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 2 INTRODUCED BY Lockrem Stary Watt BILL NO. 236  
 3 LOCKREM

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOCATING THE  
 5 ADDITIONAL FUNDS RECEIVED BY THE STATE FROM THE UNITED  
 6 STATES TREASURY, PURSUANT TO PUBLIC LAW 94-377 (1976), TO  
 7 THE MUNICIPALITIES OF THE STATE AND AMENDING SECTIONS  
 8 75-6916 AND 79-211, R.C.M. 1987, TO CONFORM WITH SUCH  
 9 ALLOCATION."

10  
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Distribution of additional coal lease  
 13 funds. The additional 12 1/2% of money received from the  
 14 United States treasury, pursuant to Public Law 94-377  
 15 (1976), shall be expended as follows:

16 (1) Of the additional money, 40% shall be paid to  
 17 municipalities within those counties where lands belonging  
 18 to the United States are leased pursuant to the provisions  
 19 of the Mineral Lands Leasing Act, as amended. This money  
 20 shall be allocated among them in the same ratio as the  
 21 population of each municipality bears to the total  
 22 population of all municipalities within such counties.

23 (2) The remaining 60% of the additional money shall be  
 24 paid to those municipalities in the state of Montana not  
 25 receiving payment under subsection (1). The money shall be

1 allocated among them in the same ratio as the population of  
 2 each municipality bears to the total population of all  
 3 municipalities receiving money under this subsection.

4 (3) The population figures used for determining the  
 5 allocation under this section shall be taken from the most  
 6 recent federal census at the time of payment.

7 Section 2. Use of distributed additional funds. Moneys  
 8 distributed to municipalities pursuant to [section 1 of this  
 9 act] may be used by the municipalities only for the  
 10 following purpose:

11 (1) for land use planning, zoning, rezoning, expense  
 12 of operations of boards of adjustment, planning departments  
 13 and staffs, zoning commissions, and related expenditures  
 14 concerning land use development;

15 (2) for construction and maintenance of public  
 16 facilities, including but not limited to parks; playgrounds;  
 17 streets; sewers; water systems and reservoirs; public  
 18 buildings, such as libraries, civic offices, auditoriums,  
 19 jails, and fire and police stations; landfill dumps; sewers;  
 20 solid waste management systems; sewage treatment facilities;  
 21 and similar uses;

22 (3) for provision of public services; and

23 (4) for payment of the unfunded and excess liability  
 24 of any city in any retirement system for police or firemen  
 25 employed or formerly employed by such city.

1 Section 3. Section 75-6916, R.C.M. 1947, is amended to  
2 read as follows:

3 \*75-6916. Definition of and revenue for state  
4 equalization aid. The following shall be paid into the  
5 earmarked revenue fund, for state equalization aid to public  
6 schools of the state:

7 (1) ~~twenty-five per cent (25%)~~ of all moneys received  
8 from the collection of income taxes under chapter 49 of  
9 Title 84, R.C.M. 1947,

10 (2) ~~twenty-five per cent (25%)~~ of all moneys received  
11 from the collection of corporation license taxes under  
12 chapter 15 of Title 84, R.C.M. 1947, as provided by section  
13 84-1901, R.C.M. 1947,

14 (3) ~~ten percent (10%)~~ of the moneys received from the  
15 collection of the severance tax on coal under chapter 13 of  
16 Title 84, R.C.M. 1947,

17 (4) ~~one-half (1/2)~~ 37 1/2% of the moneys received from  
18 the treasurer of the United States as the state's shares of  
19 oil and gas royalties under the Act of Congress of February  
20 25, 1920, as amended and as further amended by Public Law  
21 94-377 (1976),

22 (5) interest and income moneys described in sections  
23 75-6907 and 75-6908, R.C.M. 1947,

24 (6) income from the local impact and education trust  
25 fund account, and

1 (7) in addition to these revenues, the surplus  
2 revenues collected by the counties for foundation program  
3 support according to sections 75-6912 and 75-6913 shall be  
4 paid into the same earmarked revenue fund.

5 As used in this title, the term "state equalization  
6 aid" means those moneys deposited in the earmarked revenue  
7 fund as required in this section plus any legislative  
8 appropriation of moneys from other sources for distribution  
9 to the public schools for the purpose of equalization of the  
10 foundation program."

11 Section 4. Section 79-211, R.C.M. 1947, is amended to  
12 read as follows:

13 \*79-211. Deposit of gas and oil royalties from federal  
14 government in highway account. It shall be the duty of the  
15 state treasurer to pay ~~one-half (1/2)~~ 37 1/2% of the moneys  
16 received from the treasurer of the United States as the  
17 state's share of gas and oil royalties under the Act of  
18 Congress of February 25, 1920, as amended and as further  
19 amended by Public Law 94-377 (1976), to the state highway  
20 account in the earmarked revenue fund."

-End-

STATE OF MONTANA

REQUEST NO. 190-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 25, 19 77, there is hereby submitted a Fiscal Note for Senate Bill 236 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:

This bill allocates the additional funds received by the state from the United States Treasury, pursuant to public law 94-377 (1976), to the municipalities of the state.

ASSUMPTION:

Anticipated revenues are \$6.4M in FY 78 and \$6.7M in FY 79.

FISCAL IMPACT:

The proposed legislation, in effect, allows for local government expenditure of additional federal monies available to Montana resulting from recent federal legislation; therefore, approximately \$1,600,000 per year would be available to local government which under current law would be distributed one-half to the State Highways earmarked revenue account and one-half to the State Equalization Aid to Public School earmarked revenue account.

NOTE: In the Executive Budget these additional mineral lease monies are allocated for foundation program support. Thus, if Senate Bill 236 is enacted, an additional \$1.6M of General Fund money will have to be appropriated each year to fully fund the foundation program proposed in the Executive Budget.

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Office of Budget and Program Planning  
Date: 1-31-77