

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

A Free Conference Committee Meeting was called to order by
SENATOR CECIL WEEDING on Monday, April 22, 1991,
at 11:00 A. M., in Room 331 of the Capitol Complex.

ROLL CALL

Members Present:

Senator Cecil Weeding
Senator Don Bianchi
Senator Tom Beck
Representative Mary Ellen Connelly
Representative Bob Gilbert
Representative Bob Raney

Discussion:

We, your Conference Committee on Senate Bill 94 vote to accede to
the House Amendments on Senate Bill 94.

A Standing Committee Report was filed April 22, 1991.

ADJOURNMENT

Adjournment At: 11:45 A. M.



SENATOR CECIL WEEDING, Chairman

BETSY CLARK, Secretary

CW/bc

Free Conference Committee
on Senate Bill No. 94
Report No. 1, April 23, 1991

Page 1 of 5

Mr. President and Mr. Speaker:

We, your Free Conference Committee on Senate Bill No. 94, met and considered Senate Bill No. 94 (reference copy - salmon).

We recommend that Senate Bill No. 94 (reference copy - salmon) be amended as follows:

1. Title, line 17.

Following: "~~MEA,~~"

Insert: "CHANGING THE NAME OF THE MONTANA RESOURCE INDEMNITY TRUST ACT; REALLOCATING A PORTION OF THE TAX PROCEEDS TO THE GROUND WATER ASSESSMENT ACCOUNT;"

2. Title, line 18.

Following: "SECTIONS"

Insert: "15-38-101, 15-38-102, 15-38-106,"

3. Title, line 19.

Following: "PROVIDING"

Strike: "AN"

Following: "EFFECTIVE"

Strike: "DATE"

Insert: "DATES"

4. Page 1, line 24.

Following: "through"

Strike: "6"

Insert: "7"

5. Page 2, line 24.

Following: "through"

Strike: "6"

Insert: "7"

6. Page 3, line 10.

Following: "through"

Strike: "6"

Insert: "7"

7. Page 3, line 15.

Following: "section"

Strike: "7"

Insert: "8"

8. Page 4, line 6.

Following: "through"

Strike: "6"

Insert: "7"

ADOPT

REJECT

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9. Page 4, line 9.
Following: "through"
Strike: "6"
Insert: "7"

10. Page 4, line 15.
Following: "through"
Strike: "6"
Insert: "7"

11. Page 5, line 25.
Following: "through"
Strike: "6"
Insert: "7"

12. Page 6, line 4.
Following: "through"
Strike: "6"
Insert: "7"

13. Page 6, line 5.
Following: line 4
Insert: "NEW SECTION. Section 5. Ground water assessment
account. (1) There is a ground water assessment account within
the state special revenue fund established in 17-2-102. The
Montana bureau of mines and geology is authorized to expend
amounts from the account necessary to carry out the purposes of
[sections 1 through 7].

(2) The account may be used by the Montana bureau of mines
and geology only to carry out the provisions of [sections 1
through 7].

(3) Subject to the direction of the ground water assessment
steering committee, the Montana bureau of mines and geology shall
investigate opportunities for the participation and financial
contribution of agencies of federal and local governments to
accomplish the purposes of [sections 1 through 7].

(4) There must be deposited in the account:

(a) on July 1, 1993, and at the beginning of each
succeeding fiscal year, 14.1% of the proceeds from the resource
indemnity and ground water assessment tax as authorized by 15-38-
106, unless at the beginning of the fiscal year the unobligated
cash balance in the ground water assessment account:

(i) equals or exceeds \$666,000, in which case no allocation
will be made and the funds must be deposited in the resource
indemnity trust fund established by 15-38-201; or

(ii) is less the \$666,000, in which case an amount equal to
the difference between the unobligated cash balance and \$666,000
must be allocated to the ground water assessment account and any
remaining amount must be deposited in the resource indemnity
trust fund established by 15-38-201;

(b) funds provided by federal or state government agencies and by local governments to carry out the purposes of [sections 1 through 7]; and

(c) funds provided by any other public or private sector organization or person in the form of gifts, grants, or contracts specifically designated to carry out the purposes of [sections 1 through 7]."

Renumber: subsequent sections

14. Page 6, line 22.

Following: "section"

Strike: "7"

Insert: "8"

15. Page 8, line 5.

Following: "section"

Strike: "5(1)"

Insert: "6(1)"

16. Page 20, line 15.

Following: line 14

Insert: "Section 14. Section 15-38-101, MCA, is amended to read: "15-38-101. Short title. This chapter shall be known and may be cited as "The Montana Resource Indemnity Trust and Ground Water Assessment Act"."

Section 15. Section 15-38-102, MCA, is amended to read:

"15-38-102. Legislative policy. It is the policy of the state of Montana to indemnify its citizens for the loss of long-term value resulting from the depletion of its mineral resource base and for environmental damage caused by mineral development. This policy of indemnification is achieved by establishing a permanent resource indemnity trust, as required by Article IX, section 2, of the Montana constitution, by supporting ground water assessment programs from the proceeds of a tax levied on mineral extraction, and by allocating spendable ~~trust~~ revenues:

(1) to protect and restore the environment from damages resulting from mineral development; ~~and~~

(2) to support a variety of development programs that benefit the economy of the state and the lives of Montana citizens; and

(3) to assess the state's ground water resources."

Section 16. Section 15-38-106, MCA, is amended to read:

"15-38-106. Payment of tax -- records -- collection of taxes -- refunds. (1) The tax imposed by this chapter shall be paid by each person to which the tax applies, on or before March 31, on the value of product in the year preceding January 1 of the year in which the tax is paid. The tax shall be paid to the department at the time the statement of yield for the preceding calendar year is filed with the department.

(2) The department shall deposit the proceeds of the tax in the resource indemnity trust fund of the nonexpendable trust fund type, except that 14.1% of the proceeds must be deposited in the

ground water assessment account established by [section 5]. Every person to whom the tax applies shall keep records in accordance with 15-38-105, and the records are subject to inspection by the department upon reasonable notice during normal business hours.

(3) The department shall examine the statement and compute the taxes thereon, and the amount computed by the department shall be the taxes imposed, assessed against, and payable by the taxpayer. If the tax found to be due is greater than the amount paid, the excess shall be paid by the taxpayer to the department within 30 days after written notice of the amount of deficiency is mailed by the department to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax credit against tax liability for subsequent years or refunded if requested by the taxpayer."

NEW SECTION. Section 17. Name change. In the provisions of the Montana Code Annotated, the code commissioner is instructed to change the term "resource indemnity trust tax", meaning the tax created by Title 15, chapter 38, to "resource indemnity and ground water assessment tax".

Renumber: subsequent sections

17. Page 20, line 23.

Following: "through"

Strike: "6"

Insert: "7"

18. Page 20, line 25.

Following: "through"

Strike: "6"

Insert: "7"

19. Page 21, line 1.

Following: "Section"

Strike: "7"

Insert: "8"

20. Page 21, line 4.

Following: "section"

Strike: "7"

Insert: "3"

21. Page 21, line 12.

Following: "Effective"

Strike: "date. [This act] is"

Insert: "dates. (1) [Sections 1 through 4, 6 through 13, 18 through 20, 22, and this section] are"

22. Page 21.

Following: line 13

Insert: "(2) [Sections 5 and 14 through 17] are effective July 1, 1993."

23. Page 21, lines 15 and 16.
Following: "SECTIONS" on line 15
Strike: "8 THROUGH 12"
Insert: "9 through 13"

And that this Free Conference Committee report be adopted.

For the Senate:

Bob Weeding
Chair, Sen. Weeding

Tom Bianchi
Sen. Bianchi

Jim Beck
Sen. Beck

For the House:

Bob Raney
Chair, Rep. Raney

M. E. Connelly
Rep. Connelly

Tom Gilbert
Rep. Gilbert

121 4-23-91
Ad. Coord.

SB 4-23
Sec. of Senate

Free Conference Committee
on Senate Bill No. 94
Report No. 2, April 24, 1991

Page 1 of 5

Mr. President and Mr. Speaker:

We, your Free Conference Committee on Senate Bill No. 94, met and considered Senate Bill No. 94 (reference copy - salmon).

We recommend that Senate Bill No. 94 (reference copy - salmon) be amended as follows:

1. Title, line 17.

Following: "~~MEA,~~"

Insert: "CHANGING THE NAME OF THE MONTANA RESOURCE INDEMNITY TRUST ACT; REALLOCATING A PORTION OF THE TAX PROCEEDS TO THE GROUND WATER ASSESSMENT ACCOUNT;"

2. Title, line 18.

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Following: "through"

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Following: "through"

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7. Page 3, line 15.

Following: "section"

Strike: "7"

Insert: "8"

8. Page 4, line 6.

Following: "through"

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ADOPT

REJECT

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9. Page 4, line 9.
Following: "through"
Strike: "6"
Insert: "7"

10. Page 4, line 15.
Following: "through"
Strike: "6"
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11. Page 5, line 25.
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Strike: "6"
Insert: "7"

12. Page 6, line 4.
Following: "through"
Strike: "6"
Insert: "7"

13. Page 6, line 5.
Following: line 4
Insert: "NEW SECTION. Section 5. Ground water assessment account. (1) There is a ground water assessment account within the state special revenue fund established in 17-2-102. The Montana bureau of mines and geology is authorized to expend amounts from the account necessary to carry out the purposes of [sections 1 through 7].

(2) The account may be used by the Montana bureau of mines and geology only to carry out the provisions of [sections 1 through 7].

(3) Subject to the direction of the ground water assessment steering committee, the Montana bureau of mines and geology shall investigate opportunities for the participation and financial contribution of agencies of federal and local governments to accomplish the purposes of [sections 1 through 7].

(4) There must be deposited in the account:

(a) on July 1, 1993, and at the beginning of each succeeding fiscal year, 14.1% of the proceeds from the resource indemnity and ground water assessment tax as authorized by 15-38-106, unless at the beginning of the fiscal year the unobligated cash balance in the ground water assessment account:

(i) equals or exceeds \$666,000, in which case no allocation will be made and the funds must be deposited in the resource indemnity trust fund established by 15-38-201; or

(ii) is less the \$666,000, in which case an amount equal to the difference between the unobligated cash balance and \$666,000 must be allocated to the ground water assessment account and any remaining amount must be deposited in the resource indemnity trust fund established by 15-38-201;

(b) funds provided by federal or state government agencies and by local governments to carry out the purposes of [sections 1 through 7]; and

(c) funds provided by any other public or private sector organization or person in the form of gifts, grants, or contracts specifically designated to carry out the purposes of [sections 1 through 7]."

Renumber: subsequent sections

14. Page 6, line 22.

Following: "section"

Strike: "7"

Insert: "8"

15. Page 8, line 5.

Following: "section"

Strike: "5(1)"

Insert: "6(1)"

16. Page 17, line 21.

Strike: "\$20"

17. Page 20, line 11.

Following: "(5)" on line 11.

Strike: "The"

Insert: "In addition to the filing fee prescribed by the board by rule pursuant to 35-2-113, a person filing a notice under subsection (1) of this section shall pay a \$10 fee which the"

18. Page 20, line 15.

Following: line 14

Insert: "Section 14. Section 15-38-101, MCA, is amended to read: "15-38-101. Short title. This chapter shall be known and may be cited as "The Montana Resource Indemnity Trust and Ground Water Assessment Act"."

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(3) The department shall examine the statement and compute the taxes thereon, and the amount computed by the department shall be the taxes imposed, assessed against, and payable by the taxpayer. If the tax found to be due is greater than the amount paid, the excess shall be paid by the taxpayer to the department within 30 days after written notice of the amount of deficiency is mailed by the department to the taxpayer. If the tax imposed is less than the amount paid, the difference must be applied as a tax credit against tax liability for subsequent years or refunded if requested by the taxpayer."

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Renumber: subsequent sections

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Following: "through"

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20. Page 20, line 25.

Following: "through"

Strike: "6"

Insert: "7"

21. Page 21, line 1.

Following: "Section"

Strike: "7"

Insert: "8"

22. Page 21, line 4.

Following: "section"

Strike: "7"

Insert: "8"

23. Page 21, line 12.

Following: "Effective"

Strike: "date. [This act] is"

Insert: "dates. (1) [Sections 1 through 4, 6 through 13, 18 through 20, 22, and this section] are"

24. Page 21.

Following: line 13

Insert: "(2) [Sections 5 and 14 through 17] are effective July 1, 1993."

25. Page 21, lines 15 and 16.

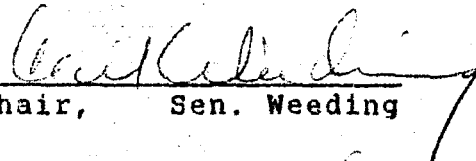
Following: "SECTIONS" on line 15

Strike: "8 THROUGH 12"

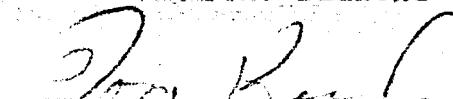
Insert: "9 through 13"

And that this Free Conference Committee report be adopted.

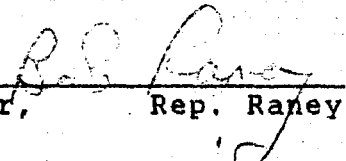
For the Senate:


Chair, Sen. Weeding



Sen. Bianchi


Sen. Beck

For the House:


Chair, Rep. Raney


Rep. Connelly


Rep. Gilbert

Ad 41-24-91
Ad. Coord.

SP 4/24
Sec. of Senate