



Economic Affairs Interim Committee

69th Montana Legislature

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July 18, 2025

TO: Economic Affairs Interim Committee
FROM: Jameson Walker, Staff Attorney
RE: Administrative Rulemaking and Rule Review, July 2025

The Economic Affairs Interim Committee is required to review administrative rules promulgated by the Department of Agriculture, Department of Commerce, Department of Labor and Industry, Department of Livestock, State Auditor's Office, Division of Banking and Financial Institutions, Governor's Office of Economic Development, and Department of Revenue, Alcoholic Beverage Control Division and Cannabis Control Division for compliance with the Montana Administrative Procedure Act (MAPA). The following notices are filed with the Secretary of State's Office for publication in the Montana Administrative Register (MAR). Notices are available at <http://www.mtrules.org> (search by notice number).

PROPOSAL NOTICES

Department of Agriculture and administratively attached entities

There are no new rules.

Department of Commerce and administratively attached entities

MAR Notice Number: 2025-214.1

Subject: Amendment of a rule pertaining to the Affordable Housing Development and Rehabilitation Application Guidelines of the Community Development Block Grant Program.

Summary: The department proposes to update references in the program application guidelines. The department's statement of reasonable necessity provided:

The Department of Commerce proposes to adopt by reference the updated 2025 Community Development Block Grant (CDBG) Affordable Housing Development and Rehabilitation Application Guidelines and incorporate as rules of the department. The CDBG Program is a U.S. Department of Housing and Urban Development (HUD) pass-through grant program that provides funding to communities for planning, public and community facilities, and the preservation of affordable homes for Montanans. Updates to the application guidelines are intended to streamline the process for communities to apply for CDBG funds to support affordable housing efforts. The updates reduce the application from 82 questions, which were redundant or irrelevant, to 22 key questions that will better assist staff in making recommendations to department leadership for CDBG-Housing awards. The proposed application guidelines can be accessed at <https://commerce.mt.gov/InfrastructurePlanning/Programs-and-Services/Community-Development-Block-Grant/CommunityDevelopment-Block-Grant-Housing>.

Notes: The department held a public hearing on July 17, 2025, to consider the notice.

MAR Notice Number: 2025-131.1

Subject: Amendment of a rule pertaining to the Grant Administration Manual of the Community Development Block Grant Program.

Summary: The department proposes to update references Grant Administration Manual. The department provided the following statement of necessity for the rules:

The Department of Commerce proposes to adopt by reference the updated Grant Administration Manual (June 2025) for the Community Development Block Grant (CDBG) Program and incorporate the manual as rules of the department. The CDBG Program is a U.S. Department of Housing and Urban Development (HUD) pass-through grant program that provides funding to communities for planning, infrastructure, community and public facilities, and housing. Updates to the manual are intended to update HUD requirements, streamline processes, and simplify language. The updates include reducing the use of technical language, streamlining chapters and sections, reformatting content, and reducing the manual from 245 pages to 66 pages. The proposed manual can be found at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/CommunityDevelopment-Block-Grant/>. The rule amendments also remove references to the Neighborhood Stabilization Program because the program no longer exists.

Notes: The department held a public hearing on May 29, 2025, to consider the notice.

Department of Labor and Industry and administratively attached entities

MAR Notice Number: 2025-125.1

Subject: Adoption, amendment, and repeal of rules related to the Board of Realty Regulation.

Summary: The board states that the rule notice is part of the Governor's Red Tape Relief Initiative, a comprehensive review of administrative rules of professional licensing boards and programs administratively attached to the department. Generally, the board states that the notice will streamline existing board rules, eliminate redundancy and overburdensome regulations. Additionally, the board states that the notice will implement Chapter 220, laws of 2023 (House Bill 615), which revised requirements for professional liability insurance for real estate broker and salesperson licensees. Generally, the board states that it is reasonably necessary to amend 4, repeal 14, and adopt 5 rules to align with the Red Tape Initiative.

Notes: The board proposes to hold a public hearing on July 24, 2025, to consider the notice.

MAR Notice Number: 2025-167.1

Subject: Revision of rules relating to the Board of Public Accountants.

Summary: The board states that the rule notice will implement Senate Bill 166 (2025). This bill struck a specific credit hour education requirement from statute and required the board to establish education and experience requirements for applicants for a CPA license. Generally, the rule notice adopts experience and education requirements for licensure. The board provides this explainer in its statement of reasonable necessity:

The 2025 Legislature passed SB 166, striking a specific credit hour education requirement from statute and requiring the board to establish education and experience requirements for applicants for a CPA license. The board is amending ARM 24.201.502 and 24.201.503 to allow three separate education levels to become licensed, and establishing experience requirements for each of those levels of education. Additionally, the board is amending ARM 24.201.516 to reflect a national trend to allow candidates sitting

for the examination to have a rolling 30- month period to pass the four sections, rather than 18 months. The board determined, based on the amount of requests to extend credit for test scores, that 30 months would better allow candidates to prepare for the examinations.

Notes: The board proposes to hold a public hearing on July 22, 2025, to consider the notice.

MAR Notice Number: 2025-104.1

Subject: Revision of rules relating to weights and measures.

Summary: The department states that the proposed amendments are necessary to condense the adoption of and amendments to the NIST Handbook 130, 2023 edition, into one subsection. Additionally, the department states that the rule notice adopting the one-pound waiver is necessary because gasoline-ethanol blends are regularly sold in Montana and other “high altitude states.” The proposed amendment restores the one-pound waiver contained in the NIST 130 Handbook, 2012 edition, that was effective until the department adopted the 2023 edition.

Notes: The held a public hearing on May 29, 2025, to consider the notice.

Department of Livestock and administratively attached entities

There are no new rules.

State Auditor’s Office

There are no new rules.

Division of Banking and Financial Institutions

There are no new rules.

Department of Revenue, Alcoholic Beverage Control Division and Cannabis Control Division

There are no new rules.

Governor’s Office of Economic Development

There are no new rules.