

HOUSE BILL 623

Introduced by Cohen, et al.

2/05	Introduced
2/05	Referred to Fish & Game
2/06	First Reading
2/06	Fiscal Note Requested
2/11	Fiscal Note Received
2/13	Fiscal note Printed
2/14	Hearing
2/14	Sponsor Fiscal Note Printed
2/15	Revised Fiscal Note Printed
2/19	Tabled in Committee
3/22	Taken From Table
3/23	Committee Report--Bill Passed
3/23	Rereferred to Appropriations
3/27	Tabled in Committee

1 House BILL NO. 623
 2 INTRODUCED BY [Signature] McCom Frank Beam

3
 4 ~~UNENACTED~~
 5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR FREE
 6 ACCESS TO STATE PARKS BY ELIMINATING PARK ENTRANCE AND
 7 CAMPING FEES; REPLACING PARK ENTRANCE AND CAMPING FEE
 8 REVENUE WITH A PORTION OF THE COAL SEVERANCE TAX INTEREST
 9 INCOME; AMENDING SECTIONS 17-5-704 AND 23-1-105, MCA; AND
 10 PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

11 WHEREAS, Montana's state parks belong to the people of
 12 Montana and exist for the enjoyment and use of the people of
 13 Montana, as well as for the protection of state historical
 14 and cultural resources; and

15 WHEREAS, state parks are vital to the tourism economy;
 16 and

17 WHEREAS, the charging of user fees, such as entrance
 18 fees and camping fees, reduces public support for state
 19 parks and discriminates economically against lower-income
 20 park users; and

21 WHEREAS, it is advisable that state parks be funded from
 22 a constant source of revenue, rather than by user fees.

23
 24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

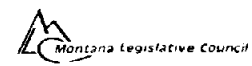
25 **Section 1.** Section 23-1-105, MCA, is amended to read:

1 "23-1-105. Fees and charges. (1) The department shall
 2 have power to levy and collect reasonable fees or other
 3 charges for the use of privileges and conveniences as may be
 4 provided and to grant concessions as it considers advisable,
 5 except as provided in subsection (2). All money derived from
 6 the activities of the department shall be deposited in the
 7 state treasury in a state special revenue fund to the credit
 8 of the department.

9 (2) ~~Overnight---camping---fees---established---by---the~~
 10 ~~department-under-subsection-(1)-must-be-discounted-50%-for-a~~
 11 ~~campsite--rented-by-a-person-who-is-a-resident-of-Montana-as~~
 12 ~~defined-in-87-2-102-and-either-62-years-of-age-or--older--or~~
 13 ~~certified--as--disabled--in-accordance-with-rules-adopted-by~~
 14 ~~the-department. A fee may not be charged for entrance to a~~
 15 ~~state park, and a camping fee may not be charged for use of~~
 16 ~~state park facilities by the general public."~~

17 **Section 2.** Section 17-5-704, MCA, is amended to read:

18 "17-5-704. Investment of funds. (1) Money in the coal
 19 severance tax bond fund, the coal severance tax permanent
 20 fund, and the coal severance tax income fund must be
 21 invested in accordance with the investment standards for
 22 coal severance tax funds except as provided in subsection
 23 (2). income Except as provided in subsection (3), income and
 24 earnings from all funds must be transferred to and retained
 25 in the coal severance tax income fund until appropriated by



-2-
 INTRODUCED BILL
 HB 623

1 the legislature.

2 (2) Except as provided in section 1, Chapter 634, Laws
3 of 1989, beginning on July 1, 1990, the legislature shall
4 appropriate 15% of the income and earnings from all funds to
5 be deposited to the state equalization aid account each
6 year.

7 (3) There is allocated biennially 1.3% of the interest
8 earned from the coal severance tax trust fund to the state
9 special revenue fund for state parks, established in
10 23-1-105, to replace revenue lost through the elimination of
11 state park entrance and camping fees."

12 NEW SECTION. Section 3. Effective date --
13 applicability. [This act] is effective July 1, 1991, and
14 applies to coal severance tax trust fund interest accrued on
15 and after 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 HBO623, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing for free access to state parks by eliminating park entrance and camping fees; replacing park entrance and camping fee revenue with a portion of the coal severance tax interest income.

ASSUMPTIONS:

1. Coal trust fund interest earnings will be \$49,234,000 and \$51,155,000 in FY92 and FY93, respectively.
2. If the proposal is adopted, 1.3% of the interest earnings of the coal trust fund would be allocated to the parks fund, 15% to the school foundation program, and the remainder to the general fund.


FISCAL IMPACT:

Fish, Wildlife and Parks:

	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>
<u>Expenditures:</u>						
Operating Costs	105,000	0	(105,000)	110,000	0	(110,000)
Capital Outlay	<u>30,000</u>	<u>0</u>	<u>(30,000)</u>	<u>30,000</u>	<u>0</u>	<u>(30,000)</u>
Total	135,000	0	(135,000)	140,000	0	(140,000)
<u>Funding:</u>						
Fed & Private Spec. Revenue	135,000	0	(135,000)	140,000	0	(140,000)
<u>Revenues:</u>						
Entrance and Camping Fees (02)	575,000	0	(575,000)	600,000	0	(600,000)
Coal Tax Trust Interest (01)	41,848,900	41,208,858	(640,042)	43,481,750	42,816,735	(665,015)
School Foundation	7,385,100	7,385,100	0	7,673,250	7,673,250	0
Parks Fund	<u>0</u>	<u>640,042</u>	<u>640,042</u>	<u>0</u>	<u>665,015</u>	<u>665,015</u>
Total	49,809,000	49,234,000	(575,000)	51,755,000	51,155,000	(600,000)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposal would permanently allocate 1.3% of the interest income from the coal severance tax trust fund to the state special revenue fund for the state parks, thus reducing the percentage available for allocation to other uses. The department would no longer pay the 4% accommodations tax on camping fees.

 2-11-91
 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 BEN COHEN, PRIMARY SPONSOR DATE

Fiscal Note for HBO623, as introduced

HB 623

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0623, as introduced, revised.

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing for free access to state parks by eliminating park entrance and camping fees; replacing park entrance and camping fee revenue with a portion of the coal severance tax interest income.

ASSUMPTIONS:

1. Coal trust fund interest earnings will be \$49,234,000 and \$51,155,000 in FY92 and FY93, respectively.
2. If the proposal is adopted, 1.3% of the interest earnings of the coal trust fund would be allocated to the parks fund, 15% to the school foundation program, and the remainder to the general fund.
3. The Department will no longer incur collection costs in relation to Park entrance and camping fee collections.

FISCAL IMPACT:

Fish, Wildlife and Parks:

	FY 92			FY 93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
Operating Costs	105,000	0	(105,000)	110,000	0	(110,000)
Capital Outlay	30,000	0	(30,000)	30,000	0	(30,000)
Total	135,000	0	(135,000)	140,000	0	(140,000)
<u>Funding:</u>						
State Special	135,000	0	(135,000)	140,000	0	(140,000)
<u>Revenues:</u>						
Entrance and Camping Fees (02)	575,000	0	(575,000)	600,000	0	(600,000)
Coal Tax Trust Interest (01)	41,848,900	41,208,858	(640,042)	43,481,750	42,816,735	(665,015)
School Foundation	7,385,100	7,385,100	0	7,673,250	7,673,250	0
Parks Fund (02)	0	640,042	640,042	0	665,015	665,015
Total	49,809,000	49,234,000	(575,000)	51,755,000	51,155,000	(600,000)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposal would permanently allocate 1.3% of the interest income from the coal severance tax trust fund to the state special revenue fund for the state parks, thus reducing the percentage available for allocation to other uses. The department would no longer pay the 4% accommodations tax on camping fees.

Rod Sundsted 2/18/91

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

 BEN COHEN, PRIMARY SPONSOR DATE

Fiscal Note for HB0623, as introduced, revised

**HB0623
 Rev.**

SPONSOR'S FISCAL NOTE

Form BD-15S

There is hereby submitted a Sponsor's Fiscal Note for: HB 0623, Version: As introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing for free access to state parks by eliminating park entrance and camping fees; replacing this fee revenue with a portion of the coal severance tax interest income.

ASSUMPTIONS:

1. Coal tax trust fund interest earnings will be \$49,234,000 and \$51,155,000 in FY92 & FY93, respectively
2. If the proposal is adopted, 1.3% of the interest earnings of the coal trust fund would be allocated to the parks fund, 15% to the school foundation program, and the remainder to the general fund.
3. State employees shall receive a 4% raise in pay and benefits in FY92 and FY93.
4. The Department will no longer incur collection costs.

FISCAL IMPACT:

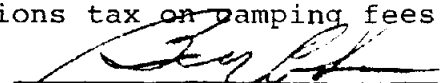
Fish, Wildlife and Parks:

	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Expenditures:						
Operating costs (see attached)	490,785	0	(490,785)	510,416	0	(510,416)
Capital outlay-code #6817	34,000	0	(34,000)	34,000	0	(34,000)
Total	524,785	0	(524,785)	544,416	0	(544,416)
Funding:						
State Special Revenue	524,785		(524,785)	544,416		(544,416)
Revenues:						
Entrance & camping fees	575,000	0	(575,000)	600,000	0	(600,000)
Coal tax trust interest	41,858,900	41,208,858	(640,042)	43,481,750	42,816,735	(665,015)
School foundation	7,385,100	7,385,100	0	7,673,250	7,673,250	0
Parks fund	0	640,042	640,042	0	665,015	665,015
Total	48,809,000	49,234,000	(575,000)	51,755,000	51,155,000	(600,000)

EFFECT ON OTHER REVENUES AND EXPENDITURES:

The proposal would allocate 1.3% of the interest income from the coal severance tax trust fund to the state special revenue fund for state parks, thus reducing the percentage available for other uses. The department would no longer pay the 4% accomodations tax on camping fees (about \$7,390 for 1990).

ADDITIONAL FISCAL NOTES ATTACHED-see pg. 2


PRIMARY SPONSOR

2/14/91
DATE

Fiscal Note for: HB 623 Version: introduced

HB623

Fee income is being used primarily to collect fees.

38.5 summer employees (excluding Region 7) are being used to collect fees. These employees will now be available for maintenance and improvement of state parks. SEE EXHIBIT A.

Actual fee collections were \$286,000 less than projected in Department Budget. In order to fund continued fee collections, the Department diverted \$95,000 from the proposed Montana Conservation Corps. This diversion of funds from a legislatively mandated program resulted in a loss of \$250,000 of federal funds. SEE EXHIBIT B.

There was an increase of \$126,163 in the FY90 budget for temporary employees, over FY89. These employees were needed to implement the fee collection system (or most of them were).

But, only \$6,705 was cut from the FY90 budget for temporary employees for FY90.

Those cuts came from:	Wildhorse Island	-	609
	Lonepine St. Park	-	1,520
	Bannack St. Park	-	4,576*
	Total	-	6,705

So, there was a net increase of \$119,458 in FY90, over FY89, for temporary employees.

* Note that the position was cut from Bannack because Bannack did not meet the minimum of 20% of its budget being produced from fees.
SEE EXHIBIT C.