LC 0322/01

INTRODUCED BY Mathin 1 2 3 A BILL FOR AN ACT ENTITLED: MAN ACT TO REPEAL THE RENEWABLE 4 5 RESOURCE DEVELOPMENT PROGRAM; REVERTING THE PORTION OF THE COAL TAX ALLOCATED TO THAT PROGRAM TO THE GENERAL FUND; 6 AMENDING SECTION 84-1319, R.C.M. 1947; REPEALING SECTIONS 7 89-3601 THROUGH 89-3609, R.C.M. 1947." 8 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NONTANA: 10 Section 1. Section 84-1319, R.C.M. 1947, is amended to 11 read as follows: 12 #84-1319. Disposal of license or severance taxes. 13 ticense-or-severance Severance taxes collected under the 14 provisions of this chapter or-such-sections-as-may-enact-a 15 severance-tax-on-cool-in-1975 are allocated as follows: 16 (1) To the county for such purposes as the governing 17 hody of that county may determine from which coal was mined 18 for each calendar year prior to January 1, 1980, three 3 19 cents (3g) per ton or four-per-cent-(4%) of the severance 20 tax paid on the coal mined in that county, whichever is 21 higher, and for each calendar year following December 31, 22 1979, three 3 cents (B#) per ton or three-and--one-half--per Z 3 cent-f3 1/2%) of the severance tax paid on the coal mined in 24 that county, whichever is higher. 25

1 (2) Two--and--one-half--per--cent--(2 1/2%) of total 2 collections per year until December 31, 1979, and theresfter 7 four-per-cent-f4%; of total collections per year to the earmarked revenue fund, to the credit of the alternative 5 energy research development and demonstration account. (3) Twenty-seven-and-one-half-per-cent-f27#5%} 27_1/2% 6 7 of total collections per year, until July 1, 1979, and thereafter thirty-five--cent--f35%; to the earmarked 8 revenue fund to the credit of the local impact and education Q. 10 trust fund account. 11 (4) For each of the four-t4t fiscal years following 12 the effective date of this act ten-per-cent-f10% of total 13 collections per year to the earmarkad revenue fund to the 14 credit of the coal area highway improvement account. 15 (5) Ten--per-cent-(10%) of total collections per year, to the earmarked revenue fund, for state equalization aid to 16 17 public schools of the state. 18 (6) For the period ending December 31, 1979, one-per 19 20 revenue fund, to the credit of the county land planning 21 account. 22 (7)--Two--and--one-half--per--cent--f2-1/2*)--of--total 23 collections-per-yeary-to-the-sinking-fundy-to-the-credit--of 24 the-renewable-resource-development-bond-accounts

25 t8)(7) Two--and--one-half--per-cent-(2 1/22) of total

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1 collections per year through June 30, 1979, of which portion 2 one-half (1/2) shall be allocated to the earmarked revenue 3 fundy for the purpose of acquisition of sites and areas 4 described in section 62-304, subject to legislative 5 appropriations, and one-half $\frac{1}{1}$ shall be allocated to the 6 trust and legacy fundy for the purpose of parks acquisition. 7 After June 30, 1979, five-per-cent-(5%) of total collections 8 per year shall be allocated to the trust and legacy fundy 9 for the purpose of parks acquisition. Income from the fund established in this subsection may be appropriated for the 10 acquisition of sites and areas described in section 62-304. 11 12 191--To--the--earmarked--revenue-fundy-such-portions-of 13 the-severance-tax-as-may-be-authorized-by--laws--enacted--in 14 1975m

15 (10)(8) All other revenues from license or severance
16 taxes collected under the provisions of this chapter shall
17 be deposited to the credit of the general fund of the
18 state.*

19 Section 2. There is a new R.C.M. section that reads as 20 follows:

21 Reversion of moneys allocated prior to July 1, 1977. 22 Moneys allocated to the sinking fund to the credit of the 23 renewable resource development bond account and not expanded 24 prior to the passage and approval of this act revert to the 25 general fund as of July 1, 1977.

- Section 3. Repealer. Sections 89-3601 through 89-3609.
- 2 R.C.M. 1947, are repealed.

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SB 0048/02

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Approved by Committee on <u>Texation</u>

1	SENATE BILL NO. 48
2	INTRODUCED BY MATHERS
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4	A BILL FOR AN ACT ENTITLED: "AN ACT TO REPEAL <u>PORTIONS_OF</u>
5	THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM <u>Relating to</u>
6	BONDING AND PRIVATE LOANS; REVERTING REALLOCATING THE
г	PORTION OF THE COAL TAX ALLOCATED TO THAT PROGRAM TO THE
8	GENERAL AN_EARMARKED_REVENUE FUND <u>ACCOUNT;</u> AMENDING SEGTION
9	<u>SECTIONS</u> 84-1319, <u>89-3602, 89-3603, AND 89-3607,</u> R.C.M.
10	1947; REPEALING SECTIONS 89-3601 <u>. #HR806H 89-3606. 89-3608.</u>
11	<u>AND</u> 89-3609, R.C.M. 1947 <u>, AND PROVIDING AN IMMEDIATE</u>
12	EFECTIVE DATE."
13	
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15	Section 1. Section 84-1319, R.C.M. 1947, is amended to
16	read as follows:
17	*84-1319. Disposal of license or severance taxes.
18	Eicenseorseverance Severance taxes collected under the
19	provisions of this chapter or-such-sections-as-mayenacta
20	severance-tax-on-coal-in-1975 are allocated as follows:
21	(1) To the county for such purposes as the governing
22	body of that county may determine from which coal was mined
23	for each calendar year prior to January 1, 1980, three 3
24	cents (3[) per ton or four-ser-cent-(4%) of the severance
25	tax paid on the coal mined in that county, whichever is

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1	higher, and for each calendar year following December 31,
Z	1979, three <u>3</u> cents (3[] per ton or three-and-one-holf-per
3	cent-(3 1/2%) of the severance tax paid on the coal mined in
4	that county, whichever is higher.
5	{2} Twoandone-halfpercent (2 1/2%) of total
6	collections per year until December 31, 1979, and thereafter
7	fourpercent(4%) of total collections per year to the
8	earmarked revenue fund, to the credit of the alternative
9	energy research development and demonstration account.
10	(3) Twenty-seven-and-one-half-per-cent-(27w5%) <u>27_1/2%</u>
11	of total collections per year, until July 1, 1979, and
12	thereafter thirty-five-per-cent{ 35% }, to the earmarked
13	revenue fund to the credit of the local impact and education
14	trust fund account.
15	(4) For each of the four-(4) fiscal years following
16	the effective date of this act ten-per-cent -(10%) of total
17	collections per year to the earmarked revenue fund to the
18	credit of the coal area highway improvement account.
19	(5) Ten-per-cent-(10%) of total collections per year;
20	to the earmarked revenue fund, for state equalization aid to
21	public schools of the state.
22	(6) For the period ending December 31, 1979, one-per
23	cent-fl%) of total collections per year to the earmarked
24	revenue fund, to the credit of the county land planning

25 account.

SECOND READING

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1	{7}Twoandone-halfpercent{2-l/2%}oftotal
2	co llectionsper-yeary-to-the-sinking-fundy-to-the-credit-of
3	the-renewable-resource-development-band-accounty
4	17) 2 1/23 OF COLLECTIONS PER YEAR+ TO THE EARMARKED
5	REVENUE FUND, IO THE CREDIT OF THE RENEWABLE RESOURCE
6	DEVELOPMENT_ACCOUNT_
7	{0}<u>{7</u>}(8) Two-and-one-holf-per-cent-(2 1/2%) of total
8	collections per year through June 30, 1979, of which portion
9	one-half (1/2) shall be allocated to the earmarked revenue
10	fundy for the purpose of acquisition of sites and areas
11	described in section 62–304, subject to legislative
12	appropriations, and one-half (1/2) shall be allocated to the
13	trust and legacy fundy for the purpose of parks acquisition.
14	After June 30, 1979, five-per-cent-{5%; of total collections
15	per year shall be allocated to the trust and legacy fundy
16	for the purpose of parks acquisition. Income from the fund
17	established in this subsection may be appropriated for the
18	acquisition of sites and areas described in section 62~304.
19	t9}To-the-cormarked-revenue-fundysuchportionsof
20	theseverancetaxas-may-be-authorized-by-laws-enacted-in
21	1975v
22	(10)<u>(8</u>) (9) All other revenues from license or

23 severance taxes collected under the provisions of this 24 chapter shall be deposited to the credit of the general fund 25 of the state."

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1 2 follows+ 3 Reversion-of-moneys-allocated-prior-to--duly--ly--1977* 4 Moneys--allocated--to--the-sinking-fund-to-the-credit-of-the 5 renewable-resource-development-bond-account-and-not-expended prior-to-the-passage-and-approval-of-this-act-revert-to--the 6 1 general-fund-as-of-duty-ly-1977* A SECTION 2. SECTION 89-3602. R.C.M. 1947. IS AMENDED TO 9 READ AS FOLLOWS: 10 #89-3602. Definitions. Unless the context requires otherwise, in this act: 11 (1) "Renewable resource development program" means 12 such developments in the public interest of renewable 13 natural resources of the state as shall from time to time be 14 acquired, constructed, and financed from funds appropriated 15 to the accounts referred to in this section, and from the 16 proceeds-of-bonds-issued-in-anticipation-of-the--receipt--of 17 these-funds. Renewable resource developments shall, whenever 18 practicable, be multiple-use projects, and shall not 19 significantly diminish the quality of existing public 20 21 resources such as land, air, water, fish, wildlife and 22 recreational opportunities.

23 (2)--*Renewable-resource-development--bonds*--mean--all
 24 series--of--bonds-authorized-by-low-to-be-issued-pursuant-to
 25 setion--89-3686--to--finance--any--part--of--the--renewable

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1	resource-development-programy-or-to-refund-any-such-bondsy
2	[3][2] #Renewable resource development account,# or
3	<pre>"clearance-fund-accounty" mean a separate account which is</pre>
4	created within the bondandinsuranceclearance fund
5	established in section 79-410, and shall be segregated by
6	the treasurer from all other money in that or any other fund
7	in the state treasury and used only to pay costs of the
8	renewable resource development program, upon order of the
9	department of administration or the board of natural
10	resources and conservation under authority and within
11	limitations provided by law.
12	{4}=Renewableresource-development-bond-accounty=-or
13	"sinking-fund-accounty"-mean-aseparateaccountwhichis
14	createdwithinthesinkingfundestablishedin-section
15	79-418y -and-shall-be-searegated-by-thetreasurerfromall
16	
-	othermoneyinthat-or-any-other-fund-in-the-treasury-and
17	othermoney- -inthat-or-any-other-fund-in-the-treasury-and used-only-as-provided-for-herein+
17 18	
-	used-anty-as-pravided-far-herein-
18	u sed-only-as-provided-for-herein. (5)[3] "Treasurer" means the state treasurer."
18 19	u sed-only-as-provided-for-herein. (5)[3] "Treasurer" means the state treasurer." <u>SECTION 3. SECTION 89-3603. ReC.M. 1947. IS AMENDED TO</u>
18 19 20	used-only-as-provided-for-herein- (5)(3) "Treasurer" means the state treasurer." SECTION 3. SECTION 89-3603. R.C.M. 1947. IS AMENDED TO READ AS EDILONS:
18 19 20 21	used-only-as-provided-for-herein- (5)(3) "Treasurer" means the state treasurer." SECTION 3SECTION 89-3603. R.C.M. 1947. IS AMENDED TO READ AS EDILOWS: "89-3603. Renewable resource development loans. (1)

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make loans from the renewable resource development account 25

1	established by this act to farmers-and-ranchers-of-the-state
z	ofHontanawhovwithoutregard-to-their-form-of-business
3	organization?
4	{a}are-citizens-of-the-Unit ed -States-and-are-citizens
5	and-residents-of-the-state-of-Montana;
5	{b}have-sufficient-farming-or-ranchingtroiningand
7	experiencewhichyintheopinionofthe-departmenty-is
8	sufficient-to-assure-the-likelihood-of-thesuccessofthe
9	proposed-operations;-and
10	{C}~-areorwillbecomeowner-operators-of-farms-or
11	ranchese conservation districts established under Title 76.
12	No_loan_may_be_made_to_an_individual;_corporation;
13	partnership, or other private entity.
14	(2) The department shall solicit and consider in its
15	evaluation of proposed projects the views of interested and
15	affected departments, boards, agencies and other
17	subdivisions of state and federal government and of other
18	interested and affected persons.
19	(3) The board may make the renewable resource
20	development learn provided for the state of

20 development loans provided for by this section for any 21 worthwhile project for the conservation, management, 22 utilization. development, or preservation of the land, 23 water, fish, wildlife, recreational, and other renewable 24 resources in the state; and for the refinancing of existing 25 indebtedness incurred in the expansion or rehabilitation of

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I projects for those purposes.

2 (4) The board shall make no renewable resource 3 development loan which exceeds the lesser of one-hundred thousand--doffars-t\$100,000; or eighty-percent-f80%; of the 4 5 fair market value of the security given therefor. In 6 determining the fair market value for the security given for 7 any loan, the department shall consider appraisals made by 8 qualified appraisers and such other factors it considers 9 important.

(5) The period for repayment of loans pursuant to this
 act may not exceed thirty-(30) years.

12 (6) The board shall from time to time establish by 13 rule the interest rate at which loans may be made under this 14 act, provided that in no case may the rate be greater than 15 onefl; percentage point greater than the prevailing interest 16 rate on the renewable resource development bonds provided 17 for in this act.

18 (7) The state shall have a lien upon a project 19 constructed with money from the renewable resource 20 development account for the amount of the loan, together 21 with the interest thereon. This lien may attach to all 22 project facilities, equipment, easements, real property, and 23 property of any kind of nature owned by the debtor. 24 including all water rights. The board shall file either a 25 financing statement or a real estate mortgage covering the

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loan, its amount, terms and a description of the project 1 2 with the county recorder of each county in which the project 3 or any part thereof is located. The county recorder shall 4 record the lien in a book kept for the recording of liens and it shall be indexed as other liens are required by law 5 6 to be indexed. The lien shall be valid until paid in full 7 or otherwise discharged. The lien shall be foreclosed in accordance with applicable state law governing foreclosure 8 9 of mortgages and liens.

10 (8) The board may adopt rules as required to covern
11 the terms and conditions for making loans, security
12 instruments, and agreements pursuant to this act.

13 (9) No member, officer, attorney, or other employee of 14 the board or the department shall, directly or indirectly, be the beneficiary of ar receive any fee, commission, gift, 15 16 or other consideration for or in connection with any 17 transaction or business under this act other than such 18 salary, fee, or other compensation as he may receive as such 19 member, officer, attorney, or employee. Any person violating any provision of this section shall, upon 20 Z1 conviction thereof be punished by a fine of not more than two--thousand--dollars-f\$2,000; or imprisonment for not more 22 23 than two-+2+ years or both.

(10) The department shall administer the loans made bythe poard pursuant to this act, and may accept and utilize

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of the agency concerned, utilize the officers, emplo equipment, and information of any agency of the fe goverament, or of any agency of Montana government, any political subdivision within Montana." <u>SECTION 4SECTION A9-3607. R.C.M. 1947. IS AMEND</u> <u>READ AS_FOLLOWS:</u> <u>asesspectra account _=purposes. (1)Thestotem</u> <u>development_accountpurposes. (1)Thestotem</u> <u>ensetment-of-the-legislature-orthepeoplelevyyim</u> <u>assessyandpledgeandappropriatetothe-sinking</u> <u>account-any-taxy-chargey-feey-rental-orotherincome-</u> <u>anydesignatedsourceThestatereserves-the-rig</u> <u>taxesandotherrevenues-pledgedand-appropriated-t</u> <u>sinking-fund-secounty-provided that-the-aggregatereso</u> <u>sostedgedandappropriatedaredeterminedby</u> <u>legislature-to-be-sufficient-for-the-prompt-and-full-pa</u> <u>of-the-principal-of-andinterestandredemptionpre</u> <u>whendueonallbondspayablefromthataccount</u> <u>provided-that-the-statefor-the-security-af-all</u> <u>bonds-shall-be-and-remminirrevocable-until-they-are</u> <u>paidy</u>	consent
government, or of any agency of Montana government, any political subdivision within Montana." SECTION 4SECTION 89-3607. R.C.M. 1947. IS AMEND READ AS_EDLEDHS: #89-3607. Sinkingfundaccount <u>Renewableres</u> <u>developmentaccountpurposes</u> . (1)Thestatem enactment-of-the-legislature-orthepeoplelevyim assessyandpledgeondoppropriatetothe-sinkind account-any-taxy-chargey-feey-rentol-orotherincome- anydesignatedsourceThestatereserves-the-rig modify-from-time-to-time-the-nature-andamountof-sp taxesandotherrevenues-pledgedond-appropriated-t sinking-fund-secounty-provided that-the-aggregatereso sooledgedandappropriatedaredeterminedby heaislature-to-be-sufficient-for-the-prompt and-full-pa of-the-principal-of-andinterestandredemptionpre whendueonallbondspayablefromthataccount provided-that-the-aledge-of-the-full-faithandcredit taxingpowersofthestatefor-the-security-of-all Sondo-Shall-be-and-remmin-irrovocable-until-theyare	plovees.
5 any political subdivision within Montana." 6 SECTION 4SECTION 89=3607. R.C.M. 1947. IS AMEND 7 READ AS_EDILDMS: 8 "89-3607. Sinking-fund-account Renewableres 9 developmentaccountpurposes. (1)-The-state-m 10 enactment-of-the-legislature-or-the-people-levyy-im 11 assessy-andpledge-and-appropriate-to-the-sinkind 12 account-any-taxy-chargey-feey-rental-or-other-income- 13 anydesignatedsourceyThe-statereserves-the-rig 14 modify-from-time-to-time-the-nature-and-appropriated-t 15 taxesandotherrevenuss-pledgedand-appropriated-t 16 sinkine-fund-secounty-provided-that-the-aggregatereso 17 sostedgedandappropriatedaredeterminedby 18 hegislature-to-be-sufficient-for-the-prompt-and-full-pa 19 of-the-principal-of-andinterestandredemptionpre 20 whendueonallbondspayablefromthataccount 21 provided-that-the-eledge-of-the-full-faithandcredit 22 taxingpowersofthestatefor-the-security-of-all 23 bonds-shall-be-and-remain-irrovacable-until-theyare	federal
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15 taxesandotherrevenues-pledgedand-appropriated-t 16 sinkine-fund-secounty-provided-that-the-aggregatereso 17 sosledgedandappropriatedaredeterminedby 18 legislature-to-be-sufficient-for-the-prompt-and-full-pa 19 of-the-principal-of-andinterestandredemptionpre 20 whendue-onallbondspayablefromthataccount 21 provided-that-the-sledge-of-the-full-faithand-credit 22 taxingpowersofthestatefor-the-security-of-all 23 bonds-shall-be-and-remain-irrevocable-until-theyare	right-t o
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17 so>ledgedandappropriatedaredeterminedby legislature-to-be-sufficient-for-the-prompt-and-full-pa of-the-principal-of-andinterestandredemptionpre whendueonallbondspayablefromthataccount provided-that-the-pledge-of-the-full-faithandcredit texingpowersofthestatefor-the-security-of-all bonds-shall-be-and-remain-irrevocable-until-theyare	d-to-the
19 legislature-to-be-sufficient-for-the-prompt-and-full-pa of-the-principal-of-andinterestandredemptionpre whendueonallbondspayablefromthataccount provided-that-the-pledge-of-the-full-faithandcredit taxingpowersofthestatefor-the-security-of-all bonds-shall-be-and-remain-irrevocable-until-theyare	esources
19 of-the-principal-of-andinterestandredemptionpre 20 whendueonallbondspayablefromthataccount 21 provided-that-the-pledge-of-the-full-faithandcredit 22 taxingbowersofthestatefor-the-security-of-all 23 bonds-shall-be-and-remain-irrevocable-until-theyare	-bythe
20 when-due-on-all-bonds-payable-from-that-account 21 provided-that-the-pledge-of-the-full-faith-and-credit 22 taxing-bowers-of-the-state-for-the-security-of-all 23 bonds-shall-be-and-remain-irrevocable-until-they-are	- payment
21 provided-that-the-pledge-of-the-full-faithandcredit 22 toxingpowers-ofthestatefor-the-security-of-all 23 bonds-shall-be-ond-remain-irrovacable-until-theyare	premiums
22 taxing-bowers-of-the-state-for-the-security-of-all 23 bonds-shall-be-and-remain-irrevocable-until-they-are	unty-ond
23 bonds-shall-be-and-remain-irrevocable-until-they-are	ditand
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24	efully
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ł first-to-pay-interesty--principal--and--redemption--premiums 2 when--due--and--payable--with--respect-to-renewable-resource development-bonds;-second-to-accumulate---reserve--for---the 3 further--security--of--such-paymentsy-to-the-amount-required esch-month-to-meet-those-payments--due--within--twelve--fi2t months--thereaftert-and-third-to-restore-the-reserve-to-this 6 7 amount-after-cach-payments 8 t3}--After-the-reserve-provided-for-in--subsection--f2} above--is-in-the-sinking-fundy-money-at-any-time-received-in 9 10 the--sinking--fund--in--excess--of--that--amount--shall---be 11 transferred--by-the-treasurer-to-the-clearance-fund-accounts 12 If-the-balance-at-any-time-on-hand-in-the--sinking--fund--is not--sufficient--for--compliance-with-subsection-(2)y-and-is 13 14 not-festored-to-the-required-amount-within-three-(3)--months 15 thereaftery-from-funds-specifically-pledged-and-appropriated 16 to--the--sinking--fund-accounty-the-treasurer-shall-transfer thereto-from--the--general--fund--an--amount--sufficient--to 17 18 restore-the-required-balance. (4) The state pledges-and-appropriates-and directs to 19 20 be credited to the sinking earmarked revenue fund for the 21 renewable resource development account as received two-and 22 one-half-percent-t2 1/23; of all money from time to time

received from the collection of the strip-coal-mines-license 23 tax--payable-under-the-provisions-of-section-84-1302y-or-the 24 equivalent-provision-of-any severance tax enacted-in-lieu-of 25

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1	such-license-tex, and remaining after allocation of such tax
2	to the trust fund established under section 5. article IX of
3	the Montana constitution and-such-additional-amount-thereofy
4	if-anyy-as-may-be-required-fromtimetotimetoprovide
5	sufficient-funds-for-the-purposes-stated-in-subsection-{2}
6	abover-provided-thot-no-more-than-two-andone-halfpercent
7	{21/2\$}ofsuchtoxcollectionsshall-be-dsemed-to-be
8	pledged-for-the-purpose-of-section-89-3686y-subsection-(3)#±
9	which funds shall be available for appropriation for the
10	purposes_set_forth_in_this_chapter.Any_funds_deposited_in
11	the sinking fund or the bond and insurance clearance fund
12	under _authority of this chapter prior to the effective date
13	of this amendatory act are transferred to the earmarked
14	revenue_funds_renewable_resource_development_accounts*
15	Section 5. Repeater. Sections 89-3601, through
16	<u>89-3606. 89-3608. AND</u> 89-3609, R.C.M. 1947, are repealed.
17	SECTION 6. EFFECTIVE DATE. THIS ACT IS EFFECTIVE UPON
18	PASSAGE AND APPROVAL.
19	SECTION 7. CONSTRUCTION. IT IS THE INTENT OF THE
20	LEGISLATURE THAT IF THIS BILL AND SENATE BILL 44 ARE EACH
21	ENACTED INTO LAW IN 1977. THAT SENATE BILL 44 CONTROLS THE
22	PERCENTAGE_OF_COAL_TAX_ALLOCATED_TO_THE_RENEWABLE_RESOURCE
23	DEVELOPMENT ACCOUNT.

-End-

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1 SENATE BILL NO. 48 INTRODUCED BY MATHERS 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO REPEAL PORTIONS OF 4 THE RENEWABLE RESOURCE DEVELOPMENT PROGRAM RELATING TO 5 BONDING AND PRIVATE LOANS; REVERTING REALLOCATING THE 6 PORTION OF THE COAL TAX ALLOCATED TO THAT PROGRAM TO THE 7 GENERAL AN EARMARKED REVENUE FUND ACCOUNT; AMENDING SECTION A 9 SECTIONS 84-1319, 89-3602, 89-3603, AND 89-3607, R.C.M. 1947: REPEALING SECTIONS 89-3601. THRBUGH 89-3606. 89-3608. 10 AND 89-3609+ R.C.M. 1947. AND PROVIDING AN IMMEDIATE 11 EFFECTIVE DATE.* 12 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 14 15 Section 1. Section 84-1319, R.C.M. 1947, is amended to read as follows: 16

"84-1319. Disposal of license or severance taxes. 17 ticense--or--severance Severance taxes collected under the 18 provisions of this chapter or-such-sections-as-may--enact--a 19 severance-tex-on-coel-in-1975 are allocated as follows: 20 (1) To the county for such purposes as the governing 21 body of that county may determine from which coal was mined 22 for each calendar year prior to January 1, 1980, three 3 23 cents (3() per ton or four-per-cent-(4%) of the severance 24 tax paid on the coal mined in that county, whichever is 25

higher, and for each calendar year following December 31,
 1979, three 3 cents (3F) per ton or three-and-one-half-per
 cent-(3 1/2%) of the severance tax paid on the coal mined in
 that county, whichever is higher.

5 (2) Two--and--one-half--per--cent--(2 1/2%) of total 6 collections per year until December 31, 1979, and thereafter 7 four--per--cent--(4%) of total collections per year to the 8 earmarked revenue fund, to the credit of the alternative 9 energy research development and demonstration account.

10 (3) Twenty seven-and-one-half-per-cent-(27+5%) 27.1/22 11 of total collections per year, until July 1, 1979, and 12 thereafter thirty-five-per-cent-(35%), to the earmarked 13 revenue fund to the credit of the local impact and education 14 trust fund account.

15 (4) For each of the four-(4) fiscal years following 16 the effective date of this act ten-per-cent-(10%) of total 17 collections per year to the earmarked revenue fund to the 18 credit of the coal area highway improvement account.

19 (5) Ten-per-cent-(10%) of total collections per year,
20 to the earmarked revenue fund, for state equalization aid to
21 public schools of the state.

(6) For the period ending December 31, 1979, one-per
cent-(1%) of total collections per year to the earmarked
revenue fund, to the credit of the county land planning
account.

THIRD READING

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1 t7)--Two--and--one-half--per--cent--t2-1/2%}--of--total 2 collections--per-yeary-to-the-sinking-fundy-to-the-credit-of 3 the-renewable-resource-development-bond-accounts 4 (7) 2 1/2% OF COLLECTIONS PER YEAR. TO THE EARMARKED REVENUE EUND. TO THE CREDIT OF THE RENEWABLE RESOURCE 5 DEVELOPMENT_ACCOUNT. 6 7 tettis) two-and-one-half-per-cent-t2 1/2%; of total 8 collections per year through June 30, 1979, of which portion 9 one-half {1/2} shall be allocated to the earmarked revenue 10 fundy for the purpose of acquisition of sites and areas described in section 62-304, subject to legislative 11 12 appropriations, and one-half (1/2) shall be allocated to the 13 trust and legacy fundy for the purpose of parks acquisition. 14 After June 30, 1979, five-per-cent-(5%) of total collections 15 per year shall be allocated to the trust and legacy fund+ 16 for the purpose of parks acquisition. Income from the fund 17 established in this subsection may be appropriated for the 18 acquisition of sites and areas described in section 62-304. 19 {9}--To-the-cormarked-revenue-fundy---such--portions--of 20 the--severance--tax--as-may-be-authorized-by-laws-enacted-in 21 1975-22 (10)(10)(10) All other revenues from license or

23 severance taxes collected under the provisions of this 24 chapter shall be deposited to the credit of the general fund 25 of the state." 58 0048/02

1	Section-2There-is-a-new-Refere-section-that-reads-as
2	follows+
3	Reversion-of-moneys-sllocated-prior-todulylyly
4	Moneysallocatedtothe-sinking-fund-to-the-credit-of-the
5	renewsble-resource-development-bond-account-and-nat-expended
6	prior-to-the-passage-and-approval-of-this-act-revert-tothe
7	general-fund-as-of-July-ly-ly-ly-ly-
8	SECTION 2. SECTION 89-3602. R.C.M. 1947. IS AMENDED ID
9	READ AS FOLLOWS:
10	"89-3602• Definitions• Unless the context requires
11	otherwise, in this act:
12	(1) "Renewable resource development program" means
13	such developments in the public interest of renewable
14	natural resources of the state as shall from time to time be
15	acquired, constructed, and financed from funds appropriated
16	to the accounts referred to in this section y-and-from-the
17	proceeds-of-bonds-issued-in-anticipation-of-thereceiptof
18	these-funds. Renewable resource developments shall, whenever
19	practicable, be multiple-use projects, and shall not
20	significantly diminish the quality of existing public
21	resources such as land, air, water, fish, wildlife and
22	recreational opportunities.

23 f2)--*Renewable-resource-development--bonds*--mean--all
 24 series--of--bonds-authorized-by-low-to-be-issued-pursuant-to
 25 section--89-3666--to--finance--any--part--of--the--renewable

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1	resource-development-programy-or-to-refund-any-such-bonds*
2	[]][] "Renewable resource development account," or
3	<pre>*clearance-fund-accounty* mean a separate account which is</pre>
4	created within the bondandinsuranceclearance fund
5	established in section 79-410, and shall be segregated by
6	the treasurer from all other money in that or any other fund
7	in the state treasury and used only to pay costs of the
8	renewable resource development program, upon order of the
9	department of administration or the board of natural
10	resources and conservation under authority and within
11	limitations provided by law.
12	(4)#Renewableresource-development-bond-accounty=-or

13 #sinking-fund-accounty#-mean-a--separate--account--which--is 14 created--within--the--sinking--fund--established--in-section 15 79-410y-and-shall-be-segregated-by-the--treasurer--from--all 16 other--money--in--that-or-any-other-fund-in-the-treasury-and 17 used-only-as-provided-for-herein*

18 (5)(3) "Treasurer" means the state treasurer."

19 <u>SECTION 3.</u> <u>SECTION 89-3603.</u> <u>R.C.M. 1947.</u> <u>IS AMENDED TO</u> 20 <u>READ AS FOLLOWS:</u>

21 **89-3603. Renewable resource development loans. (1)
22 The board of natural resources and conservation is
23 authorized upon proper application and upon recommendation
24 of the department of natural resources and conservation to
25 make loans from the renewable resource development account

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1 established by this act to farmers-and-ranchers-of-the-state 2 of--Nontana--whoy--without--regard-to-their-form-of-business 3 organization: 4 {a}~-are-citizens-of-the-United-States-and-are-citizens 5 and-residents-of-the-state-of-Montanat 6 tb}--have-sufficient-farming-or-ranching--training--and 7 experience--whichy--in--the-opinion--of--the-department--is sufficient-to-assure-the-likelihood-of-the--success--of--the 8 proposed-operationst-and 9 10 (c)--are--or--will--become--owner-operators-of-farms-or 11 ranchese conservation districts established under Title _76. 12 No__loan__may_be_made_to_an_individual. corporation. 13 partnership, or other private entity. 14 (2) The department shall solicit and consider in its 15 evaluation of proposed projects the views of interested and 15 affected departments, boards, agencies and other 17 subdivisions of state and federal government and of other interested and affected persons. 18 19 (3) The board may make the renewable resource development loans provided for by this section for any

20 devalopment loans provided for by this section for any 21 worthwhile project for the conservation, management, 22 utilization, development, or preservation of the land, 23 water, fish, wildlife, recreational, and other renewable 24 resources in the state; and for the refinancing of existing 25 indebtedness incurred in the expansion or rehabilitation of

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1 projects for those purposes.

(4) The board shall make no renewable resource 2 3 development loan which exceeds the lesser of one--hundred 4 thousand--dollars-t\$100,000; or eighty-percent-f803; of the 5 fair market value of the security given therefor. In determining the fair market value for the security given for 6 7 any loan, the department shall consider appraisals made by 8 qualified appraisers and such other factors it considers 9 important.

(5) The period for repayment of loans pursuant to this
 act may not exceed thirty-(30) years.

12 (6) The board shall from time to time establish by 13 rule the interest rate at which loans may be made under this 14 act, provided that in no case may the rate be greater than 15 onefl; percentage point greater than the prevailing interest 16 rate on the renewable resource development bonds provided 17 for in this act.

18 (7) The state shall have a lien upon a project 19 constructed with money from the renewable resource 20 development account for the amount of the loan, together 21 with the interest thereon. This lien may attach to all 22 project facilities, equipment, easements, real property, and 23 property of any kind of nature owned by the debtor. 24 including all water rights. The board shall file either a 25 financing statement or a real estate mortgage covering the

loan, its amount, terms and a description of the project 1 2 with the county recorder of each county in which the project 3 or any part thereof is located. The county recorder shall record the lien in a book kept for the recording of liens 4 5 and it shall be indexed as other liens are required by law to be indexed. The lien shall be valid until paid in full 6 or otherwise discharged. The lien shall be foreclosed in 7 8 accordance with applicable state law governing foreclosure 9 of mortgages and liens.

10 (8) The board may adopt rules as required to govern
11 the terms and conditions for making loans, security
12 instruments, and agreements pursuant to this act.

(9) No member, officer, attorney, or other employee of 13 the board or the department shall, directly or indirectly, 14 be the beneficiary of or receive any fee, commission, gift, 15 or other consideration for or in connection with any 16 17 transaction or business under this act other than such salary, fee, or other compensation as he may receive as such 18 19 member, officer, attorney, or employee. Anv person violating any provision of this section shall, upon 20 21 conviction thereof be punished by a fine of not more than two--thousand--dollars-(\$2,000) or imprisonment for not more 22 23 than two-f2; years or both.

(10) The department shall administer the loans made bythe board pursuant to this act, and may accept and utilize

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voluntary and uncompensated services, and, with the consent
 of the agency concerned, utilize the officers, employees,
 equipment, and information of any agency of the federal
 government, or of any agency of Montana government, or of
 any political subdivision within Montana."

6 SECTION 4. SECTION 89-3607. R.C.M. 1947. IS AMENDED TO 7 READ AS EDILOWS:

в *89-3607. Sinking--fund--account Renewable resource 9 development_account_____purposes. (1)--The--state--may-by 10 enactment-of-the-legislature-or--the--people--levy---imposev assessy--and--pledge--and--appropriate--to--the-sinking-fund 11 12 account-any-taxy-chargey-feey-rental-or--other--income--from any-designated-source.--The-state-reserves-the-right-to 13 modify-from-time-to-time-the-nature-and--amount--af--apecial 14 taxes--and--other--revenues-pledged--and-appropriated-to-the 15 16 sinking-fund-accounty-provided-that-the-aggregate-resources 17 so---ofedged---and---appropriated---are--determined--by--the legislature-to-be-sufficient-for-the-prompt-and-full-payment 18 of-the-principal-of-and--interest--and--redemption--premiums 19 20 when--due--on--all--bonds--payable--from--that--accounty-and 21 provided-that-the-pledae-of-the-full-faith--and--credit--and 22 taxing--powers--of--the--state--for-the-security-of-all-such bonds-shall-be-and-remain-irrevocable-until-they--are--fully 23 24 paide

25 (2)--Money--in--the--sinking-fund-account-shail-be-used

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1	first-to-pay-interestyprincipalandredemptionpremiums
2	whendueandpayablewithrespect-to-renewable-resource
3	development-bondst-second-to-accumulate-areserveforthe
4	furthersecurityofsuch-paymentsy-to-the-omount-required
5	esch-month-to-meet-those-paymentsduewithintwelve(12)
6	monthsthereofters-and-third-to-restore-the-reserve-to-this
7	asount-after-each-payment.
8	(3) After-the-reserve-provided-for-insubsection(2)
9	oboveis-in-the-sinking-fundy-money-at-any-time-received-in
10	thesinkingfundinexcessofthatamountshallbe
11	transferredby-the-treasurer-to-the-clearance-fund-accounts.
12	If-the-balance-at-any-time-on-hand-in-thesinkingfundis
13	notsufficientforcompliance-with-subsection-{2}y-and-is
14	not-restored-to-the-required-amount-within-three-(3)months
15	thereaftery-from-funds-specificolly-pledged-and-appropriated
16	tothesinkingfund-occounty-the-treasurer-shall-transfer
17	thereto-fromthegeneralfundanamountsufficientto
18	restore-the-required-balance.
19	(4) The state pledges-and-appropriates and directs to
20	be credited to the sinking <u>carmarked</u> revenue fund <u>for the</u>
21	renewable resource development account as received two-and
22	one-half-percent-{2 1/2%} of all money from time to time
23	received from the collection of the strip-coal-mines-license
24	texpayable-under-the-provisions-of-section-84-1382*-or-the
25	equivalent-provision-of-any severance tax anocted-in-lieu-of

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1	such-license-tex, and remaining after allocation of such tax
Z	to the trust fund established under section 5. article IX of
3	<u>the Montana constitution</u> and-such-additional-amount-thereofy
4	if-anyy-as-may-be-required-fromtimetotimetoprovide
5	sufficientfundsfor-the-purposes-stated-in-subsection-{2}
6	abover-provided-that-no-more-than-two-andone-halfpercent
7	{21/2%}ofsuc h tax co llectionsshall-be-deemed-to-be
8	pledged-for-the-purpose-of-section-89-3606y-subsection-(3)w1
9	which funds shall be available for appropriation for the
10	purposes_set_forth in this chapter. Any funds deposited in
11	the sinking fund or the bond and insurance clearance fund
12	<u>under authority of this chapter prior to the effective date</u>
13	of this amendatory act are transferred to the earmarked
14	revenue_funds_renewable_resource_development_accounts*
15	Section 5. Repealer. Sections 89-3601, through
16	<u>89-36061_89-3608; AND</u> 89-3609; R.C.M. 1947; are repealed.
17	SECTION 6. EFFECTIVE DATE. THIS ACT IS EFFECTIVE UPON
18	PASSAGE_AND_APPROVAL.
19	SECTION_7CONSTRUCTIONIIISIHEINTENTOFIHE
20	LEGISLATURETHATIFTHIS_BILL_AND_SENATE_BILL_44_ARE_EACH
21	ENACTED INTO LAW IN 1977. THAT SENATE BILL 44 CONTROLS THE
22	PERCENTAGE_OF_COAL_TAX_ALLOCATED_TO_THE_RENEWABLE_RESOURCE
23	DEVELOPMENT_ACCOUNT.

-End-

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