



AN ACT APPROPRIATING MONEY FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT TO THE DEPARTMENT OF COMMERCE FOR HISTORIC PRESERVATION PROJECTS; AUTHORIZING GRANTS FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 22-3-1305 AND 22-3-1306, MCA; AMENDING SECTION 1(2), CHAPTER 467, LAWS OF 2021; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

**Section 1.** Section 22-3-1305, MCA, is amended to read:

**"22-3-1305. Historic preservation grant program -- proposals -- recommendations.** (1) There is a historic preservation grant program established within the department of commerce. A Except as provided in subsection (6), a person, association, or representative of a governing unit seeking a historic preservation grant under this section must submit a grant proposal to the department by March 1 of the year preceding the convening of a regular legislative session.

(2) The department shall review all proposals for historic preservation grants in consultation with the tourism advisory council and the state historical preservation office before they are submitted to the legislature.

(3) Consistent with the rules adopted in accordance with 22-3-1306, the department shall make recommendations to the legislature on each proposal submitted to the department.

(4) The department's recommendations to the legislature are advisory.

(5) The department shall present its recommendations to the appropriations committee of the legislature by the 15th day of a regular legislative session.

(6) The legislature may appropriate funds for a qualifying historic preservation grant in addition to

those recommended by the department of commerce."

**Section 2.** Section 22-3-1306, MCA, is amended to read:

**"22-3-1306. Priorities for funding -- rulemaking.** (1) The department of commerce shall make recommendations for grants awarded under the historic preservation grant program to ~~public or private eligible~~ entities for the preservation of historic sites, historical societies, or history museums in the state.

(2) Projects funded under this section must provide that a significant portion of the facility be open to public access and use. Projects that confer only a private benefit are not eligible.

(3) The recommendations must be based on competitive criteria created by the department, as guided by the legislature. The criteria may include:

(a) the degree of economic stimulus or economic activity, including job creation and work creation for Montana contractors and service workers;

(b) the purpose of the project, including whether it provides features that establish or enhance security, climate control, or fire protection for museums or address infrastructure, maintenance, or building code issues;

(c) the timing of the project, including access to matching funds, if needed, and approval of permits so that work can be completed without delay;

(d) the historic or heritage value related to the state of Montana;

(e) the successful track record or experience of the organization directing the project; ~~and~~

(f) the expected ongoing economic benefit to the state as a result of the project completion;

(g) the degree of local contribution to the project; and

(h) the anticipated public benefit, including the extent the site or building will be open to the public and the degree of immediate facility use after project completion.

~~(2)(4)~~ The department of commerce shall adopt rules necessary to implement the historic preservation grant program. In adopting rules, the department shall look to the rules adopted for the Montana coal endowment program, the cultural and aesthetic grant program, and other similar state programs. To the extent feasible, the department shall make the rules compatible with those other programs."

**Section 3.** Section 1(2), Chapter 467, Laws of 2021, is amended to strike the following projects and appropriations:

"4	The People's Center in Pablo Confederated Salish and Kootenai Tribes	\$50,600"
"12	O'Fallon Historical Museum in Baker Fallon County	\$298,657"
"16	Blaine County Museum in Chinook Blaine County Museum	\$60,240"

**Section 4. Appropriation for Montana historic grant program.** (1) There is appropriated to the department of commerce \$11,368,044 for the biennium beginning July 1, 2023, from the historic preservation grant program account established in 22-3-1307 to finance projects authorized in subsection (2).

(2) The following projects and applicants are authorized for grants in ranked order:

Rank	Project/Applicant	Grant Amount
1	Harlowton Roundhouse Harlowton, City of	\$400,000
2	Fort Peck Theatre Fort Peck Fine Arts Council	\$500,000
3	Baker State Bank Building Southeastern Montana Area Revitalization Team (SMART)	\$160,000
4	Petroleum County Courthouse Petroleum County	\$498,720
5	Milligan Building Bighorn Valley Health Center, Inc. dba One Health	\$500,000
6	Ringling Church The Ringling Commons, LLC	\$141,773
7	National Museum of Forest Service History National Museum of Forest Service History	\$300,000

8	Historic Teslow Grain Elevator	
	Project49	\$392,277
8	A.D. Whitcomb Garage	
	Buses of Yellowstone Preservation Trust, Inc.	\$136,366
10	Havre Beneath the Streets	
	Havre Beneath the Streets	\$359,672
11	Hockaday Museum of Art	
	Hockaday Museum of Art	\$31,000
11	Historical Museum at Fort Missoula	
	Friends of the Historical Museum at Fort Missoula	\$175,200
13	Shelby Town Hall	
	Shelby, City of	\$5,600
14	Coggswell-Taylor House	
	Montana Heritage Commission – Coggswell/Taylor House	\$141,250
15	Rocky Mountain Building	
	Community Health Care Center, Inc. dba Alluvion Health	\$400,000
15	The History Museum	
	Cascade County Historical Society dba The History Museum	\$340,000
15	Copper Village Museum and Arts Center	
	Copper Village Museum and Arts Center	\$235,000
18	Historic Hotel Libby	
	Friends of Historic Hotel Libby	\$173,659
18	Roosevelt Center	
	Red Lodge Area Community Foundation	\$367,578
20	Kelly Block Building	
	75 Park Street LLC	\$500,000
20	Montana Club	
	Original Montana Club Cooperative Association	\$90,040

20	Charles Krug House	
	Sonja Maxwell	\$116,000
23	Edwards & McLellan Block	
	SGS Properties, LLC	\$221,590
25	Hickman House	
	Montana Heritage Commission – Hickman House	\$161,201
25	Paris Gibson Square Museum of Art	
	Paris Gibson Square Museum of Art	\$300,979
25	Billings Depot	
	Billings Depot, Inc.	\$414,400
28	Babcock Theatre	
	Cine Billings dba Art House Cinema	\$236,000
29	Wheeler Cabin	
	Glacier National Park Conservancy	\$493,200
29	Blackfoot Spiritual & Heritage Center	
	Blackfeet Tribe	\$500,000
30	Stillwater County Courthouse	
	Stillwater County	\$500,000
30	Waite House	
	Yogo Mansion LLC	\$270,000
33	Moss Mansion	
	Billings Preservation Society	\$500,000
34	Ouellette Place	
	Homeward, Inc. (Ouellette Place)	\$100,000
34	Acme Building	
	Homeward, Inc. (Acme Historic Hotel)	\$100,000
36	Great Falls Civic Center	
	Great Falls, City of	\$250,000

37	Miles City Convent Keepers Community Center	
	Miles City Convent Keepers	\$119,688
38	Lenox Flats Building	
	Homeward, Inc. (Lenox Flats)	\$100,000
38	Miles City Elks Lodge #537	
	Miles City Elks Lodge #537	\$200,000
40	Daly Mansion	
	Daly Mansion Preservation Trust	\$100,000
40	Garfield County Museum	
	Garfield County	\$400,000
43	Deer Lodge City Hall	
	Deer Lodge, City of	\$283,500
45	Joliet Town Hall and Courthouse	
	Joliet, Town of	\$83,000
47	Miracle of America Museum	
	Miracle of America Museum	\$70,351

(3) Funding for the projects in subsection (2) will be provided in the order of priority as long as there are sufficient funds available from the amount that was deposited into the historic preservation grant program account during the biennium beginning July 1, 2023. The funds in this subsection must be awarded for the projects and in amounts not to exceed the amounts set out in subsection (2) subject to the conditions set forth in [section 7]. However, any of the projects listed in subsection (2) that have not completed the conditions described in [section 7(1)] by September 1, 2024, must be reviewed by the next regular legislature to determine if the authorized grant should be withdrawn.

(4) If sufficient funds are available, this section constitutes a valid obligation of funds to the grant projects listed in subsection (2) for purposes of encumbering the funds in the historic preservation grant program account established in 22-3-1307 for the biennium beginning July 1, 2023, pursuant to 17-7-302. A grant recipient's entitlement to receive funds is dependent on the grant recipient's compliance with the conditions described in [section 7] and on the availability of funds.

(5) The legislature, pursuant to 22-3-1305, authorizes the grants for the projects listed in subsection (2).

(6) (a) Except as provided in subsection (6)(b), a grant recipient shall enter into a definitive, binding contract with a qualified contractor to construct the project prior to September 30 of the even-numbered year preceding the next regularly scheduled legislative session. If the grant recipient fails to meet the deadline, any obligation to the grant recipient will cease, and the funds will revert to the historic preservation grant program account established in 22-3-1307 for use in the next biennium.

(b) A grant recipient who fails to meet the contract deadline for either of the following reasons may request one 2-year extension, during which the project must be placed under contract or any obligation to the grant will cease:

- (i) the project was damaged by fire or another form of casualty; or
- (ii) the grant recipient failed to find a qualified contractor to construct the project and diligently pursued all reasonable avenues to find a qualified contractor.

(7) Grant recipients shall complete all of the conditions described in [section 7(1)] by September 30, 2026, or any obligation to the grant recipient will cease.

**Section 5. Supplemental appropriations.** In the event that the total cost of a project exceeds the amount of the grant and matching funds, the grant recipient is fully responsible for funding the cost overrun. A supplemental appropriation may not be granted to complete the project.

**Section 6. Approval of grants -- completion of biennial appropriation.** (1) The legislature, pursuant to 22-3-1305, authorizes grants for the projects identified in [section 4(2)].

(2) The authorization of these grants completes a biennial appropriation from the historic preservation grant program account established in 22-3-1307.

(3) Grants to entities from prior bienniums are reauthorized for completion of contract work.

**Section 7. Condition of grants -- disbursement of funds.** (1) The disbursement of grant funds for the projects specified in [section 4(2)] is subject to completion of the following conditions:

(a) The grant recipient shall document that other matching funds required for the completion of the project are firmly committed.

(b) The grant recipient must have a project management plan that is approved by the department of commerce.

(c) The grant recipient must be in compliance with the auditing and reporting requirements provided for in 2-7-503 and have established a financial accounting system that the department can reasonably ensure conforms to generally accepted accounting principles. Tribal governments shall comply with auditing and reporting requirements provided for in 2 CFR 200.

(d) The grant recipient shall satisfactorily comply with any conditions described in the application (project) summaries section of the Montana historic preservation grant program 2025 biennium report to the 68th legislature.

(e) The grant recipient shall satisfy other specific requirements considered necessary by the department of commerce to accomplish the purpose of the project as evidenced by the application to the department.

(f) The grant recipient shall execute a grant agreement with the department of commerce.

(2) Recipients of Montana historic preservation grant program funds are subject to the requirements of the department of commerce as described in the most recent edition of the Montana Historic Preservation Grant Program Project Administration Manual adopted by the department through the administrative rulemaking process.

**Section 8. Other powers and duties of the department of commerce.** (1) The department of commerce must disburse grant funds on a reimbursement basis as grant recipients incur eligible project expenses.

(2) If actual project expenses are lower than the projected expense of the project, the department may, at its discretion, reduce the amount of grant funds provided to grant recipients in proportion to all other project funding sources.

**Section 9. Notification to tribal governments.** The secretary of state shall send a copy of [this act]



to each federally recognized tribal government in Montana.

**Section 10. Effective date.** [This act] is effective July 1, 2023.

**Section 11. Termination.** [Section 1] terminates June 30, 2025.

- END -

I hereby certify that the within bill,  
HB 12, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

HOUSE BILL NO. 12

INTRODUCED BY M. HOPKINS

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

AN ACT APPROPRIATING MONEY FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT TO THE DEPARTMENT OF COMMERCE FOR HISTORIC PRESERVATION PROJECTS; AUTHORIZING GRANTS FROM THE HISTORIC PRESERVATION GRANT PROGRAM ACCOUNT; PLACING CONDITIONS ON GRANTS AND FUNDS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 22-3-1305 AND 22-3-1306, MCA; AMENDING SECTION 1(2), CHAPTER 467, LAWS OF 2021; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.