

HOUSE BILL 617

Introduced by Bergsagel, et al.

2/05	Introduced
2/05	Referred to Taxation
2/06	First Reading
2/06	Fiscal Note Requested
2/11	Fiscal Note Received
2/12	Fiscal Note Printed
2/19	Hearing
3/19	Committee Report--Bill Passed as Amended
4/01	2nd Reading Do Pass Motion Failed
4/01	Reconsidered Previous Action
4/01	Segregated From Committee of Whole Report and Placed on 2nd Reading
4/02	2nd Reading Passed as Amended
4/04	3rd Reading Passed
	Transmitted to Senate
4/04	First Reading
4/04	Referred to Taxation
4/05	Hearing
4/05	Tabled in Committee

1 *HOUSE* BILL NO. *617*
 2 INTRODUCED BY *Reini Wilson Hammett*
 3 *Frank Esh*

4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
 5 DEPARTMENT OF REVENUE TO DEVELOP AND REPORT CERTAIN
 6 INFORMATION ABOUT TAXES; REQUIRING THE GOVERNOR TO RECOMMEND
 7 A TAX EXPENDITURE BUDGET AS PART OF THE BUDGET PROCESS; AND
 8 AMENDING SECTIONS 17-7-112, 17-7-122, AND 17-7-131, MCA."
 9

10 STATEMENT OF INTENT

11 A statement of intent is not required for this bill but
 12 is provided to clarify the purpose of the bill.

13 It has been speculated that certain preferential
 14 treatments of income through tax deductions, exemptions,
 15 exclusions, deferrals, and credits result in appreciable
 16 amounts of revenue being lost to the state general fund or
 17 to state special revenue funds. [Section 1] requires the
 18 department of revenue to collect and report certain
 19 information regarding the payment of a variety of taxes
 20 applicable to businesses and industries in Montana. [Section
 21 2] requires the governor, through his budget director, to
 22 develop a tax expenditure budget for consideration by the
 23 public and the legislature.

24 From the perspective of balancing the state's budget,
 25 revenue foregone through the preferential treatment of

1 income is the same as a direct appropriation of public money
 2 for the same purpose. Historically, however, very little
 3 information has been available to the public or to the
 4 legislature that is useful in determining if state tax
 5 policies are accomplishing a worthwhile public policy goal.
 6 With the enactment of this bill, the department of revenue
 7 will report a variety of information about what amounts of
 8 revenue are foregone due to so-called "tax breaks" and, for
 9 significantly large tax breaks, who is benefiting.

10 The sole intent of this bill is to provide to the public
 11 and the legislature information that will be valuable in
 12 determining the benefits or costs of continuing, enhancing,
 13 diminishing, or eliminating certain tax breaks or "tax
 14 expenditures". Without a requirement that the department of
 15 revenue report certain specific information on preferential
 16 treatment of income, neither the public nor the legislature
 17 has the information needed to analyze and improve current
 18 policy.

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

21 NEW SECTION. **Section 1.** Department to report on
 22 corporation license taxes and other taxes. (1) The
 23 department shall prepare biennially a report for each tax
 24 levied or assessed under Title 15, chapters 31, 32, 33, 35,
 25 36, 37, 38, 50, 51, 53, 54, 55, 56, 57, 58, 59, 65, and 70,



1 listed separately by year and by type of tax or assessment,
2 including the aggregate number of filers claiming and total
3 amount of:

4 (a) each deduction of income, listed by type of
5 deduction;

6 (b) each exemption of income, listed by type of
7 exemption;

8 (c) each exclusion of income, listed by type of
9 exclusion;

10 (d) each deferral, listed by type of deferral; and

11 (e) each credit, listed by type of credit.

12 (2) (a) The report required by this section must
13 include the required information for each of the immediately
14 preceding 2 years and must include an estimate for the
15 current year and immediately ensuing 2 years.

16 (b) For the purposes of subsection (2), the department
17 shall report the information for each type of tax or
18 assessment by calendar year, taxable year, or fiscal year
19 and shall maintain using the same type of year throughout
20 the report for each respective type of tax or assessment.
21 The type of year to be used is at the discretion of the
22 department.

23 (3) The report required by this section must be
24 delivered to the governor by August 1 preceding the
25 convening of a regular legislative session and by October 1

1 preceding the convening of a regular legislative session to
2 the revenue oversight committee, established in 5-18-102,
3 and to the legislative fiscal analyst.

4 NEW SECTION. Section 2. Tax expenditure budget --
5 form. (1) Following receipt of the report required in
6 [section 1], the governor shall have the budget director
7 prepare a tax expenditure budget.

8 (2) The form of the tax expenditure budget must be
9 substantially as follows:

10 (a) for each tax or assessment imposed under Title 15,
11 chapters 31, 32, 33, 35, 36, 37, 38, 50, 51, 53, 54, 55, 56,
12 57, 58, 59, 65, and 70, there must be listed the total
13 amount of revenue foregone by each deduction, exemption,
14 exclusion, deferral, or credit allowed for each respective
15 tax or assessment; and

16 (b) for each amount listed under subsection (2)(a), the
17 governor shall recommend whether or not to retain the
18 deduction, exemption, exclusion, deferral, or credit.

19 (3) If the governor recommends that a deduction,
20 exemption, exclusion, deferral, or credit be retained, he
21 shall:

22 (a) recommend that it be retained:

23 (i) at the current rate, amount, ratio, reduction, or
24 the like;

25 (ii) at an increased rate, amount, ratio, reduction, or

1 the like; or

2 (iii) at a reduced rate, amount, ratio, reduction, or
3 the like; and

4 (b) define the base against which it will be applied.

5 (4) If the governor recommends that a deduction,
6 exemption, exclusion, deferral, or credit be retained at an
7 increased rate, amount, ratio, reduction, or the like or be
8 applied to a base that would increase the amount of foregone
9 revenue, he shall also recommend how the anticipated loss of
10 revenue should be addressed, by recommending either specific
11 program-budget reductions or specific increases in revenue
12 from another source.

13 (5) If the governor recommends that a deduction,
14 exemption, exclusion, deferral, or credit be retained at a
15 reduced rate, amount, ratio, reduction, or the like, be
16 eliminated completely, or be applied to a base that would
17 decrease the amount of foregone revenue, he shall also
18 recommend how the anticipated increase in revenue should be
19 addressed, by recommending either specific program-budget
20 expansions or specific decreases in revenue from another
21 source.

22 **Section 3.** Section 17-7-112, MCA, is amended to read:

23 "17-7-112. **Submission deadline.** (1) It shall be the
24 duty of each department, agency, and office, including the
25 Montana university system, to submit the information

1 required under 17-7-111 to the budget director on or before
2 September 1 in the even year preceding the convening of the
3 legislature.

4 (2) Between August 15 and September 30 in the year
5 preceding the convening of the legislature, the director
6 must submit each state agency's budget request required
7 under 17-7-111(2) to the legislative fiscal analyst. The
8 transfer of budget information shall be done on a schedule
9 mutually agreed to by the budget director and the
10 legislative fiscal analyst in a manner that facilitates an
11 even transfer of budget information during the month of
12 September and which allows each office to maintain a
13 reasonable staff workflow.

14 (3) If any department, institution, university unit, or
15 agency shall fail to present such information within the
16 time herein specified, the budget director shall note that
17 fact in the budget submitted to the governor and the budget
18 director shall prepare and submit to the legislative fiscal
19 analyst and the governor by October 30 a budget request on
20 behalf of such department, institution, university unit, or
21 agency, based upon his studies of the operations, plans, and
22 needs thereof.

23 (4) The proposed pay plan schedule required by
24 17-7-111(3) must be submitted to the legislative fiscal
25 analyst no later than November 15 in the year preceding the

1 convening of the legislature.

2 (5) The department of revenue shall submit to the
3 governor and budget director by August 1 in the year
4 preceding the convening of the legislature the report
5 required under [section 1]."

6 **Section 4.** Section 17-7-122, MCA, is amended to read:

7 "17-7-122. Submission of budget and tax expenditure
8 budget to legislature. (1) The governor shall, following the
9 receipt of the preliminary budget from the budget director,
10 have prepared a budget for the ensuing biennium and shall
11 submit said budget to each member of the legislature at the
12 time of the convening of the legislature.

13 (2) Legislative branch requests shall be included in
14 the budget submitted by the governor without changes.

15 (3) The governor shall submit the tax expenditure
16 budget required in [section 2] to each member of the
17 legislature at the time of the convening of the
18 legislature."

19 **Section 5.** Section 17-7-131, MCA, is amended to read:

20 "17-7-131. **Legislative action.** (1) The presiding
21 officers of the house of representatives and of the senate
22 shall promptly refer the tax expenditure budget, budgets,
23 and budget bills to the proper committees. The budget bill
24 for the maintenance of the agencies of state government and
25 the state institutions shall be based upon the budget and

1 proposed budget bill so submitted. The legislature may amend
2 the proposed budget bill, but it may not amend the proposed
3 budget bill so as to affect either the obligations of the
4 state or the payment of any salaries required to be paid by
5 the constitution and laws of the state.

6 (2) The legislature shall consider the tax expenditure
7 budget, including the recommendations made by the governor
8 for increasing, decreasing, or eliminating a deduction,
9 exemption, exclusion, deferral, or credit."

10 **NEW SECTION. Section 6. severability.** If a part of
11 [this act] is invalid, all valid parts that are severable
12 from the invalid part remain in effect. If a part of [this
13 act] is invalid in one or more of its applications, the part
14 remains in effect in all valid applications that are
15 severable from the invalid applications.

16 **NEW SECTION. Section 7. Codification instruction.** (1)
17 [Section 1] is intended to be codified as an integral part
18 of Title 15, chapter 1, part 2, and the provisions of Title
19 15, chapter 1, part 2, apply to [section 1].

20 (2) [Section 2] is intended to be codified as an
21 integral part of Title 17, chapter 7, and the provisions of
22 Title 17, chapter 7, apply to [section 2].

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0617, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring the Department of Revenue to develop and report certain information about taxes; requiring the Governor to recommend a tax expenditure budget as part of the budget process.

ASSUMPTIONS:

1. The department would be required to provide information on the 46 current law tax expenditures detailed in the accompanying document.
2. Responsibility for recommendations regarding the continuation, expansion, contraction, or elimination of particular expenditure items rests entirely with the Office of Budget and Program Planning.
3. Providing the information called for in this proposal will require the development and implementation of an entirely new corporation license tax data retrieval system. This system will require two additional FTE in FY92, and 6.75 FTE in FY93.
4. Because the proposal requires the reporting of two years of information prior to the current year, the first report would not be available until the 1995 legislative session. (Assumes effective date of October 1, 1991 and two-year lead time for development of system and data gathering.)
5. There is no impact on Department of Revenue collections.
6. The requirements of the proposal will increase the size of the executive budget book by approximately 10-15 pages. The increased cost would be absorbed within the existing printing budget (assuming full appropriation). No other OBPP costs are anticipated since the requirements of the bill are considered in the budget preparation process under current law.

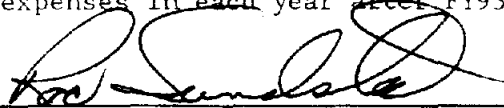
FISCAL IMPACT:

Department of Revenue:

	FY '92			FY '93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
F.T.E.	0	2.00	2.00	0	6.75	6.75
Personal Services	0	62,757	62,757	0	195,474	195,474
Operating Expense	0	10,000	10,000	0	125,000	125,000
Equipment	0	0	0	0	20,000	20,000
Total	0	72,757	72,757	0	340,474	340,474
<u>Funding:</u>						
General Fund	0	72,757	72,757	0	340,474	340,474

LONG RANGE EFFECTS OF PROPOSED LEGISLATION:

Ongoing expenses in each year after FY93 are anticipated to be \$192,717.

 2-9-91
ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/12/91
ROBERT R. (BOB) REAM, PRIMARY SPONSOR DATE

Fiscal Note for HB0617, as introduced

HB 617

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 617

INTRODUCED BY REAM, HALLIGAN, HARRINGTON,
BROOKE, ECK

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
DEPARTMENT OF REVENUE TO DEVELOP AND REPORT CERTAIN
INFORMATION ABOUT TAXES; REQUIRING THE GOVERNOR TO RECOMMEND
A TAX EXPENDITURE BUDGET AS PART OF THE BUDGET PROCESS; AND
AMENDING SECTIONS 17-7-112, 17-7-122, AND 17-7-131, MCA."

STATEMENT OF INTENT

A statement of intent is not required for this bill but
is provided to clarify the purpose of the bill.

It has been speculated that certain preferential
treatments of income through tax deductions, exemptions,
exclusions, deferrals, and credits result in appreciable
amounts of revenue being lost to the state general fund or
to state special revenue funds. [Section 1] requires the
department of revenue to collect and report certain
information regarding the payment of a variety of taxes
applicable to businesses and industries in Montana. [Section
2] requires the governor, through his budget director, to
develop a tax expenditure budget for consideration by the
public and the legislature.

From the perspective of balancing the state's budget,

revenue foregone through the preferential treatment of
income is the same as a direct appropriation of public money
for the same purpose. Historically, however, very little
information has been available to the public or to the
legislature that is useful in determining if state tax
policies are accomplishing a worthwhile public policy goal.
With the enactment of this bill, the department of revenue
will report a variety of information about what amounts of
revenue are foregone due to so-called "tax breaks" and, for
significantly large tax breaks, who is benefiting.

The sole intent of this bill is to provide to the public
and the legislature information that will be valuable in
determining the benefits or costs of continuing, enhancing,
diminishing, or eliminating certain tax breaks or "tax
expenditures". Without a requirement that the department of
revenue report certain specific information on preferential
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NEW SECTION. **Section 1.** Department to report on
corporation license taxes and other taxes. (1) The
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levied or assessed under Title 15, chapters 30, 31, 32, 33,

1 35, 36, 37, 38, 50, 51, 53, 54, 55, 56, 57, 58, 59, 65, and
 2 70, listed separately by year and by type of tax or
 3 assessment, including the TYPE, INCOME CLASS, AND aggregate
 4 number of filers claiming and total amount of:

5 (a) each deduction of income, listed by type of
 6 deduction;

7 (b) each exemption of income, listed by type of
 8 exemption;

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 10 exclusion;

11 (d) each deferral, listed by type of deferral; and

12 (e) each credit, listed by type of credit.

13 (2) (a) The report required by this section must
 14 include the required information for each of the immediately
 15 preceding 2 years and must include an estimate for the
 16 current year and immediately ensuing 2 years.

17 (b) For the purposes of subsection (2), the department
 18 shall report the information for each type of tax or
 19 assessment by calendar year, taxable year, or fiscal year
 20 and shall maintain using the same type of year throughout
 21 the report for each respective type of tax or assessment.
 22 The type of year to be used is at the discretion of the
 23 department.

24 (3) The report required by this section must be
 25 delivered to the governor by August 1 preceding the

1 convening of a regular legislative session and by October 1
 2 preceding the convening of a regular legislative session to
 3 the revenue oversight committee, established in 5-18-102,
 4 and to the legislative fiscal analyst.

5 NEW SECTION. Section 2. Tax expenditure budget --
 6 form. (1) Following receipt of the report required in
 7 [section 1], the governor shall have the budget director
 8 prepare a tax expenditure budget.

9 (2) The form of the tax expenditure budget must be
 10 substantially as follows:

11 (a) for each tax or assessment imposed under Title 15,
 12 chapters 30, 31, 32, 33, 35, 36, 37, 38, 50, 51, 53, 54, 55,
 13 56, 57, 58, 59, 65, and 70, there must be listed the total
 14 amount of revenue foregone by each deduction, exemption,
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17 (b) for each amount listed under subsection (2)(a), the
 18 governor shall recommend whether or not to retain the
 19 deduction, exemption, exclusion, deferral, or credit.

20 (3) If the governor recommends that a deduction,
 21 exemption, exclusion, deferral, or credit be retained, he
 22 shall:

23 (a) recommend that it be retained:

24 (i) at the current rate, amount, ratio, reduction, or
 25 the like;

1 (ii) at an increased rate, amount, ratio, reduction, or
2 the like; or

3 (iii) at a reduced rate, amount, ratio, reduction, or
4 the like; and

5 (b) define the base against which it will be applied.

6 (4) If the governor recommends that a deduction,
7 exemption, exclusion, deferral, or credit be retained at an
8 increased rate, amount, ratio, reduction, or the like or be
9 applied to a base that would increase the amount of foregone
10 revenue, he shall also recommend how the anticipated loss of
11 revenue should be addressed, by recommending either specific
12 program-budget reductions or specific increases in revenue
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14 (5) If the governor recommends that a deduction,
15 exemption, exclusion, deferral, or credit be retained at a
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17 eliminated completely, or be applied to a base that would
18 decrease the amount of foregone revenue, he shall also
19 recommend how the anticipated increase in revenue should be
20 addressed, by recommending either specific program-budget
21 expansions or specific decreases in revenue from another
22 source.

23 **Section 3.** Section 17-7-112, MCA, is amended to read:

24 "17-7-112. **Submission deadline.** (1) It shall be the
25 duty of each department, agency, and office, including the

1 Montana university system, to submit the information
2 required under 17-7-111 to the budget director on or before
3 September 1 in the even year preceding the convening of the
4 legislature.

5 (2) Between August 15 and September 30 in the year
6 preceding the convening of the legislature, the director
7 must submit each state agency's budget request required
8 under 17-7-111(2) to the legislative fiscal analyst. The
9 transfer of budget information shall be done on a schedule
10 mutually agreed to by the budget director and the
11 legislative fiscal analyst in a manner that facilitates an
12 even transfer of budget information during the month of
13 September and which allows each office to maintain a
14 reasonable staff workflow.

15 (3) If any department, institution, university unit, or
16 agency shall fail to present such information within the
17 time herein specified, the budget director shall note that
18 fact in the budget submitted to the governor and the budget
19 director shall prepare and submit to the legislative fiscal
20 analyst and the governor by October 30 a budget request on
21 behalf of such department, institution, university unit, or
22 agency, based upon his studies of the operations, plans, and
23 needs thereof.

24 (4) The proposed pay plan schedule required by
25 17-7-111(3) must be submitted to the legislative fiscal

1 analyst no later than November 15 in the year preceding the
2 convening of the legislature.

3 (5) The department of revenue shall submit to the
4 governor and budget director by August 1 in the year
5 preceding the convening of the legislature the report
6 required under [section 1]."

7 **Section 4.** Section 17-7-122, MCA, is amended to read:

8 "17-7-122. Submission of budget and tax expenditure
9 budget to legislature. (1) The governor shall, following the
10 receipt of the preliminary budget from the budget director,
11 have prepared a budget for the ensuing biennium and shall
12 submit said budget to each member of the legislature at the
13 time of the convening of the legislature.

14 (2) Legislative branch requests shall be included in
15 the budget submitted by the governor without changes.

16 (3) The governor shall submit the tax expenditure
17 budget required in [section 2] to each member of the
18 legislature at the time of the convening of the
19 legislature."

20 **Section 5.** Section 17-7-131, MCA, is amended to read:

21 "17-7-131. **Legislative action.** (1) The presiding
22 officers of the house of representatives and of the senate
23 shall promptly refer the tax expenditure budget, budgets,
24 and budget bills to the proper committees. The budget bill
25 for the maintenance of the agencies of state government and

1 the state institutions shall be based upon the budget and
2 proposed budget bill so submitted. The legislature may amend
3 the proposed budget bill, but it may not amend the proposed
4 budget bill so as to affect either the obligations of the
5 state or the payment of any salaries required to be paid by
6 the constitution and laws of the state.

7 (2) The legislature shall consider the tax expenditure
8 budget, including the recommendations made by the governor
9 for increasing, decreasing, or eliminating a deduction,
10 exemption, exclusion, deferral, or credit."

11 **NEW SECTION. Section 6. Severability.** If a part of
12 [this act] is invalid, all valid parts that are severable
13 from the invalid part remain in effect. If a part of [this
14 act] is invalid in one or more of its applications, the part
15 remains in effect in all valid applications that are
16 severable from the invalid applications.

17 **NEW SECTION. Section 7. Codification instruction.** (1)
18 [Section 1] is intended to be codified as an integral part
19 of Title 15, chapter 1, part 2, and the provisions of Title
20 15, chapter 1, part 2, apply to [section 1].

21 (2) [Section 2] is intended to be codified as an
22 integral part of Title 17, chapter 7, and the provisions of
23 Title 17, chapter 7, apply to [section 2].

-End-

1 HOUSE BILL NO. 617

2 INTRODUCED BY REAM, HALLIGAN, HARRINGTON,

3 BROOKE, ECK

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
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8 A TAX EXPENDITURE BUDGET AS PART OF THE BUDGET PROCESS; AND
9 AMENDING SECTIONS 17-7-112, 17-7-122, AND 17-7-131, MCA; AND
10 PROVIDING A DELAYED EFFECTIVE DATE."
11

12 STATEMENT OF INTENT

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15 It has been speculated that certain preferential
16 treatments of income through tax deductions, exemptions,
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18 amounts of revenue being lost to the state general fund or
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3 required under 17-7-111 to the budget director on or before
4 September 1 in the even year preceding the convening of the
5 legislature.

6 (2) Between August 15 and September 30 in the year
7 preceding the convening of the legislature, the director
8 must submit each state agency's budget request required
9 under 17-7-111(2) to the legislative fiscal analyst. The
10 transfer of budget information shall be done on a schedule
11 mutually agreed to by the budget director and the
12 legislative fiscal analyst in a manner that facilitates an
13 even transfer of budget information during the month of
14 September and which allows each office to maintain a
15 reasonable staff workflow.

16 (3) If any department, institution, university unit, or
17 agency shall fail to present such information within the
18 time herein specified, the budget director shall note that
19 fact in the budget submitted to the governor and the budget
20 director shall prepare and submit to the legislative fiscal
21 analyst and the governor by October 30 a budget request on
22 behalf of such department, institution, university unit, or
23 agency, based upon his studies of the operations, plans, and
24 needs thereof.

25 (4) The proposed pay plan schedule required by

1 17-7-111(3) must be submitted to the legislative fiscal
2 analyst no later than November 15 in the year preceding the
3 convening of the legislature.

4 (5) The department of revenue shall submit to the
5 governor and budget director by August 1 in the year
6 preceding the convening of the legislature the report
7 required under [section 1]."

8 **Section 4.** Section 17-7-122, MCA, is amended to read:

9 "17-7-122. Submission of budget and tax expenditure
10 budget to legislature. (1) The governor shall, following the
11 receipt of the preliminary budget from the budget director,
12 have prepared a budget for the ensuing biennium and shall
13 submit said budget to each member of the legislature at the
14 time of the convening of the legislature.

15 (2) Legislative branch requests shall be included in
16 the budget submitted by the governor without changes.

17 (3) The governor shall submit the tax expenditure
18 budget required in [section 2] to each member of the
19 legislature at the time of the convening of the
20 legislature."

21 **Section 5.** Section 17-7-131, MCA, is amended to read:

22 "17-7-131. **Legislative action.** (1) The presiding
23 officers of the house of representatives and of the senate
24 shall promptly refer the tax expenditure budget, budgets,
25 and budget bills to the proper committees. The budget bill

1 for the maintenance of the agencies of state government and
2 the state institutions shall be based upon the budget and
3 proposed budget bill so submitted. The legislature may amend
4 the proposed budget bill, but it may not amend the proposed
5 budget bill so as to affect either the obligations of the
6 state or the payment of any salaries required to be paid by
7 the constitution and laws of the state.

8 (2) The legislature shall consider the tax expenditure
9 budget, including the recommendations made by the governor
10 for increasing, decreasing, or eliminating a deduction,
11 exemption, exclusion, deferral, or credit."

12 **NEW SECTION. Section 6. Severability.** If a part of
13 [this act] is invalid, all valid parts that are severable
14 from the invalid part remain in effect. If a part of [this
15 act] is invalid in one or more of its applications, the part
16 remains in effect in all valid applications that are
17 severable from the invalid applications.

18 **NEW SECTION. Section 7. Codification instruction.** (1)
19 [Section 1] is intended to be codified as an integral part
20 of Title 15, chapter 1, part 2, and the provisions of Title
21 15, chapter 1, part 2, apply to [section 1].

22 (2) [Section 2] is intended to be codified as an
23 integral part of Title 17, chapter 7, and the provisions of
24 Title 17, chapter 7, apply to [section 2].

25 **NEW SECTION. SECTION 8. EFFECTIVE DATE. [THIS ACT] IS**

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1 EFFECTIVE JANUARY 1, 1993.

-End-