

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 1,010
2 INTRODUCED BY Don Brown

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A
5 HARD-ROCK MINING IMPACT TRUST RESERVE ACCOUNT; AUTHORIZING
6 AND LIMITING EXPENDITURES FROM THE RESERVE ACCOUNT;
7 APPROPRIATING MONEY TO THE HARD-ROCK MINING IMPACT BOARD
8 FROM THE RESERVE ACCOUNT; AMENDING SECTIONS 90-6-304 AND
9 90-6-331, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 90-6-304, MCA, is amended to read:

13 "90-6-304. Accounts established. (1) There is within
14 the state special-revenue-fund agency fund type a hard-rock
15 mining impact account. ~~Moneys-are~~ Money is payable into this
16 account from payments made by a mining developer in
17 compliance with the written guarantee from the developer to
18 meet the increased costs of public services and facilities
19 as specified in the impact plan provided for in 90-6-307.
20 The state treasurer shall draw warrants from this account
21 upon order of the hard-rock-mining-impact board.

22 (2) There is within the state special revenue fund a
23 hard-rock mining impact trust account. Within this trust
24 account, there is established a reserve account not to
25 exceed \$100,000.

1 (a) Money within the hard-rock mining impact trust
2 account may be used:

- 3 (i) for the administrative and operating expenses of
4 the board, as provided by 90-6-303(4);
- 5 (ii) to establish and maintain the reserve account; and
6 (iii) for distribution to the counties of origin, as
7 provided by 90-6-331(1) and this section.

8 (b) Money within the hard-rock mining impact trust
9 reserve account may be used for the administrative and
10 operating expenses of the board if:

- 11 (i) the revenue provided under 15-37-117(1)(b) is less
12 than the amount appropriated for the administrative and
13 operating expenses of the board; or
- 14 (ii) the use of the reserve account revenue is necessary
15 to allow the board to meet its quasi-judicial
16 responsibilities under 90-6-307, 90-6-311, or 90-6-403(3).

17 (c) The board shall report to the legislature any
18 expenditure from the hard-rock mining impact trust reserve
19 account.

20 (3) Money is payable into this the hard-rock mining
21 impact trust account under the provisions of 15-37-117.
22 After first deducting the administrative and operating
23 expenses of the board, as provided in 90-6-303, and then
24 establishing and maintaining the reserve account in the
25 amount of \$100,000, as provided in subsection (2) of this

1 section, the remaining money must be segregated within the
 2 account by county of origin. The state treasurer shall draw
 3 warrants from this account upon order of the hard-rock
 4 mining---impact board. ~~if---money---available---to---pay~~
 5 ~~administrative-and-operating-expenses-is---insufficient,---the~~
 6 ~~board---may---apply---for---supplemental---money---from---the---general~~
 7 ~~fund."~~

8 **Section 2.** Section 90-6-331, MCA, is amended to read:

9 "90-6-331. Fund transfer. (1) On July 1, 1990, and on
 10 prior to each July--1 October 1 thereafter, all funds
 11 remaining money segregated by county in the hard-rock mining
 12 impact trust account following allocation to the hard-rock
 13 mining impact trust reserve account established in
 14 90-6-304(2) ~~after-June-30~~ as of September 1 immediately
 15 preceding must be transferred to the county for which the
 16 funds have been held in deposit. The funds so transferred
 17 must be deposited in the county hard-rock mine trust reserve
 18 account established in 7-6-2225.

19 (2) The transfer of funds required by this section is a
 20 statutory appropriation pursuant to 17-7-502."

21 NEW SECTION. Section 3. Appropriation. There is
 22 appropriated to the hard-rock mining impact board an amount
 23 not to exceed \$100,000 from the hard-rock mining impact
 24 trust reserve account, as established in 90-6-304(2).

25 NEW SECTION. Section 4. One-time reservation of funds.

1 Any money within the hard-rock mining impact trust account
 2 on [the effective date of this act], regardless of fiscal
 3 year of origin, that is not expended to pay administrative
 4 and operating expenses incurred during the current fiscal
 5 year must be retained in the hard-rock mining impact trust
 6 reserve account established in 90-6-304(2).

7 NEW SECTION. Section 5. Effective date. [This act] is
 8 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB1010, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act establishing a hard-rock mining impact trust reserve account; authorizing and limiting expenditures from the reserve account; appropriating money to the hard-rock mining impact board from the reserve account.

ASSUMPTIONS:


1. The proposed legislation appropriates the remaining fund balance of \$75,001 in hard-rock mining impact trust account and future unexpended balances from the 1.5% metal mines license tax revenue to the proposed hard-rock mining impact trust reserve account.
2. The hard-rock mining impact trust reserve account will retain \$100,000 of the license tax revenue which is statutorily appropriated. The reserve account will be used for administrative and operating purposes, to offset revenue shortfalls and provide funding for the board's adjudicatory functions, as required by statute.
3. The proposed legislation will not affect state metal mines license tax revenue or existing allocations.
4. The Hard Rock Mining Board is required to report expenditures from the reserve to the legislature.

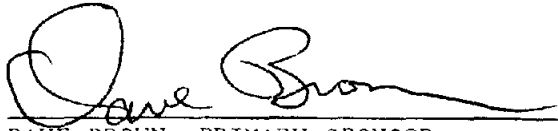
FISCAL IMPACT:

None until needed as authorized by statute.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

1. No significant or immediate effect. Money transferred to counties from the Hard-Rock Mining Impact Trust Account is credited to the counties' hard-rock trust reserve accounts and not available for expenditure until the taxpaying mine closes or reduces its workforce by half.
2. Does not affect the state's 25% allocation of metal mines license tax revenue to counties or the allocation of license tax revenues by the county.


ROD SUNDSTED, BUDGET DIRECTOR 3-27-91 DATE
Office of Budget and Program Planning


DAVE BROWN, PRIMARY SPONSOR 3-27-91 DATE

Fiscal Note for HB1010, as introduced

HB 1010-1

APPROVED BY COMMITTEE
ON APPROPRIATIONS

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HOUSE BILL NO. *1,010*
Dave Brown

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A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A
HARD-ROCK MINING IMPACT TRUST RESERVE ACCOUNT; AUTHORIZING
AND LIMITING EXPENDITURES FROM THE RESERVE ACCOUNT;
APPROPRIATING MONEY TO THE HARD-ROCK MINING IMPACT BOARD
FROM THE RESERVE ACCOUNT; AMENDING SECTIONS 90-6-304 AND
90-6-331, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 90-6-304, MCA, is amended to read:

"90-6-304. Accounts established. (1) There is within
the state ~~special-revenue-fund~~ agency fund type a hard-rock
mining impact account. ~~Moneys-are~~ Money is payable into this
account from payments made by a mining developer in
compliance with the written guarantee from the developer to
meet the increased costs of public services and facilities
as specified in the impact plan provided for in 90-6-307.
The state treasurer shall draw warrants from this account
upon order of the ~~hard-rock-mining-impact~~ board.

(2) There is within the state special revenue fund a
hard-rock mining impact trust account. Within this trust
account, there is established a reserve account not to
exceed \$100,000.

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(a) Money within the hard-rock mining impact trust
account may be used:

(i) for the administrative and operating expenses of
the board, as provided by 90-6-303(4);

(ii) to establish and maintain the reserve account; and

(iii) for distribution to the counties of origin, as
provided by 90-6-331(1) and this section.

(b) Money within the hard-rock mining impact trust
reserve account may be used for the administrative and
operating expenses of the board if:

(i) the revenue provided under 15-37-117(1)(b) is less
than the amount appropriated for the administrative and
operating expenses of the board; or

(ii) the use of the reserve account revenue is necessary
to allow the board to meet its quasi-judicial
responsibilities under 90-6-307, 90-6-311, or 90-6-403(3).

(c) The board shall report to the legislature any
expenditure from the hard-rock mining impact trust reserve
account.

(3) Money is payable into this the hard-rock mining
impact trust account under the provisions of 15-37-117.
After first deducting the administrative and operating
expenses of the board, as provided in 90-6-303, and then
establishing and maintaining the reserve account in the
amount of \$100,000, as provided in subsection (2) of this

1 section, the remaining money must be segregated within the
 2 account by county of origin. The state treasurer shall draw
 3 warrants from this account upon order of the hard-rock
 4 mining---impact board. ~~if---money---available---to---pay~~
 5 ~~administrative-and-operating-expenses-is---insufficient,--the~~
 6 ~~board--may--apply--for--supplemental--money--from--the--general~~
 7 ~~fund."~~

8 **Section 2.** Section 90-6-331, MCA, is amended to read:

9 "90-6-331. Fund transfer. (1) On July 1, 1990, and on
 10 prior to each July--1 October 1 thereafter, all funds
 11 remaining money segregated by county in the hard-rock mining
 12 impact trust account following allocation to the hard-rock
 13 mining impact trust reserve account established in
 14 90-6-304(2) ~~after June-30~~ as of September 1 immediately
 15 preceding must be transferred to the county for which the
 16 funds have been held in deposit. The funds so transferred
 17 must be deposited in the county hard-rock mine trust reserve
 18 account established in 7-6-2225.

19 (2) The transfer of funds required by this section is a
 20 statutory appropriation pursuant to 17-7-502."

21 **NEW SECTION. Section 3. Appropriation.** There is
 22 appropriated to the hard-rock mining impact board an amount
 23 not to exceed \$100,000 from the hard-rock mining impact
 24 trust reserve account, as established in 90-6-304(2).

25 **NEW SECTION. Section 4. One-time reservation of funds.**

1 Any money within the hard-rock mining impact trust account
 2 on [the effective date of this act], regardless of fiscal
 3 year of origin, that is not expended to pay administrative
 4 and operating expenses incurred during the current fiscal
 5 year must be retained in the hard-rock mining impact trust
 6 reserve account established in 90-6-304(2).

7 **NEW SECTION. Section 5. Effective date.** [This act] is
 8 effective on passage and approval.

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