

1 House BILL NO. 779  
 2 INTRODUCED BY Darnell  
 3 REQUESTED BY  
 4 THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

5  
 6 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEYS  
 7 DEPOSITED IN THE CLEARANCE FUND ACCOUNT TO BE USED FOR THE  
 8 RENEWABLE RESOURCE DEVELOPMENT LOAN PROGRAM; INCREASING THE  
 9 BONDING LIMIT FOR THE SALE OF BONDS UNDER THE PROGRAM;  
 10 AMENDING SECTIONS 89-3608 AND 89-3609, R.C.M. 1947."

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

13 Section 1. Section 89-3608, R.C.M. 1947, is amended to  
 14 read as follows:

15 "89-3608. Clearance fund account. (1) In addition to  
 16 any funds herein provided for the clearance fund account,  
 17 the state may by enactment of the legislature or the people  
 18 levy, impose, assess and pledge and appropriate to the  
 19 clearance fund account any tax, charge, fee, rental or other  
 20 income from any source.

21 ~~(2) The state pledges and appropriates and directs to~~  
 22 ~~be credited from the general fund to the clearance fund~~  
 23 ~~account three hundred ninety thousand, nine hundred~~  
 24 ~~seventy four dollars (\$390,974) for its initial funding to~~  
 25 ~~be used and administered as provided for in this act. When~~

1 ~~sufficient funds have been accumulated in the clearance fund~~  
 2 ~~account from bond proceeds or as otherwise provided for in~~  
 3 ~~this act, the legislature directs that three hundred ninety~~  
 4 ~~thousand, nine hundred seventy four dollars (\$390,974) be~~  
 5 ~~appropriated from the clearance fund account and credited~~  
 6 ~~to the general fund.~~

7 ~~(3)~~ (2) The costs of the board of examiners, the board  
 8 of natural resources and conservation, the department of  
 9 natural resources and conservation, and the department of  
 10 administration incurred in the administration of this act  
 11 shall be met from the clearance fund account moneys which  
 12 shall from time to time as needed be transferred to an  
 13 earmarked revenue fund established for that purpose.

14 ~~(4)~~ (3) The board of examiners, the department of  
 15 natural resources and the department of administration may,  
 16 within the limits of appropriation made therefore, make  
 17 necessary expenditures for the purchase or hire of such  
 18 personnel, facilities, and services as they may from time to  
 19 time find necessary for the proper administration of this  
 20 act.

21 ~~(5) The general fund appropriation provided for by~~  
 22 ~~subsection (2) of this section as the initial funding for~~  
 23 ~~the program provided for by this act shall be appropriated~~  
 24 ~~and used as follows for the biennium ending June 30, 1977:~~

For Fiscal Year For Fiscal Year

HB 779

1 Ending 6/30/76 Ending 6/30/77  
 2 DEPARTMENT OF NATURAL RESOURCES  
 3 AND CONSERVATION  
 4 Administrative expenses from  
 5 the earmarked revenue fund \$103,490 \$102,534  
 6 DEPARTMENT OF ADMINISTRATION  
 7 Administrative expenses from  
 8 the earmarked fund 30,000 30,950  
 9 DEPARTMENT OF NATURAL RESOURCES  
 10 AND CONSERVATION  
 11 Engineering studies on expanded  
 12 water storage on the Tongue  
 13 river from the clearance fund  
 14 account 49,000  
 15 Engineering studies on water  
 16 storage on the Powder River from  
 17 the clearance fund account 25,000  
 18 Study of the diversion of water  
 19 into the Milk River from the  
 20 clearance fund account 50,000  
 21 (6) (4) The moneys deposited in the clearance fund  
 22 account as provided for in section 6 [89-3606] of this act  
 23 shall be appropriated and used as follows for the biennium  
 24 ending June 30, 1977 1979:  
 25 For Fiscal Year For Fiscal Year

1 Ending 6/30/76 6/30/78 Ending 6/30/77 6/30/79  
 2 Department of Natural Resources  
 3 and Conservation  
 4 Implementation of the renewable  
 5 resource development loan program  
 6 authorized by section 3 of  
 7 this act 89-3603  
 8 from the clearance fund  
 9 account 1,000,000 \$3 million 2,000,000 \$3 million  
 10 (7) In case of necessity, an appropriation not  
 11 expended during the first fiscal year of the biennium may be  
 12 expended during the second fiscal year by approved budget  
 13 amendment submitted through the budget director by the  
 14 governor, or by his designated representative."  
 15 Section 2. Section 89-3609, R.C.M. 1947, is amended to  
 16 read as follows:  
 17 "89-3609. Authorization of bonds. The legislature,  
 18 through the enactment of this law by a two-thirds (2/3) vote  
 19 of the members of each house, authorizes the creation of  
 20 state debt in an amount not to exceed five million dollars  
 21 (\$5,000,000) \$10 million, and the issuance and sale of  
 22 renewable resource development bonds in this amount, for the  
 23 purpose of providing funds appropriated to the clearance  
 24 fund account for developments included in the renewable  
 25 resource development program."

STATE OF MONTANA

REQUEST NO. 524-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 17, 19 77, there is hereby submitted a Fiscal Note for HB 779 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 779 appropriates \$3,000,000 each year of the 1979 biennium for implementation of the renewable resource development loan program as provided in section 89-3609. This bill also increases the amount of bonds that can be sold from \$5,000,000 to \$10,000,000.

FISCAL IMPACT:

	<u>FY78</u>	<u>FY79</u>
Renewable resource development loan program	<u>\$3,000,000</u>	<u>\$3,000,000</u>

*Richard L. Tracy for*

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-21-77

Approved by Comm. on  
Appropriation

1 HOUSE BILL NO. 779  
 2 INTRODUCED BY DRISCOLL  
 3 REQUESTED BY  
 4 THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
 5  
 6 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEYS  
 7 DEPOSITED IN THE CLEARANCE FUND ACCOUNT TO BE USED FOR THE  
 8 RENEWABLE RESOURCE DEVELOPMENT LOAN PROGRAM; INCREASING--THE  
 9 BONDING--LIMIT--FOR--THE--SALE--OF--BONDS--UNDER--THE--PROGRAM;  
 10 AMENDING SECTIONS SECTION 89-3608 AND 89-3609, R.C.M. 1947."  
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 17 the state may by enactment of the legislature or the people  
 18 levy, impose, assess and pledge and appropriate to the  
 19 clearance fund account any tax, charge, fee, rental or other  
 20 income from any source.  
 21 ~~(2) The state pledges and appropriates and directs to~~  
 22 ~~be credited from the general fund to the clearance fund~~  
 23 ~~account three hundred ninety thousand nine hundred~~  
 24 ~~seventy four dollars (\$390,974) for its initial funding to~~  
 25 ~~be used and administered as provided for in this act when~~

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 2 ~~account from bond proceeds or as otherwise provided for in~~  
 3 ~~this act, the legislature directs that three hundred ninety~~  
 4 ~~thousand nine hundred seventy four dollars (\$390,974) be~~  
 5 ~~appropriated from the clearance fund account and credited~~  
 6 ~~to the general fund.~~  
 7 ~~(3)(2)~~ The costs of the board of examiners, the board  
 8 of natural resources and conservation, the department of  
 9 natural resources and conservation, and the department of  
 10 administration incurred in the administration of this act  
 11 shall be met from the clearance fund account moneys which  
 12 shall from time to time as needed be transferred to an  
 13 earmarked revenue fund established for that purpose.  
 14 ~~(4)(3)~~ The board of examiners, the department of  
 15 natural resources and the department of administration may,  
 16 within the limits of appropriation made therefore, make  
 17 necessary expenditures for the purchase or hire of such  
 18 personnel, facilities, and services as they may from time to  
 19 time find necessary for the proper administration of this  
 20 act.  
 21 ~~(5) The general fund appropriation provided for by~~  
 22 ~~subsection (2) of this section as the initial funding for~~  
 23 ~~the programs provided for by this act shall be appropriated~~  
 24 ~~and used as follows for the biennium ending June 30, 1977:~~  
 25 For Fiscal Year For Fiscal Year

1 Ending 6/30/76 Ending 6/30/77

2 DEPARTMENT-OF-NATURAL-RESOURCES

3 AND-CONSERVATION

4 Administrative-expenses-from

5 the-earmarked-revenue-fund \$183,498 \$182,534

6 DEPARTMENT-OF-ADMINISTRATION

7 Administrative-expenses-from

8 the-earmarked-fund 30,000 30,950

9 DEPARTMENT-OF-NATURAL-RESOURCES

10 AND-CONSERVATION

11 Engineering-studies-on-expanded

12 water-storage-on-the-Tongue

13 River-from-the-clearance-fund

14 account 49,000

15 Engineering-studies-on-water

16 storage-on-the-Powder-River-from

17 the-clearance-fund-account 25,000

18 Study-of-the-diversion-of-water

19 into-the-Milk-River-from-the

20 clearance-fund-account 50,000

21 (6)(4) The moneys deposited in the clearance fund

22 account as provided for in section-6-[89-3606]of-this-act

23 shall be appropriated and used as follows for the biennium

24 ending June 30, 1977 1979:

25 For Fiscal Year For Fiscal Year

1 Ending 6/30/76 6/30/78 Ending 6/30/77 6/30/79

2 Department of Natural Resources

3 and Conservation

4 Implementation of the renewable

5 resource development loan program

6 authorized by section-3-of

7 this-act 89-3603

8 from the clearance fund

9 account 1,000,000 \$1 million 2,000,000 \$2 million

10 (7) in case of necessity an appropriation not

11 expended during the first fiscal year of the biennium may be

12 expended during the second fiscal year by approved budget

13 amendment submitted through the budget director by the

14 governor or by his designated representative"

15 Section-2, Section-89-3609, R.C.M. 1947, is amended to

16 read as follows:

17 "89-3609. Authorization of bonds--the legislature

18 through the enactment of this law by a two-thirds (2/3) vote

19 of the members of each house authorizes the creation of

20 state debt in an amount not to exceed five million dollars

21 (\$5,000,000) \$18 million and the issuance and sale of

22 renewable resource development bonds in this amount for the

23 purpose of providing funds appropriated to the clearance

24 fund account for developments included in the renewable

25 resource development program"

1 HOUSE BILL NO. 779  
 2 INTRODUCED BY DRISCOLL  
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 4 THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
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 8 RENEWABLE RESOURCE DEVELOPMENT LOAN PROGRAM; INCREASING THE  
 9 BONDING LIMIT FOR THE SALE OF BONDS UNDER THE PROGRAM;  
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 17 the state may by enactment of the legislature or the people  
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 19 clearance fund account any tax, charge, fee, rental or other  
 20 income from any source.

21 ~~(2) The state pledges and appropriates and directs to~~  
 22 ~~be credited from the general fund to the clearance fund~~  
 23 ~~account three hundred ninety thousand nine hundred~~  
 24 ~~seventy four dollars (\$390,974) for its initial funding to~~  
 25 ~~be used and administered as provided for in this act when~~

1 ~~sufficient funds have been accumulated in the clearance fund~~  
 2 ~~account from bond proceeds or as otherwise provided for in~~  
 3 ~~this act; the legislature directs that three hundred ninety~~  
 4 ~~thousand nine hundred seventy four dollars (\$390,974) be~~  
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7 ~~(3)(2)~~ The costs of the board of examiners, the board  
 8 of natural resources and conservation, the department of  
 9 natural resources and conservation, and the department of  
 10 administration incurred in the administration of this act  
 11 shall be met from the clearance fund account moneys which  
 12 shall from time to time as needed be transferred to an  
 13 earmarked revenue fund established for that purpose.

14 ~~(4)(3)~~ The board of examiners, the department of  
 15 natural resources and the department of administration may,  
 16 within the limits of appropriation made therefore, make  
 17 necessary expenditures for the purchase or hire of such  
 18 personnel, facilities, and services as they may from time to  
 19 time find necessary for the proper administration of this  
 20 act.

21 ~~(5) The general fund appropriation provided for by~~  
 22 ~~subsection (2) of this section as the initial funding for~~  
 23 ~~the programs provided for by this act shall be appropriated~~  
 24 ~~and used as follows for the biennium ending June 30, 1977:~~  
 25 For Fiscal Year For Fiscal Year



April 15, 1977

SENATE  
COMMITTEE OF THE WHOLE

That House Bill No. 779 be amended as follows:

1. Amend page 4, section 1, line 9.

Following: "account"

Strike: line 9 in its entirety

Insert: "for loans for governmental units	1,000,000	1,000,000
from the clearance fund account for loans to private entities	500,000	500,000"



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 9 ~~BONDING--LIMIT--FOR--THE--SALE--OF--BONDS--UNDER--THE--PROGRAM;~~  
 10 ~~AMENDING SECTIONS SECTION 89-3608 AND 89-3609, R.C.M. 1947."~~

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 19 clearance fund account any tax, charge, fee, rental or other  
 20 income from any source.

21 ~~(2)--The--state--pledges--and--appropriates--and--directs--to~~  
 22 ~~be--credited--from--the--general--fund--to--the--clearance--fund~~  
 23 ~~account--three--hundred--ninety--thousand,--nine--hundred~~  
 24 ~~seventy-four--dollars--(\$390,974)--for--its--initial--funding--to~~  
 25 ~~be--used--and--administered--as--provided--for--in--this--act--when~~

1 ~~sufficient--funds--have--been--accumulated--in--the--clearance--fund~~  
 2 ~~account--from--bond--proceeds--or--as--otherwise--provided--for--in~~  
 3 ~~this--act;--the--legislature--directs--that--three--hundred--ninety~~  
 4 ~~thousand,--nine--hundred--seventy-four--dollars--(\$390,974)--be~~  
 5 ~~appropriated--from--the--clearance--fund--account--and--credited~~  
 6 ~~to--the--general--fund.~~

7 ~~(3)(2)~~ The costs of the board of examiners, the board  
 8 of natural resources and conservation, the department of  
 9 natural resources and conservation, and the department of  
 10 administration incurred in the administration of this act  
 11 shall be met from the clearance fund account moneys which  
 12 shall from time to time as needed be transferred to an  
 13 earmarked revenue fund established for that purpose.

14 ~~(4)(3)~~ The board of examiners, the department of  
 15 natural resources and the department of administration may,  
 16 within the limits of appropriation made therefore, make  
 17 necessary expenditures for the purchase or hire of such  
 18 personnel, facilities, and services as they may from time to  
 19 time find necessary for the proper administration of this  
 20 act.

21 ~~(5)--The--general--fund--appropriation--provided--for--by~~  
 22 ~~subsection--(2)--of--this--section--as--the--initial--funding--for~~  
 23 ~~the--programs--provided--for--by--this--act--shall--be--appropriated~~  
 24 ~~and--used--as--follows--for--the--biennium--ending--June--30,--1977:~~  
 25 ~~For--Fiscal--Year For--Fiscal--Year~~

1                                    Ending 6/30/76    Ending 6/30/77

2 DEPARTMENT-OF-NATURAL-RESOURCES

3     AND-CONSERVATION

4         Administrative-expenses-from

5             the-earmarked-revenue-fund \$103,490             \$102,534

6 DEPARTMENT-OF-ADMINISTRATION

7         Administrative-expenses-from

8             the-earmarked-fund             30,000             30,950

9 DEPARTMENT-OF-NATURAL-RESOURCES

10     AND-CONSERVATION

11         Engineering-studies-on-expended

12             water-storage-on-the-Tongue

13             River-from-the-clearance-fund

14             account                             49,000

15         Engineering-studies-on-water

16             storage-on-the-Powder-River-from

17             the-clearance-fund-account       25,000

18         Study-of-the-diversion-of-water

19             into-the-Milk-River-from-the

20             clearance-fund-account                             50,000

21         (6)(4) The moneys deposited in the clearance fund

22         account as provided for in section 6-(89-3606)of this act

23         shall be appropriated and used as follows for the biennium

24         ending June 30, 1977 1979:

25                             For Fiscal Year                             For Fiscal Year

1                                    Ending 6/30/76 6/30/78                             Ending 6/30/77 6/30/79

2 Department of Natural Resources

3     and Conservation

4         Implementation of the renewable

5             resource development loan program

6             authorized by section 3-of

7             this act 89-3603

8             from the clearance fund

9             account ~~1,000,000~~ 1.2 million ~~2,000,000~~ 2.2 million

10     FOR LOANS FOR GOVERNMENTAL

11         UNITS                             1,000,000                             1,000,000

12     FROM THE CLEARANCE FUND ACCOUNT FOR

13         LOANS TO PRIVATE ENTITIES       500,000                             500,000

14         (7) In case of necessity an appropriation not

15         expended during the first fiscal year of the biennium may be

16         expended during the second fiscal year by approved budget

17         amendment submitted through the budget director by the

18         governor or by his designated representative"

19         Section 2--Section 89-3609, R.S.M. 1947 is amended to

20         read as follows:

21         "89-3609--Authorization of bonds--The legislature

22         through the enactment of this law by a two-thirds (2/3) vote

23         of the members of each house authorizes the creation of

24         state debt in an amount not to exceed five million dollars

25         (~~5,000,000~~) 10 million and the issuance and sale of

1 ~~renewable-resource-development-bonds-in-this-amounty-for-the~~  
2 ~~purpose-of-providing-funds-appropriated-to-the-clearance~~  
3 ~~fund-account-for-developments-included-in-the-renewable~~  
4 ~~resource-development-programs"~~

-End-