SUMMARY OF HB 632

- Appropriates $2.1 billion in federal ARPA funds
  - Appropriations made HB 632 are authorized to continue through the biennium starting July 1, 2023

- HB 632 creates four new commissions with oversight over federal ARPA funds

1. **Infrastructure Advisory Commission** (staffed by Dept of Natl Resources & Cons.)
2. **Communications Advisory Commission** (staffed by Dept of Commerce)
3. **Economic Transformation and Stabilization Advisory Commission** (Commerce)
4. **Health Advisory Commission** (staffed by Dept of Public Health & Human Services)

Commissions comprised of 3 senators (2R/1D); 3 representatives (2R/1D); 3 members appointed by governor
<table>
<thead>
<tr>
<th>Category</th>
<th>Commission</th>
<th>Funding</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure Advisory Commission</td>
<td>$582 million</td>
<td>Infrastructure, State Capital, State/Local Water and Wastewater</td>
<td>(Sections 1 – 7)</td>
</tr>
<tr>
<td>Communications Advisory Commission</td>
<td>$275 million</td>
<td>Broadband, Cell towers, Public safety</td>
<td>(Sections 8 – 10)</td>
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<tr>
<td>Economic Transformation and Stabilization Advisory Commission</td>
<td>$443 million</td>
<td>Economic grants and loans, Mortgage/rental assistance, Small Business Credit Initiative, Workforce training, Airport and rural transit</td>
<td>(Sections 11 – 17)</td>
</tr>
<tr>
<td>Health Advisory Commission / HHS Budget Committee</td>
<td>$383 million</td>
<td>Vaccine/Testing, Child Care, Public Health Workforce, Mental Health/SUD, SNAP/LIHEAP</td>
<td>(Sections 18 – 20)</td>
</tr>
</tbody>
</table>

- Additional $489m appropriated to state agencies that are not subject to commission oversight (Slide 9)
Provides state and local infrastructure funds through two pots of money:

- $462.7m (state fiscal recovery funds) – state and local water and wastewater projects
  - $150m to be used for minimum allocations to cities/counties in proportion with Gas Tax allocations
  - $10m for regional water authorities
  - Local governments must provide matching funds – priority may be given to projects proposing a higher match
  - No project will be awarded more than $25 million
- $119.3m for state capital projects (state-owned buildings, MT university system,
  - Preference for geographically dispersed and tied to responding to COVID-19 (enabling work, education, health monitoring)

Timeline for first round of water/sewer grants:
- July 1, 2021: State and local govts submit requested projects to DNRC
- Aug. 15, 2021: Agencies submit recs. to advisory commission

“If a local government is awarded grant funds under the water/sewer funding, the amount of the grant is reduced by 20% if that local government or any of its authorized agents have current health regulations related to COVID-19 that are more strict than those imposed by the state in effect at the time of the award.” (Sec. 28)
COMMUNICATIONS/BROADBAND

- **$275m** (state fiscal recovery funds) – communications projects
  - Broadband infrastructure (including cell towers), and public safety
  - Grants awarded to local governments or private entities, requires matching funds (preference may be given to proposals with higher match)
  - Preference to broadband access to **frontier, unserved, and underserved areas** (as defined by Commerce)
BUSINESS AND HOUSING

Business

- **$150m** (state fiscal recovery funds) – economic transformation and stabilization grants or loans to businesses
  - **$10 million** must be used for rapid retraining jobs training
  - Funding may be used for workforce training, return-to-work bonuses, short-term wage subsidies, hiring assistance, technology grants, agricultural resiliency, business transformation or stabilization
- **$65m** – state small business credit initiative

Process for economic transformation and stabilization grants/loans:
- Depts of Commerce, Labor & Industry, Agriculture will recommend programs and funding amounts to advisory commission
- Businesses or other organizations submit request to agencies
- Agency reviews and submits ranked projects to commission
- Commission issues final list of recommended grants to OBPP
- Executive releases approved projects (can modify)

Housing Funding:

- **$50m** – Mortgage assistance
- **$11.5m** – HOME Program Supplemental Allocation (homelessness)
- **$152.4m** – Emergency rental assistance
  - Emergency rental assistance can be used to pay rent, including but not limited to, nursing homes, senior assisted living, group homes, low-income housing, transitional housing, correctional facilities, if eligible
HEALTH AND HUMAN SERVICES

- $11,000,000 – SNAP benefits and admin
  - 15% benefit extension, program administration, contracted private sector workforce
- $200,000 – Commodity Supplemental Food Program
- $900,000 – Family Violence Prevention
- $1,111,000 – Child Abuse Prevention
- $165,900,000 – Vaccine distribution/supply, testing, contract tracing
- $112,500,000 – Child care stabilization and block grants
  - Prioritize child care block grants to child care deserts for one-time equipment and necessary infrastructure, property improvements, worksite childcare, licensing, and employee training and workforce development
- $1,700,000 – State Veterans’ Homes
- $23,000,000 – Public health workforce
$10,500,000 – SAMHSA/Mental Health and Substance Use Disorder
  - Consider use for HEART fund and suicide prevention
  - Potential use at department of corrections

$31,775,000 – LIHEAP/water assistance

$1,000,000 – Supporting Older Americans and Families

$930,000 – Emergency Food and Shelter Program

$2,726,000 – Pandemic Emergency Assistance

$1,130,000 – Women, Infant, Children (WIC) program

$1,223,000 – IDEA Infant and Toddlers

$15m – nursing home and hospital-based swing bed supplemental payments (state fiscal recovery funds, if eligible)

$2.75m – Medicaid rate study (state fiscal recovery fund, if eligible)
**FUNDS OUTSIDE COMMISSION PURVIEW**

- **$944,721 - Judicial Branch** – support court operations impacted by the pandemic

- **$391,000,000 - Public Instruction (OPI)**
  - Basic allocation to districts ($344m)
  - IDEA ($9m)
  - State learning loss ($19m)
  - OPI database ($5m)

- **$12,100,000 - Nonpublic schools (appropriated to Governor’s office)**

- **$2,300,000 - State Library** – hot spot lending; e-learning digital content

- **$764,000 - MT Arts Council**

- **$81,800,000 – Direct Allocation to Non-Entitlement Local Governments**