SECTIONS 17-6-801, 17-6-804, AND 17-6-805, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 17-6-801, MCA, is amended to read:

"17-6-801. Montana housing infrastructure revolving loan fund account. (1) There is a Montana housing infrastructure revolving loan fund account within the state special revenue fund type established in 17-2-102 to the credit of the board of investments. Money deposited in the account established in this section must be invested by the board of investments as provided by law. All interest and income earned on the account must be retained in the account.

(2) The principal of the account may only be appropriated by a vote of two-thirds of the members of each house of the legislature."

Section 2. Section 17-6-804, MCA, is amended to read:

"17-6-804. Eligibility -- priority. (1) For the costs of an infrastructure project to be eligible to be paid by the proceeds of a loan or bonds or other securities of an eligible government unit as defined in 17-5-1604, the infrastructure project must provide for residential development at a minimum gross density of 10 units for each acre.

(2) ~~Lending of at least \$7 million of available funds must be prioritized to counties that have a population of less than 15,000 inhabitants that are located within a 30-mile radius of a state-owned facility that,~~

Amendment - 1st Reading-white - Requested by: (S) Finance and Claims

- 2025

69th Legislature 2025

Drafter: Julie Johnson,

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1 property for the term of the security.

2 (4) The board of investments shall include the amounts loaned and the status of all loans in the
3 report required in 17-5-1650.

4 (5) The board of investments may use the account established in 17-6-801 to secure any portion
5 of bonds in lieu of a pledge of the issuer's revolving fund.

6 (6) The board of investments may use interest income from the fund established in 17-6-801 to
7 finance residential ownership of mobile home parks or other multifamily housing."

8
9 **NEW SECTION. Section 4. Transfer of funds.** ~~(1) By June 30, 2025, the state treasurer shall~~
10 ~~transfer \$50 million from the general fund to the Montana housing infrastructure revolving loan fund account~~
11 ~~provided for in 17-6-801.~~

12 (2) By June 30, 2026, the state treasurer shall transfer \$50 million from the general fund to the
13 Montana housing infrastructure revolving loan fund account provided for in 17-6-801.

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15 **NEW SECTION. Section 5. Effective date.** [This act] is effective on passage and approval.

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17 **NEW SECTION. Section 6. Retroactive applicability.** [This act] applies retroactively, within the
18 meaning of 1-2-109, to interest and income earned on the account provided for in 17-6-801 since June 14,
19 2023.

20 - END -