

BEFORE THE DEPARTMENT OF COMMERCE  
OF THE STATE OF MONTANA

In the matter of amendment of ARM	)	NOTICE OF PUBLIC HEARING ON
8.111.501, 8.111.502, 8.111.503,	)	PROPOSED AMENDMENT AND
8.111.505, 8.111.506, 8.111.802,	)	REPEAL
8.111.803, 8.111.804, 8.111.805 and	)	
8.111.806; and repeal of 8.111.508	)	
through 8.111.510 and 8.111.512	)	
through 8.111.515 pertaining to the	)	
Board of Housing Temporary	)	
Assistance to Needy Families (TANF)	)	
and Coal Trust Multifamily Homes	)	
Loan Programs	)	

TO: All Concerned Persons

1. On September 28, 2023, at 10:00 a.m., the Department of Commerce will hold a public hearing via zoom to consider the proposed amendment and repeal of the above-stated rules. Interested parties may access the remote conferencing platform in the following ways:

Video:

[https://mt-gov.zoom.us/webinar/register/WN\\_R8q-00lqQ2axUoObPmzwzQ](https://mt-gov.zoom.us/webinar/register/WN_R8q-00lqQ2axUoObPmzwzQ)

2. The Department of Commerce will provide reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the Department of Commerce no later than 5:00 p.m. September 26, 2023, to advise us of the nature of the accommodation that you need. Please contact Bonnie Martello, Department of Commerce, 301 South Park Avenue, P.O. Box 200501, Helena, Montana 59620-0523; telephone (406) 841-2596; TDD 841-2702; fax (406) 841-2771; or e-mail [DOCAdministrativeRules@mt.gov](mailto:DOCAdministrativeRules@mt.gov).

3. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

8.111.501 PURPOSE OF REGULATIONS

(1) These rules are enacted by the board to provide explanation and guidance for:

~~(a)~~ loans from the housing Montana fund loan account authorized by 90-6-133(2)~~(a)~~ and 90-6-134, MCA, pursuant to the criteria and procedures described in ARM 8.111.503 through 8.111.507; ~~and~~

~~(b) loans from the TANF program of the affordable housing revolving loan account authorized by 90-6-133(2)(b), MCA, pursuant to the criteria and procedures described in ARM 8.111.508 through 8.111.515.~~

AUTH: 90-6-136, MCA

IMP: 90-6-133 [as amended by Ch. 577, Sec. 1, L. 2023], 90-6-134, MCA

REASON: The proposed amendments are necessary to remove the reference to the Temporary Assistance to Needy Families (TANF) loan program. House Bill 244, Ch. 577, Sec. 1, L. 2023, amended 90-6-133, MCA to remove the statutory authority for the TANF loan program previously implemented by the rule.

#### 8.111.502 DEFINITIONS

When used in these rules, unless the context clearly requires a different meaning:

~~(1) "Application" means the Montana Board of Housing Loan Process published by the board, a copy of which may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).~~

~~(2) "Board" means the Montana Board of Housing created by 2-15-1814, MCA.~~

~~(2) "Caretaker relative" means an adult relative of a minor child related by blood, marriage or adoption within the fifth degree of kinship.~~

~~(3) "Federal poverty guidelines" means the poverty guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).~~

~~(4) "Housing assistance organization" means any local government, tribal government, local housing authority, nonprofit community or neighborhood based organization, or regional or statewide nonprofit housing assistance organization with experience in providing assistance to low and moderate income households with housing issues.~~

~~(5) "Loan supplement" means the loan supplement to the uniform application published by the board, a copy of which may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).~~

~~(6) and (7) remain the same but are renumbered as (3) and (4).~~

~~(8) (5) "Rural area" means any area a distance of at least five miles from an incorporated city or town with a population in excess of 15,000 according to the latest estimate published by the United States Census Bureau within the state that is not within the city limits of Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, or Missoula.~~

~~(9) (6) "Small city or town" means an incorporated city or town with a population of less than 15,000 according to the latest estimate published by the United States Census Bureau any city or town within the state that is not within the city limits of Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, or Missoula.~~

~~(10) "TANF allocation" means an allocation extended by the board to a housing assistance organization regarding TANF loans to eligible recipients, and described in ARM 8.111.508 through 8.111.510.~~

~~(11) "TANF loan" means a loan to an eligible recipient by the board from a TANF allocation of a housing assistance organization authorized by 90-6-133(2)(b), MCA, under the temporary assistance for needy families block grant pursuant to Title IV of the Social Security Act, 42 U.S.C. 601, et seq., and described in ARM 8.111.512 through 8.111.515.~~

~~(12) "Uniform application" means the Montana Board of Housing Uniform Application published by the board, a copy of which may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).~~

AUTH: 90-6-136, MCA

IMP: 90-6-133 [as amended by Ch. 577, Sec. 1, L. 2023], 90-6-134, MCA

REASON: The proposed amendments are necessary to remove the definitions in current rule subsections (2) through (4), (10) and (11), which define terms relating to and used in TANF loan program rules. House Bill 244, Ch. 577, Sec. 1, L. 2023, amended 90-6-133, MCA, and removed the statutory authority for the TANF loan program previously implemented by the rule.

Proposed new subsection (1) and the removal of subsections (5) and (12) are necessary to revise the references to the loan application process and forms used and required by the board for the Housing Montana Fund (HMF) multifamily loan program. The proposed amendments replace references to the uniform loan application and supplement with references to the board's Loan Process which will apply to the board's various multifamily loan programs. The board's Loan Process includes loan application forms, checklist, process descriptions and fee schedules.

The proposed amendments to current rule subsections (8) and (9) are necessary to specify the definitions of "rural area" and "small city or town" applicable to HMF loans for preconstruction technical assistance under 8.111.503. For consistency and uniformity, and consistent with 90-6-135, MCA, the board is proposing definitions of these terms consistent with definitions used in the Housing Credit program.

#### 8.111.503 HMF LOAN ELIGIBLE LOAN ACTIVITIES

(1) through (1)(f) remain the same.

(2) An HMF loan may not be made that will ~~supplant~~ replace existing or available funding for eligible activities.

AUTH: 90-6-136, MCA

IMP: 90-6-134, MCA

REASON: The proposed amendments are necessary to conform the rule language to the implemented statutory language in 90-6-134(5), MCA, ("replace") to avoid potential unintended connotations from the word "supplant." The proposed

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amendment is intended to complement proposed amendments in 8.111.505(2)(b) and 8.111.506(3) implementing the statutory prohibition on using HMF funds to replace existing or available funding.

8.111.505 HMF LOAN APPLICATION PROCEDURES

(1) An application must be submitted ~~using the board's uniform application and loan supplement.~~

(2) At the time the application is submitted, an applicant must also submit:

(a) remains the same.

(b) an explanation of how the loan will not ~~supplant~~ replace existing or available funding for the project, including a detailed description of the public benefit obtained from program funding, including construction phase funding, if applicable, compared to funding from other existing and available funding sources with substantially similar terms and conditions; and

(c) a description of the priority the lien of the board will have in relationship with the liens of other lenders on the project; ~~and,~~

(d) a fee of 1 percent of the requested loan amount.

~~(3) Applications will be reviewed by staff designated by the board and presented to the board for consideration as soon as the review is completed, but not later than 90 days following receipt of a complete application by the board.~~

~~(4) (3) Applications that are substantially incomplete shall~~ will not be processed but will be returned to the applicant.

(4) Applicants must demonstrate project development progress through submission of quarterly progress reports from the time of preliminary loan application approval through loan closing. Quarterly progress reports must be submitted in accordance with the requirements of and using the quarterly report form for the Housing Credit program. Copies of the housing credit quarterly report form and requirements may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).

AUTH: 90-6-136, MCA

IMP: 90-6-134, MCA

REASON: The proposed amendments to subsections (1), (2)(d) and (3) are necessary to revise the references to the loan application process and forms used and required by the board for the Housing Montana Fund (HMF) multifamily loan program. In addition, the amendments are necessary to remove fee and review process provisions that are addressed in the board's Loan Process referenced in 8.111.502, which will apply to the board's various multifamily loan programs and includes loan application forms, checklist, process descriptions and fee schedules.

The proposed amendments in subsection (2)(b) are necessary to conform the rule language to the implemented statutory language in 90-6-134(5), MCA, ("replace") to avoid potential unintended connotations from the word "supplant." In addition, these proposed amendments are necessary to require that applicants submit application

information sufficient to allow MBOH to assure compliance with the prohibition on replacement of existing or available funding sources.

Proposed new subsection (4) is necessary to establish project progress and progress reporting requirements to assure that projects receiving preliminary loan application approval and corresponding reservations of available HMF loan funds are pursued diligently to loan closing. These requirements are also necessary to prevent submission of applications that would tie up loan fund reservations for projects that are not being pursued or completed diligently.

8.111.506 HMF LOAN TERMS AND CONDITIONS

(1) An HMF loan shall:

(a) remains the same.

(b) have an amortization period not to exceed 40 years and a term not to exceed 30 years, both as approved by the board based upon the loan amount, additional project funding sources and obligations, and other relevant factors;

(c) through (e) remain the same.

(2) As a condition of the loan, the project owner must commit to income targeting and maximum rent requirements and restrictions and related transfer, compliance and enforcement restrictions, through execution and recording of a regulatory agreement establishing such provisions as covenants running with the project property for the longer of thirty years or the duration of the loan obligation. The board may waive such requirement if the project is subject to a substantially similar agreement in favor of the board under the Housing Credit or another board loan program.

(3) The board may approve HMF loans:

(a) to provide permanent financing, with loan closing and disbursement occurring after completion of construction and 3 months of stabilized occupancy; or

(b) on a case by case basis, to provide financing prior to completion of construction, where the applicant demonstrates and the board finds additional public benefit from such financing compared to funding from other existing and available funding sources with substantially similar terms and conditions, such as but not limited to allowing project financial feasibility or providing for an increased number of affordable housing units. As a condition of approving such pre-construction financing, the board may require additional security, risk management measures, and other loan terms, including but not limited to additional collateral and third party construction and disbursement monitoring obtained or provided and paid for by the borrower, investor or other lender.

AUTH: 90-6-136, MCA

IMP: 90-6-133 [as amended by Ch. 577, Sec. 1, L. 2023], 90-6-134, MCA

REASON: The proposed amendments to subsection (1)(b) are necessary to specify the maximum loan amortization period applicable to setting loan repayment terms. The maximum 40-year amortization is long enough to allow flexibility in structuring project financing to facilitate project feasibility while still requiring sufficient payment levels to return program funds to the board for use in supporting other housing

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developments. The proposed rule establishes maximum loan amortization and payment periods, but the specific periods will be determined by the board for each loan based the loan amount, additional project funding sources and obligations, and other relevant factors.

Proposed new subsection (2) is necessary to require restrictive covenants that assure projects funded with HMF loans meet long term affordability requirements and therefore continue to benefit low- and moderate-income residents for a substantial period of years.

Proposed new subsection (3) is necessary to specify under what conditions HMF loans will be made for financing, including loan closing and disbursement, prior to completion of construction. These provisions are necessary to assure that HMF funds are not used to replace other existing or available funding sources.

#### 8.111.802 DEFINITIONS

When used in these rules, unless the context clearly requires a different meaning:

(1) "Application" means the Montana Board of Housing ~~Uniform Application, Loan Supplement, or any more current application forms published by the board~~ Loan Process published by the board, a copy of which may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).

(2) through (7) remain the same.

AUTH: 90-6-136, MCA [as amended by Ch. 774, Sections 16 and 17, L. 2023]  
IMP: 17-6-308, 90-6-137, MCA

REASON: The proposed amendments are necessary to revise the references to the loan application process and forms used and required by the board for the Coal Trust Multifamily Homes (CTMH) multifamily loan program. The proposed amendments replace references to the uniform loan application and supplement with references to the board's Loan Process, which will apply to the board's various multifamily loan programs. The board's Loan Process includes loan application forms, checklist, process descriptions, and fee schedules.

#### 8.111.803 CTMH LOAN ELIGIBLE LOAN ACTIVITIES

(1) The board may make a CTMH loan ~~to meet the basic housing needs of~~ for the development and preservation of multifamily rental housing projects that provide housing for low-income or moderate-income households and for the following purposes:

- (a) development and construction of multifamily rental housing projects;
- (b) acquisition and/or rehabilitation of existing multifamily rental housing projects for the purpose of preservation of or conversion to housing for low-income or moderate-income households;~~or~~

(c) remains the same.

(d) development or preservation of mobile home parks as defined in 70-33-103; or

(e) other purposes authorized in 90-6-137 which the board determines are consistent with CTMH loan program objectives, requirements, and which provide sufficient assurances of repayment of coal trust funds.

(2) A CTMH loan may not be used to replace existing or available sources of funding for eligible loan activities.

(3) Property Projects funded with a CTMH loan is must be subject to property taxes, except those projects located on tribal lands.

AUTH: 90-6-136, MCA

IMP: 17-6-308, 90-6-137, MCA [as amended by Ch. 774, Sections 16 and 17, L. 2023]

REASON: The proposed amendments are necessary to implement changes to the CTMH program enacted by the 2023 Legislature in House Bill 819, Ch. 774, Section 17, L. 2023. Proposed new subsection (1)(d) is necessary to implement new statutory language enacted in HB 819 authorizing CTMH loans for the development or preservation of mobile home parks as defined in 70-33-103. The proposed amendments to current subsection (3) are necessary to implement HB 819's new statutory language exempting projects located on tribal lands from the requirement to pay property taxes, and which amends 90-6-137(3)(v). The other amendments are necessary to conform the rule to the authorized loan purposes and requirements specified in 90-6-137 and 90-6-134, MCA.

#### 8.111.804 CTMH LOAN APPLICANT ELIGIBILITY

(1) remains the same.

~~(2) The applicant must document to the satisfaction of the board experience in the development or management of housing for low income or moderate income households. Criteria considered by the board include, but are not limited to:~~

~~(a) number of years' experience in development or management of housing for low income and/or moderate income households;~~

~~(b) number of housing developments and units developed or managed;~~

~~(c) involvement in other low income and moderate income housing programs of the board, federal agencies, and tribal and local governments; and~~

~~(d) successful completion of other housing development projects.~~

AUTH: 90-6-136, MCA

IMP: 17-6-308, 90-6-137, MCA [as amended by Ch. 774, Sections 16 and 17, L. 2023]

REASON: The proposed amendments are necessary to remove the language of subsection (2), which is similar to language in current 8.111.807 and is therefore unnecessary.

8.111.805 CTMH LOAN APPLICATION PROCEDURES

(1) remains the same.

(2) At the time the application is submitted, an applicant must also submit:

(a) remains the same.

(b) an explanation of how the loan will not supplant ~~replace~~ existing or available funding for the project, including a detailed description of the public benefit obtained from program funding, including construction phase funding, if applicable, compared to funding from other existing and available funding sources with substantially similar terms and conditions; and

(c) ~~a maximum fee of 1% of the requested loan amount, which may be adjusted based on project details by board staff for mobile home park projects,~~ documentation of lot rents for comparable mobile home parks in the market area and an explanation demonstrating that proposed lot rents will be reasonable and affordable for prospective residents.

~~(3) Applications will be reviewed by staff designated by the board and presented to the board for consideration as soon as the review is completed, but not later than 90 days following receipt of a complete application by the board.~~

~~(4) Applications that are substantially incomplete as determined by the board staff shall will not be processed but will be returned to the applicant.~~

(4) Applicants must demonstrate project development progress through submission of quarterly progress reports from the time of preliminary loan application approval through loan closing. Quarterly progress reports must be submitted in accordance with the requirements of and using the quarterly report form for the Housing Credit program. Copies of the housing credit quarterly report form and requirements may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).

AUTH: 90-6-136, MCA

IMP: 17-6-308, 90-6-137, MCA [as amended by Ch. 774, Sections 16 and 17, L. 2023]

REASON: The proposed amendments in subsection (2)(b) are necessary to conform the rule language to the implemented statutory language in 90-6-134(5), MCA, ("replace") to avoid potential unintended connotations from the word "supplant." In addition, these proposed amendments are necessary to require that applicants submit application information sufficient to allow MBOH to assure compliance with the prohibition on replacement of existing or available funding sources.

The amendments to subsection (2)(c) are necessary to implement the language of HB 819 authorizing CTMH loans for the development or preservation of mobile home parks as defined in 70-33-103. The proposed rule specifies application requirements applicable to mobile home park loan applications and lot rents. The proposed rule requires that a mobile home park loan applicant submit information showing rent levels charged in comparable mobile home parks in the market area and an explanation demonstrating that proposed lot rents are reasonable and affordable for prospective tenants. The board will use this information, together with



other information available to the board, to determine maximum lot rents applicable to project tenants in accordance with proposed 8.111.806.

The proposed amendments in subsections (2)(c) and (3) are necessary to remove fee and process provisions that are addressed in the board's Loan Process referenced in 8.111.502. Through the "application" definition in 8.111.802, the proposed amendments replace references to the uniform loan application and supplement with references to the board's Loan Process, which will apply to the board's various multifamily loan programs and includes loan application forms, checklist, process descriptions, and fee schedules.

Proposed new subsection (4) is necessary to establish project progress and progress reporting requirements to assure that projects receiving preliminary loan application approval and corresponding reservations of available Coal Trust loan funds are pursued diligently to loan closing. These requirements are also necessary to prevent submission of applications that would tie up loan fund reservations for projects that are not being pursued or completed diligently.

#### 8.111.806 CTMH LOAN TERMS AND CONDITIONS

(1) A CTMH loan shall:

(a) remains the same.

(b) have an amortization period not to exceed 40 years and a term not to exceed 30 years, both as approved by the board based upon the loan amount, additional project funding sources and obligations, and other relevant factors;

(c) bear interest at an annual rate of at least 0.5% less than the interest rate charged for a loan funded by the Housing Montana Fund as outlined in ARM 8.111.506;

(d) be subject to a late charge of 4% of the monthly payment due for each monthly payment that is not made within 15 days of its due date;

(e) (d) be secured by a first priority lien (perfected either by a mortgage or a trust indenture) against on the real project property benefited by the loan; and

(f) (e) be in first lien position, will not exceed 95% of total development cost, and may be a loan participation or pari passu loan as long as it minimizes the risk of the CTMH program.

(2) The board and the CTMH loan recipient must each pay half of the loan servicing fees as determined by the board.

(3) A CTMH loan shall bear interest at an annual rate equal to .0625% plus the Average Coal Trust Investment Performance rate effective as of preliminary loan application submission, or at the Average Coal Trust Investment Performance rate effective within 30 days before loan closing, if such later effective rate is at least 1/8 of a percent lower than the rate effective at preliminary loan application submission. For purposes of this rule, the Average Coal Trust Investment Performance rate is such rate determined by the Board of Investments and posted on its website at <https://investmentmt.com/shared/LoanPrograms/Rates/In-State-Rate-Sheet-MCHP.pdf>.

(4) At least 75% of the project units or lots must be targeted to residents at or below 95% of area median income.

(5) Maximum rents must apply to project units or lots.

(a) For projects consisting of mobile home parks, land trusts, or land for mobile or manufactured homes, maximum rents must be reasonable and affordable to prospective residents, as determined by the board based upon the documentation and explanation submitted by the applicant and other relevant information obtained by the board.

(b) For other projects, maximum rents will be calculated according to income targeting standards applicable to the Housing Credit program. Copies of the income targeting standards for the Housing Credit program may be obtained by contacting the board by mail at P.O. Box 200528, Helena, Montana 59620-0528, by telephone at (406) 841-2840, or at the board's web site [www.housing.mt.gov](http://www.housing.mt.gov).

(c) As a condition of the loan, the project owner must commit to the income targeting and maximum rent requirements and restrictions in accordance with (3) and (4), and related transfer, compliance and enforcement restrictions, through execution and recording of a regulatory agreement establishing such provisions as covenants running with the project property for the longer of thirty years or the duration of the loan obligation. The board may waive such requirement if the project is subject to a substantially similar agreement in favor of the board under the Housing Credit or another board loan program.

(6) The board may approve CTMH loans:

(a) to provide permanent financing, with loan closing and disbursement occurring after completion of construction and 3 months of stabilized occupancy; or

(b) on a case by case basis, to provide financing prior to completion of construction, where the applicant demonstrates and the board finds additional public benefit from such financing compared to funding from other existing and available funding sources with substantially similar terms and conditions, such as but not limited to allowing project financial feasibility or providing for an increased number of affordable housing units. As a condition of approving such pre-construction financing, the board may require additional security, risk management measures, and other loan terms, including but not limited to additional collateral and third party construction and disbursement monitoring obtained or provided and paid for by borrower, investor or other lender.

AUTH: 90-6-136, MCA

IMP: 17-6-308, 90-6-137, MCA [as amended by Ch. 774, Sections 16 and 17, L. 2023]

REASON: The proposed amendments to subsection (1)(b) are necessary to specify the maximum loan amortization period applicable to setting loan repayment terms. The maximum 40-year amortization is long enough to allow flexibility in structuring project financing to facilitate project feasibility while still requiring sufficient payment levels to return program funds to the board for use in supporting other housing developments. The proposed rule establishes maximum loan amortization and payment periods, but the specific periods will be determined by the board for each loan based on the loan amount, additional project funding sources and obligations, and other relevant factors.

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Proposed subsections (4) and (5) are necessary to specify income targeting and rent restriction requirements for projects receiving CTMH loans and to require restrictive covenants that assure projects funded with HMF loans meet such affordability requirements on a long-term basis. These requirements are necessary to assure that CTMH-funded projects continue to benefit low- and moderate-income residents for a substantial period of years.

The proposed amendments to subsection (1)(c) and new subsection (3) are necessary to implement the statutory changes in the required CTMH interest rate enacted in HB 819. HB 819 revised the CTMH interest rate requirements to tie interest rates to coal trust fund investment performance rather than to HMF loan program rates. HB 819 sets a minimum interest rate for individual loans and a minimum average rate for all loans combined.

The board proposes to set loan interest rates at the sum of .06215% and the Average Coal Trust Investment Performance rate determined and published by the Board of Investments and effective as of preliminary loan application submission or, if at least 1/8 of a percent lower, the Average Coal Trust Investment Performance rate effective within 30 days of loan closing. Setting this component of the interest rate at – rather than 0.5% below - the Average Coal Trust Investment Performance rate assures that loan interest rates will meet the minimum average rate for all loans combined.

The additional .0625% interest above the Average Coal Trust Investment Performance rate is necessary to implement the requirement in 90-6-137(3)(b)(iv), MCA that the loan recipient pay half of loan servicing fees. The Board of Housing Servicing fee is .125% of the loan amount. Section 90-6-137(2) authorizes the Board of Housing to use interest received on a loan to pay its one-half share of servicing fees and for reasonable costs of program administration. The Board's share of servicing fees and administrative expenses are deducted from interest received and the balance of interest received is returned to the coal tax trust fund.

The proposed amendments to current subsection (1)(f) are necessary to remove provisions allowing CTMH loans to be in the form of a loan participation or to share first priority lien status with another loan. These provisions have not been applied and are unnecessary for the administration of the loan program.

Proposed new subsection (6) is necessary to specify under what conditions CTMH loans will be made for financing, including loan closing and disbursement, prior to completion of construction. These provisions are necessary to assure that CTMH funds are not used to replace other existing or available funding sources.

4. The following rules are proposed to be repealed:

8.111.508 TANF ALLOCATION ELIGIBLE PURPOSES

AUTH: 90-6-136, MCA

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IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.508 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.509 TANF ALLOCATION ELIGIBILITY

AUTH: 90-6-136, MCA

IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.509 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.510 TANF ALLOCATION APPLICATION PROCEDURE

AUTH: 90-6-136, MCA

IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.510 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.512 TANF LOAN ELIGIBILITY

AUTH: 90-6-136, MCA

IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.512 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.513 TANF LOAN TERMS AND CONDITIONS

AUTH: 90-6-136, MCA

IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.513 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.514 TANF LOAN APPLICATION PROCEDURES

AUTH: 90-6-136, MCA

IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.514 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

8.111.515 RESPONSIBILITIES OF TANF LOAN HOUSING ASSISTANCE ORGANIZATION

AUTH: 90-6-136, MCA  
IMP: 90-6-133, 90-6-134, MCA

REASON: The repeal of ARM 8.11.515 is necessary because House Bill 244, Ch. 577, L. 2023, removed the statutory authority in 90-6-133 for the TANF loan program previously implemented by the rule.

5. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to: Bonnie Martello, Department of Commerce, Legal Department, 301 South Park Avenue, P.O. Box 200501, Helena, Montana 59620-0533; telephone (406) 841-2596; fax (406) 841-2871; TDD (406) 841-2702; or e-mail [DOCAdministrativeRules@mt.gov](mailto:DOCAdministrativeRules@mt.gov), and must be received no later than 5:00 p.m., October 6, 2023.

6. Bonnie Martello, Paralegal, Department of Commerce, has been designated to preside over and conduct this hearing.

7. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 6 above or may be made by completing a request form at any rules hearing held by the department.

8. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsors, Representative Dave Fern and Representative Paul Green was contacted on August 29, 2023 by e-mail at [dave.fern@legmt.gov](mailto:dave.fern@legmt.gov) and [paul.green@legmt.gov](mailto:paul.green@legmt.gov).

9. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Amy Barnes  
AMY BARNES  
Rule Reviewer

/s/ Mandy Rambo  
MANDY RAMBO  
Deputy Director  
Department of Commerce

Certified to the Secretary of State August 29, 2023.