

HOUSE BILL 199

Introduced by Gilbert, et al.

1/16	Introduced
1/16	Referred to Natural Resources
1/16	First Reading
1/16	Fiscal Note Requested
1/21	Fiscal Note Received
1/21	Fiscal Note Printed
1/25	Hearing
1/28	Revised Fiscal Note Requested
1/30	Revised Fiscal note Received
2/01	Revised Fiscal Note Printed
3/12	Tabled in Committee

1 HOUSE BILL NO. 199
 2 INTRODUCED BY Hilbert
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT CHANGING THE NAME OF
 5 THE RESOURCE INDEMNITY TRUST TAX; CREATING A WATER STORAGE
 6 ACCOUNT FOR THE REPAIR OF STATE-OWNED WATER PROJECTS;
 7 REALLOCATING PORTIONS OF THE TAX PROCEEDS TO THE OIL AND GAS
 8 PRODUCTION DAMAGE MITIGATION ACCOUNT, THE GROUND WATER
 9 ASSESSMENT ACCOUNT, AND THE WATER STORAGE ACCOUNT;
 10 ALLOCATING A PORTION OF THE TAX PROCEEDS TO THE WATER
 11 STORAGE ACCOUNT AFTER THE RESOURCE INDEMNITY TRUST FUND
 12 REACHES \$100 MILLION; CREATING A GROUND WATER MONITORING
 13 PROGRAM AND A GROUND WATER CHARACTERIZATION PROGRAM;
 14 ESTABLISHING A GROUND WATER ASSESSMENT STEERING COMMITTEE;
 15 AMENDING SECTIONS 15-38-101, 15-38-102, 15-38-106,
 16 15-38-202, AND 82-11-161, MCA; AND PROVIDING AN EFFECTIVE
 17 DATE."
 18

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

20 **Section 1.** Section 15-38-101, MCA, is amended to read:
 21 "15-38-101. Short title. This chapter shall be known
 22 and may be cited as "The Montana Resource Indemnity-Trust
 23 Mitigation and Ground Water Assessment Act"."

24 **Section 2.** Section 15-38-102, MCA, is amended to read:
 25 "15-38-102. Legislative policy. It is the policy of the

1 state of Montana to indemnify its citizens for the loss of
 2 long-term value resulting from the depletion of its mineral
 3 resource base and for environmental damage caused by mineral
 4 development. This policy of indemnification is achieved by
 5 establishing a permanent resource indemnity trust as
 6 required by Article IX, section 2, of the Montana
 7 constitution, supporting mitigation of damages from oil and
 8 gas production, and supporting ground water assessment
 9 programs, each of which is funded from the proceeds of a tax
 10 levied on mineral extraction and by allocating spendable
 11 trust revenues:

- 12 (1) to protect and restore the environment from damages
- 13 resulting from mineral development; and
- 14 (2) to support a variety of development programs that
- 15 benefit the economy of the state and the lives of Montana
- 16 citizens;
- 17 (3) to ensure proper plugging of oil and gas wells and
- 18 mitigation of any damage caused by the wells; and
- 19 (4) to assess the state's ground water resource."

20 **Section 3.** Section 15-38-106, MCA, is amended to read:
 21 "15-38-106. Payment of tax -- records -- collection of
 22 taxes -- refunds. (1) The tax imposed by this chapter shall
 23 be known as the resource mitigation and ground water
 24 assessment tax and shall be paid by each person to which the
 25 tax applies, on or before March 31, on the value of product

1 in the year preceding January 1 of the year in which the tax
2 is paid. The tax shall be paid to the department at the time
3 the statement of yield for the preceding calendar year is
4 filed with the department.

5 (2) The department shall deposit the proceeds of the
6 tax as follows:

7 (a) 60% in the resource indemnity trust fund of the
8 nonexpendable trust fund type until the fund reaches \$100
9 million and thereafter in the water storage account
10 established by [section 6];

11 (b) 20% in the oil and gas production damage mitigation
12 account established by 82-11-161; and

13 (c) 20% in the ground water assessment account
14 established by [section 10].

15 (3) Every person to whom the tax applies shall keep
16 records in accordance with 15-38-105, and the records are
17 subject to inspection by the department upon reasonable
18 notice during normal business hours.

19 ~~(3)~~(4) The department shall examine the statement and
20 compute the taxes thereon, and the amount computed by the
21 department shall be the taxes imposed, assessed against, and
22 payable by the taxpayer. If the tax found to be due is
23 greater than the amount paid, the excess shall be paid by
24 the taxpayer to the department within 30 days after written
25 notice of the amount of deficiency is mailed by the

1 department to the taxpayer. If the tax imposed is less than
2 the amount paid, the difference must be applied as a tax
3 credit against tax liability for subsequent years or
4 refunded if requested by the taxpayer."

5 **Section 4.** Section 15-38-202, MCA, is amended to read:

6 "15-38-202. Investment of resource indemnity trust fund
7 -- expenditure -- minimum balance. (1) All money paid into
8 the resource indemnity trust fund, including money payable
9 into the fund under the provisions of 15-37-117, shall be
10 invested at the discretion of the board of investments. All
11 the net earnings accruing to the resource indemnity trust
12 fund shall annually be added to the trust fund until it has
13 reached the sum of \$10 million. Thereafter, only the net
14 earnings may be appropriated and expended until the fund
15 reaches \$100 million. Thereafter, all net earnings and all
16 receipts shall be appropriated by the legislature and
17 expended, provided that the balance in the fund may never be
18 less than \$100 million.

19 (2) (a) At the beginning of each biennium, there is
20 allocated from the interest income of the resource indemnity
21 trust fund:

22 ~~(i)~~ an amount not to exceed \$175,000 to the
23 environmental contingency account pursuant to the conditions
24 of 75-1-1101~~7~~--and

25 ~~(ii)--beginning--in--fiscal--year--19927--an--amount--not--to~~

1 ~~exceed--\$50,000--to--the--oil--and--gas--production--damage~~
 2 ~~mitigation-account-pursuant-to-the-conditions-of-82-11-161.~~

3 (b) The remainder of the interest income is allocated
 4 as follows:

5 (i) ~~Beginning-in-fiscal-year-1987-provided-the-amount~~
 6 ~~in--the--resource--indemnity--trust-fund-is-greater-than-\$10~~
 7 ~~million,~~ 30% of the interest income of the resource
 8 indemnity trust fund must be allocated to the water
 9 development state special revenue account created by
 10 ~~85-1-604;~~

11 (ii) ~~Beginning--in-fiscal-year-1988,~~ 12% of the interest
 12 income of the resource indemnity trust fund must be
 13 allocated to the hazardous waste/CERCLA special revenue
 14 account provided for in ~~75-10-621;~~

15 (iii) ~~Beginning-in-fiscal-year-1990,~~ 8% of the interest
 16 income from the resource indemnity trust fund must be
 17 allocated to the renewable resource development account
 18 provided for in Title 90, chapter 2;

19 (iv) ~~Beginning--in-fiscal-year-1990,~~ 46% of the interest
 20 income from the resource indemnity trust fund must be
 21 allocated to the reclamation and development grants account
 22 provided for in ~~90-2-1104;~~ and

23 (v) ~~Beginning-in-fiscal-year-1990,~~ 4% of the interest
 24 income of the resource indemnity trust fund must be
 25 allocated to the environmental quality protection fund

1 provided for in 75-10-704.

2 (3) Any formal budget document prepared by the
 3 legislature or the executive branch that proposes to
 4 appropriate funds from the resource indemnity trust interest
 5 account other than as provided for by the allocations in
 6 subsection (2) must specify the amount of money from each
 7 allocation that is proposed to be diverted and the proposed
 8 use of the diverted funds. A formal budget document includes
 9 a printed and publicly distributed budget proposal or
 10 recommendation, an introduced bill, or a bill developed
 11 during the legislative appropriation process or otherwise
 12 during a legislative session."

13 **Section 5.** Section 82-11-161, MCA, is amended to read:

14 **"82-11-161.** Oil and gas production damage mitigation
 15 account -- statutory appropriation. (1) There is an oil and
 16 gas production damage mitigation account within the state
 17 special revenue fund established in 17-2-102. The oil and
 18 gas production damage mitigation account is controlled by
 19 the board.

20 (2) On July 1, 1991, and at the beginning of each
 21 succeeding biennium fiscal year, there must be allocated to
 22 the oil and gas production damage mitigation account \$50,000
 23 from the interest income of--the--resource--indemnity--trust
 24 fund 20% of the proceeds of the resource mitigation and
 25 ground water assessment tax, except if at the beginning of a

1 biennium the fiscal year the unobligated cash balance in the
2 oil and gas production damage mitigation account:

3 (a) equals or exceeds ~~\$200,000~~ \$1 million, no
4 allocation will be made, in which case the funds must be
5 deposited in the water storage account established by
6 [section 6]; or

7 (b) is less than ~~\$200,000~~ \$1 million, then an amount
8 ~~less-than-or~~ equal to the difference between the unobligated
9 cash balance and ~~\$200,000~~ \$1 million ~~but-not-more-than~~
10 ~~\$50,000~~ must be allocated to the oil and gas production
11 damage mitigation account ~~from-the-interest-income-of-the~~
12 ~~resource-indemnity-trust-fund~~ and the remainder to the water
13 storage account established by [section 6].

14 (3) In addition to the allocation provided in
15 subsection (2), there must be deposited in the oil and gas
16 production damage mitigation account:

17 (a) all funds received by the board pursuant to
18 82-11-136; and

19 (b) all fees received by the board from owners of
20 producing wells pursuant to 82-11-162.

21 (4) If a sufficient balance exists in the account,
22 funds are statutorily appropriated, as provided in 17-7-502,
23 from the oil and gas production damage mitigation account,
24 upon the authorization of the board, to pay the reasonable
25 costs of properly plugging a well if the board determines

1 that the well, sump, or hole has been abandoned and the
2 responsible person cannot be identified or located or the
3 responsible person does not have sufficient funds to pay the
4 costs. The responsible person shall, however, pay costs to
5 the extent of his available resources and is subsequently
6 liable to fully reimburse the account or is subject to a
7 lien on property as provided in 82-11-164 for costs expended
8 from the account to properly plug the well and to mitigate
9 any damage caused by the well.

10 (5) Interest from funds in the oil and gas production
11 damage mitigation account accrues to that account.

12 (6) The board shall submit to the legislature at the
13 beginning of each regular session a complete financial
14 report on the oil and gas production damage mitigation
15 account, including a description of all expenditures made
16 since the preceding report."

17 NEW SECTION. Section 6. Water storage account --
18 revenues allocated. (1) There is a water storage account
19 within the state special revenue fund established by
20 17-2-102.

21 (2) There must be allocated to the water storage
22 account:

23 (a) on July 1, 1991, and at the beginning of each
24 succeeding fiscal year, proceeds from the resource
25 mitigation and ground water assessment tax that are in

1 excess of the amounts allocated to the oil and gas
2 production damage mitigation account established by
3 82-11-161 and to the ground water assessment account
4 established by [section 10]; and

5 (b) 60% of the proceeds of the resource mitigation and
6 ground water assessment tax after the resource indemnity
7 trust fund reaches \$100 million.

8 (3) The funds allocated by this section must be used to
9 repair and rehabilitate state-owned water projects and works
10 and for payment of water conservation revenue bonds in a
11 manner consistent with the provisions of 85-1-323.

12 (4) The funds deposited in the water storage account as
13 required by subsection (2) but not appropriated during the
14 biennium and money appropriated from the account but not
15 expended during the biennium for which it is appropriated
16 must remain in the account for future appropriation and may
17 not be appropriated from the account except as authorized by
18 subsection (2).

19 NEW SECTION. **Section 7.** Short title. [Sections 7
20 through 12] may be cited as the "Montana Ground Water
21 Assessment Act".

22 NEW SECTION. **Section 8.** Findings and purpose. (1) The
23 legislature finds that:

24 (a) Montana's people depend upon ground water for a
25 variety of uses, including domestic, agricultural,

1 industrial, irrigation, mining, municipal, power, and
2 recreational uses and the maintenance of ecosystems and
3 surface water supplies;

4 (b) ground water supplies and quality are threatened by
5 a variety of contaminant sources;

6 (c) there is insufficient information characterizing
7 the volume, quality, and flow patterns of the state's ground
8 water;

9 (d) ground water information deficiencies are hampering
10 the efforts of citizens and units of government to properly
11 manage, protect, and develop ground water;

12 (e) government policies and programs should focus on
13 preventing ground water contamination and supply depletion
14 but that in order for preventive policies and programs to be
15 effective, better ground water information is required; and

16 (f) there is a need for better coordination among the
17 numerous units of the state, federal, and local governments
18 with responsibility for ground water management, protection,
19 and development.

20 (2) The purposes of [sections 7 through 12] are:

21 (a) to improve the quality of ground water management,
22 protection, and development decisions within the public and
23 private sectors by establishing a program to systematically
24 assess and monitor the state's ground water and to
25 disseminate the information to interested persons; and

1 (b) to improve coordination of ground water management,
2 protection, development, and research functions among units
3 of the state, federal, and local governments by establishing
4 a ground water assessment steering committee.

5 NEW SECTION. Section 9. Definitions. As used in
6 [sections 7 through 12], the following definitions apply:

7 (1) "Aquifer" means a water-bearing, subsurface
8 formation capable of yielding sufficient quantities of water
9 to a well for a beneficial use.

10 (2) "Bureau" means the Montana state bureau of mines
11 and geology provided for in 20-25-211.

12 (3) "Ground water characterization program" means a
13 program to systematically assess and document the
14 hydrogeology and quality of the state's major aquifers.

15 (4) "Ground water characterization study" means the
16 assessment of individual aquifers in specific areas within
17 the state.

18 (5) "Ground water assessment steering committee" means
19 the committee established by [section 13].

20 (6) "Ground water monitoring program" means a program
21 to produce and maintain a long-term record of ground water
22 chemistry and water level changes, based on information
23 collected from a statewide network of observation wells.

24 NEW SECTION. Section 10. Ground water assessment
25 account. (1) There is a ground water assessment account

1 within the state special revenue fund established in
2 17-2-102. The bureau is authorized to expend amounts from
3 the account necessary to carry out the purposes of [sections
4 7 through 12].

5 (2) The account may be used by the bureau only to carry
6 out the provisions of [sections 7 through 12].

7 (3) Subject to the direction of the ground water
8 assessment steering committee, the bureau shall investigate
9 opportunities for the participation and financial
10 contribution of agencies of federal and local governments to
11 accomplish the purposes of [sections 7 through 12].

12 (4) There must be deposited in the account:

13 (a) on July 1, 1991, and at the beginning of each
14 succeeding fiscal year, 20% of the proceeds from the
15 resource mitigation and ground water assessment tax
16 authorized by [section 3], except if at the beginning of the
17 fiscal year the unobligated cash balance in the ground water
18 assessment account:

19 (i) equals or exceeds \$666,000, no allocation may be
20 made, in which case the funds must be deposited in the water
21 storage account established by [section 6]; or

22 (ii) is less than \$666,000, then an amount equal to the
23 difference between the unobligated cash balance and \$666,000
24 must be allocated to the ground water assessment account and
25 the remainder to the water storage account established by

1 [section 6];

2 (b) funds provided by agencies of the federal or state
3 governments and by local governments to carry out the
4 purposes of [sections 7 through 12]; and

5 (c) funds provided by any other public or private
6 sector organization or person in the form of gifts, grants,
7 or contracts specifically designated to carry out the
8 purposes of [sections 7 through 12].

9 NEW SECTION. **Section 11.** Ground water characterization
10 program -- ground water monitoring program. (1) There are a
11 ground water characterization program and a ground water
12 monitoring program.

13 (2) Subject to the direction of the ground water
14 assessment steering committee, the bureau shall establish
15 and administer the ground water characterization program and
16 the ground water monitoring program.

17 (3) The bureau shall work with units of local
18 government, ground water users, and other affected
19 organizations and individuals in areas of the state that are
20 included in a ground water characterization study and, if
21 warranted by the level of local interest in a ground water
22 characterization study, shall establish a local ground water
23 assessment advisory committee.

24 (4) The ground water assessment steering committee
25 shall:

1 (a) oversee expenditures from the ground water
2 assessment account and oversee organization plans and work
3 plans proposed by the bureau to implement the ground water
4 characterization and ground water monitoring programs,
5 including plans for local involvement and participation in
6 ground water characterization studies;

7 (b) approve ground water monitoring sites;

8 (c) prioritize and select ground water characterization
9 study areas;

10 (d) develop plans for ground water information
11 management and dissemination;

12 (e) develop plans for integrating existing ground water
13 information with information collected under the programs
14 created by subsection (1);

15 (f) coordinate ground water information collection
16 projects sponsored by individual units of the state,
17 federal, or local governments with the programs created by
18 subsection (1); and

19 (g) evaluate reports and other products produced by the
20 bureau from ground water characterization studies.

21 (5) The ground water assessment steering committee
22 shall invite the following to participate in steering
23 committee meetings:

24 (a) representatives of local governments and Indian
25 tribes with jurisdiction over areas of the state that are

1 included in an active ground water characterization study or
 2 in a study scheduled to begin in the ensuing biennium; and
 3 (b) affected citizens in these areas.

4 NEW SECTION. Section 12. Ground water information
 5 collection by local governments. Units of local government
 6 may conduct ground water information collection projects in
 7 advance of ground water characterization studies conducted
 8 under the program created by [section 11(1)]. Local
 9 governments shall consult with the bureau in designing local
 10 ground water information collection projects and studies
 11 and, subject to local funding availability, shall conduct
 12 the local projects and studies to produce information that
 13 is compatible with information produced by the ground water
 14 characterization program.

15 NEW SECTION. Section 13. Ground water assessment
 16 steering committee. (1) (a) There is a ground water
 17 assessment steering committee that consists of an employee,
 18 appointed as provided in subsection (1)(b), of each of the
 19 following state agencies having responsibility for ground
 20 water protection, management, or information:

- 21 (i) department of natural resources and conservation;
- 22 (ii) department of health and environmental sciences;
- 23 (iii) department of agriculture;
- 24 (iv) department of state lands; and
- 25 (v) Montana state library, natural resource information

1 system.

2 (b) The ground water assessment steering committee
 3 members from the agencies listed in subsection (1)(a) are
 4 appointed by the heads of their respective agencies.

5 (2) The ground water assessment steering committee may
 6 include ex officio representatives of the agencies and units
 7 of government that are specified in subsections (2)(a)
 8 through (2)(f) and that have expertise or management
 9 responsibility related to ground water and ex officio
 10 representatives of the organizations and groups specified in
 11 subsection (2)(g):

- 12 (a) the environmental quality council;
- 13 (b) the Montana bureau of mines and geology;
- 14 (c) a unit of the university system other than the
 15 Montana bureau of mines and geology, appointed by the board
 16 of regents of higher education for the Montana university
 17 system;
- 18 (d) a county government, appointed by an organization
 19 of Montana counties;
- 20 (e) a city, town, or city-county government, appointed
 21 by an organization of Montana cities and towns;
- 22 (f) each principal federal agency having responsibility
 23 for ground water protection, management, or research,
 24 appointed by the head of the Montana unit of the respective
 25 federal agency; and

1 (g) one representative of each of the following,
2 appointed by the governor:

- 3 (i) agricultural water users;
4 (ii) industrial water users; and
5 (iii) a conservation or ecological protection
6 organization.

7 (3) The ground water assessment steering committee
8 shall elect a chairman from its voting members.

9 (4) The Montana bureau of mines and geology shall
10 provide staff support to the committee.

11 NEW SECTION. Section 14. Name change. In the
12 provisions of the Montana Code Annotated and in material
13 enacted during the 52nd legislature, the code commissioner
14 is instructed to change the term "resource indemnity trust
15 tax", meaning the tax created by Title 15, chapter 38, to
16 "resource mitigation and ground water assessment tax".

17 NEW SECTION. Section 15. Codification instruction. (1)
18 [Section 6] is intended to be codified as an integral part
19 of Title 85, chapter 1, part 3, and the provisions of Title
20 85, chapter 1, part 3, apply to [section 6].

21 (2) [Sections 7 through 12] are intended to be codified
22 as an integral part of Title 85, chapter 2, and the
23 provisions of Title 85, chapter 2, apply to [sections 7
24 through 12].

25 (3) [Section 13] is intended to be codified as an

1 integral part of Title 2, chapter 15, part 15, and the
2 provisions of Title 2, chapter 15, part 15, apply to
3 [section 13].

4 NEW SECTION. Section 16. Effective date. [This act] is
5 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0199, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act changing the name of the Resource Indemnity Trust Tax; creating a water storage account for the repair of state-owned water projects; reallocating portions of the tax proceeds to the oil and gas production damage mitigation account, the ground water assessment account, and the water storage account; allocating a portion of the tax proceeds to the water storage account after the Resource Indemnity Trust Fund reaches \$100 million; creating a ground water monitoring program and a ground water characterization program; establishing a ground water assessment steering committee; and providing an effective date.

ASSUMPTIONS:Department of Revenue:

1. There is no impact on Resource Indemnity Trust Tax (RITT) collections.
2. Under this proposal, 60% of the RITT collections will go to the resource indemnity trust fund, 20% will go to the oil and gas production damage mitigation account; and 20% will go to the ground water assessment account.

Montana Bureau of Mines and Geology

	<u>FY 92</u>	<u>FY 93</u>
1. Ground Water Assessment, Characterization and Evaluation - Estimated Costs		
Personal Services	213,010	213,010
Operating Expenses	225,600	225,600
Capital Outlays	<u>8,000</u>	<u>8,000</u>
Total	446,610	446,610
2. Ground Water Monitoring Program - Estimated Costs		
Personal Services	85,937	85,937
Operating Expenses	139,839	121,839
Capital Outlays	<u>4,560</u>	<u>400</u>
Total	230,336	208,176

FISCAL IMPACT:

see next page

Rod Sundsted 1-19-91
 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Bob Gilbert 1/21/91
 BOB GILBERT, PRIMARY SPONSOR DATE

Fiscal Note for HB0199, as introduced**HB 199**

Fiscal Note Request, HB0199, as introduced

Form BD-15

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FISCAL IMPACT:

Expenditures:

Montana Bureau of Mines and Geology

	FY 92			FY 93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Personal Services	0	298,947	298,947	0	298,947	298,947
Operating Expenses	0	365,439	365,439	0	347,439	347,439
Capital Outlays	0	12,560	12,560	0	8,400	8,400
Total	0	676,946	676,946	0	654,786	654,786

<u>Funding:</u>						
Ground Water Assessment Account (02)						
	0	676,946	676,946	0	654,786	654,786

Revenues:

	FY '92			FY '93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
RITT (09)	5,377,000	5,377,000	0	4,894,000	4,894,000	0
Funding						
RITT Fund (09)	5,377,000	3,226,200	(2,150,800)	4,894,000	2,936,400	(1,957,600)
Oil and Gas Mitigation (02)	0	1,075,400	1,075,400	0	978,800	978,800
Ground Water Fund (02)	0	1,075,400	1,075,400	0	978,800	978,800
Total	5,377,000	5,377,000	0	4,894,000	4,898,000	0
RITT Interest Earnings (09)	7,953,000	7,731,000	(222,000)	8,605,000	8,199,000	(406,000)

HB 199

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Revised Fiscal Note for HB0199, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act changing the name of the Resource Indemnity Trust Tax; creating a water storage account for the repair of state-owned water projects; reallocating portions of the tax proceeds to the oil and gas production damage mitigation account, the ground water assessment account, and the water storage account; allocating a portion of the tax proceeds to the water storage account after the Resource Indemnity Trust Fund reaches \$100 million; creating a ground water monitoring program and a ground water characterization program; establishing a ground water assessment steering committee; and providing an effective date.

ASSUMPTIONS:Department of Revenue:


1. There is no impact on Resource Indemnity Trust Tax (RITT) collections.
2. Under this proposal, 60% of the RITT collections will go to the resource indemnity trust fund, 20% will go to the oil and gas production damage mitigation account; and 20% will go to the ground water assessment account.

Montana Bureau of Mines and Geology

	<u>FY 92</u>	<u>FY 93</u>
1. Ground Water Assessment, Characterization and Evaluation - Estimated Costs		
Personal Services	213,010	213,010
Operating Expenses	225,600	225,600
Capital Outlays	<u>8,000</u>	<u>8,000</u>
Total	446,610	446,610
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Personal Services	85,937	85,937
Operating Expenses	139,839	121,839
Capital Outlays	<u>4,560</u>	<u>400</u>
Total	230,336	208,176

FISCAL IMPACT:

see next page



 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning



 BOB GILBERT, PRIMARY SPONSOR DATE

Revised Fiscal Note for HB0199, as introduced

HB 199
Revised

Fiscal Note Request, HB0199, as introduced, revised

Form BD-15

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FISCAL IMPACT:

Expenditures:

Montana Bureau of Mines and Geology

	FY 92			FY 93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Personal Services	0	298,947	298,947	0	298,947	298,947
Operating Expenses	0	365,439	365,439	0	347,439	347,439
Capital Outlays	0	12,560	12,560	0	8,400	8,400
Total	0	676,946	676,946	0	654,786	654,786

Funding:

Ground Water Assessment Account (02)	0	676,946	676,946	0	654,786	654,786
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Revenues:

	FY '92			FY '93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
RITT (09)	5,377,000	5,377,000	0	4,894,000	4,894,000	0
Funding						
RITT Fund (09)	5,377,000	3,226,200	(2,150,800)	4,894,000	2,936,400	(1,957,600)
Oil and Gas Mitigation (02)	0	1,075,400	1,075,400	0	978,800	978,800
Ground Water Fund (02)	0	1,075,400	1,075,400	0	978,800	978,800
Total	5,377,000	5,377,000	0	4,894,000	4,898,000	0
RITT Interest Earnings (09)	7,953,000	7,932,000	(21,000)	8,605,000	8,384,000	(221,000)

HB 199
Revised