

Senate BILL NO. *298*
Hayden

1
2 INTRODUCED BY _____
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
5 89-3602, 89-3604, 89-3605, 89-3606, AND 89-3608, R.C.M.
6 1947, TO TRANSFER CERTAIN ADMINISTRATIVE DUTIES FROM THE
7 DEPARTMENT OF ADMINISTRATION TO THE DEPARTMENT OF NATURAL
8 RESOURCES AND CONSERVATION UNDER THE RENEWABLE RESOURCE
9 DEVELOPMENT PROGRAM; PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12 Section 1. Section 89-3602, R.C.M. 1947, is amended to
13 read as follows:

14 "89-3602. Definitions. Unless the context requires
15 otherwise, in this act:

16 (1) "Renewable resource development program" means
17 such developments in the public interest of renewable
18 natural resources of the state as shall from time to time be
19 acquired, constructed, and financed from funds appropriated
20 to the accounts referred to in this section, and from the
21 proceeds of bonds issued in anticipation of the receipt of
22 these funds. Renewable resource developments shall, whenever
23 practicable, be multiple use projects, and shall not
24 significantly diminish the quality of existing public
25 resources such as land, air, water, fish, wildlife and

1 recreational opportunities.

2 (2) "Renewable resource development bonds" mean all
3 series of bonds authorized by law to be issued pursuant to
4 section 89-3606 to finance any part of the renewable
5 resource development program, or to refund any such bonds.

6 (3) "Renewable resource development account", or
7 "clearance fund account", mean a separate account which is
8 created within the bond and insurance clearance fund
9 established in section 79-410, and shall be segregated by
10 the treasurer from all other money in that or any other fund
11 in the state treasury and used only to pay costs of the
12 renewable resource development program, upon order of the
13 ~~department of administration or the~~ board of natural
14 resources and conservation under authority and within
15 limitations provided by law.

16 (4) "Renewable resource development bond account", or
17 "sinking fund account", mean a separate account which is
18 created within the sinking fund established in section
19 79-410, and shall be segregated by the treasurer from all
20 other money in that or any other fund in the treasury and
21 used only as provided for herein.

22 (5) "Treasurer" means the state treasurer."

23 Section 2. Section 89-3604, R.C.M. 1947, is amended to
24 read as follows:

25 "89-3604. State renewable resource development grants.

1 (1) The department of ~~administration~~ natural resources and
 2 conservation may recommend to the governor that grants from
 3 the renewable resource development account provided for by
 4 this act be made to any department, agency, board,
 5 commission, or other division of state government. Unless
 6 specifically authorized by the legislature, no bond proceeds
 7 shall be used for the purpose of making grants; grants may
 8 only be made in such sums as may be deposited in the sinking
 9 fund account from the collection of the strip coal mines
 10 license tax payable under the provisions of section 84-1302
 11 as provided in section 89-3607.

12 (2) The department shall solicit and consider in its
 13 evaluation of proposed projects the views of interested and
 14 affected departments, boards, agencies and other
 15 subdivisions of state and federal government and of other
 16 interested and affected persons.

17 (3) The governor shall submit those grant proposals
 18 having his approval to the legislature by the twentieth day
 19 of any legislative session. Those grant proposals approved
 20 by the legislature shall be administered by the department.

21 (4) The grants provided for by this section may be
 22 made for the purchase, lease, or construction of projects
 23 for the conservation, management, utilization, development
 24 or preservation of the land, water, fish, wildlife,
 25 recreational and other renewable resources in the state; for

1 the purpose of feasibility and design studies for such
 2 projects; for development of plans for the rehabilitation,
 3 expansion or modification of existing projects; and for such
 4 other and further similar purposes as the legislature may
 5 approve.

6 (5) The department may adopt rules as required to
 7 govern the terms and conditions for making grants pursuant
 8 to this section."

9 Section 3. Section 89-3605, R.C.M. 1947, is amended to
 10 read as follows:

11 "89-3605. State and local renewable resource
 12 development loans. (1) The department of ~~administration~~
 13 natural resources and conservation may recommend to the
 14 governor that loans be made from the renewable resource
 15 development account established by this act to any
 16 department, agency, board, commission or other division of
 17 state government, or to any city, county, or other political
 18 subdivision or local government body of the state.

19 (2) The department shall solicit and consider in its
 20 evaluation of proposed projects the views of interested and
 21 affected departments, boards, agencies and other
 22 subdivisions of state and federal government and of other
 23 interested and affected persons.

24 (3) The governor shall submit those loan proposals
 25 having his approval to the legislature by the twentieth day

1 of any legislative session. Those loan proposals approved
2 by the legislature shall be administered by the department.

3 (4) The provisions of section 89-3603, subsection (2)
4 and subsections (4) through (9) shall govern and apply to
5 the local renewable resource loans herein provided for.

6 (5) Both the loans provided for by this section and
7 the grants provided for by section 89-3604 may be submitted
8 to the governor and approved by the legislature as may be
9 necessary to jointly finance any project."

10 Section 4. Section 89-3606, R.C.M. 1947, is amended to
11 read as follows:

12 "89-3606. Renewable resource development bonds. (1)
13 Within the limits authorized by section 89-3609, and within
14 the further limitations in this section, the state board of
15 examiners may issue and sell bonds of the state in such
16 manner as it considers necessary and proper to finance the
17 renewable resource development program. The full faith and
18 credit and taxing powers of the state shall be pledged for
19 the prompt and full payment of all bonds so issued and
20 interest and redemption premiums payable thereon according
21 to their terms.

22 (2) Each series of such bonds shall be issued by the
23 state board of examiners upon request of ~~the department of~~
24 ~~administration~~ or the board of natural resources and
25 conservation, in such denominations and forms, whether

1 payable to bearer with attached interest coupons or
2 registered as to principal or as to both principal and
3 interest, with such provisions for conversion or exchange
4 and for the issuance of notes in anticipation of the
5 issuance of definitive bonds, bearing interest at such rate
6 or rates, maturing at such time or times not exceeding
7 ~~thirty~~ ~~(30)~~ years from date of issue, subject to optional or
8 mandatory redemption at such earlier times and prices and
9 upon such notice, with such provisions for payment and
10 discharge by the deposit of funds or securities in escrow
11 for that purpose, and payable at the office of such banking
12 institution or institutions within or outside the state, as
13 the board shall determine subject to the limitations
14 contained in this section.

15 (3) In the issuance of each series of such bonds the
16 interest rates and the maturities and any mandatory
17 redemption provisions thereof shall be established in such
18 manner that the funds then specifically pledged and
19 appropriated by law to the sinking fund account will in the
20 judgment of the board be received in an amount sufficient in
21 each year to pay all principal, redemption premiums, and
22 interest due and payable in that year with respect to that
23 and all prior series of such bonds, except outstanding bonds
24 as to which the obligation of the state has been discharged
25 by the deposit of funds or securities sufficient for their

1 payment in accordance with the terms of the resolutions by
2 which they are authorized to be issued.

3 (4) In all other respects the state board of examiners
4 is authorized to prescribe the form and terms of the bonds,
5 and shall do whatever is lawful and necessary for their
6 issuance and payment. Such bonds and any interest coupons
7 appurtenant thereto shall be signed by the members of the
8 state board of examiners, and the bonds shall be issued
9 under the great seal of the state of Montana. The bonds and
10 coupons may be executed with facsimile signatures and seal
11 in the manner and subject to the limitations prescribed by
12 law. The state treasurer shall keep a record of all such
13 bonds issued and sold.

14 (5) All proceeds of bonds issued hereunder, other than
15 refunding bonds, shall be deposited in the clearance fund
16 account, except that any principal and accrued interest
17 received in repayment of the loans provided for in this act
18 shall be deposited in the sinking fund account. All
19 proceeds of refunding bonds shall be deposited in the
20 sinking fund account and applied to the payment and
21 redemption of outstanding bonds issued hereunder as directed
22 by the board, whether at maturity or on any previous date on
23 which they may be prepaid according to their terms.

24 (6) The state board of examiners is authorized to
25 issue refunding bonds at such times and in such amounts, if

1 any, as may be necessary to pay principal or interest due
2 which cannot be paid from funds then on hand in the sinking
3 fund account. It may also issue refunding bonds to refund
4 outstanding bonds before maturity, for the purpose of
5 extending the maturities thereof so far as determined by the
6 board to be necessary to assure that the funds then pledged
7 to the sinking fund account will be sufficient for payment
8 of principal and interest due in subsequent years. It may
9 also issue refunding bonds to refund outstanding bonds
10 before maturity for the purpose of reducing the interest
11 cost or the total amount of principal and interest payable
12 thereon.

13 (7) No refunding bonds may be issued and sold more
14 than ~~three~~{3} months before all bonds refunded thereby
15 mature or are called for redemption unless the proceeds
16 thereof, with any other funds in the sinking fund account
17 which are needed and available for the purpose, or
18 securities purchased from such proceeds and other funds, are
19 deposited with a suitable banking institution within or
20 outside the state, in escrow for the retirement of the
21 refunded bonds at maturity or at a prior date or dates on
22 which they have been called for redemption in accordance
23 with their terms, in an amount and in a manner sufficient
24 under the provisions securing the refunded bonds so that the
25 state's obligation to pay the same, from sources other than

1 the escrow fund, is discharged.

2 (8) No new debt may be created by the issuance of
3 refunding bonds in accordance with this section, but such
4 refunding bonds shall evidence the debt previously created
5 and shall be secured by the pledge of the full faith and
6 credit and taxing powers of the state and by the further
7 provisions of this act in the same manner as the bonds
8 refunded thereby."

9 Section 5. Section 89-3608, R.C.M. 1947, is amended to
10 read as follows:

11 "89-3608. Clearance fund account. (1) In addition to
12 any funds herein provided for the clearance fund account,
13 the state may by enactment of the legislature or the people
14 levy, impose, assess and pledge and appropriate to the
15 clearance fund account any tax, charge, fee, rental or other
16 income from any source.

17 (2) The state pledges and appropriates and directs to
18 be credited from the general fund to the clearance fund
19 account three hundred ninety thousand, nine hundred
20 seventy-four dollars (\$390,974) for its initial funding to
21 be used and administered as provided for in this act. When
22 sufficient funds have been accumulated in the clearance fund
23 account from bond proceeds or as otherwise provided for in
24 this act, the legislature directs that three hundred ninety
25 thousand, nine hundred seventy-four dollars (\$390,974) be

1 appropriated from the clearance fund account and credited
2 to the general fund.

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

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

17 ~~(5) The general fund appropriation provided for by~~
18 ~~subsection (2) of this section as the initial funding for~~
19 ~~the programs provided for by this act shall be appropriated~~
20 ~~and used as follows for the biennium ending June 30, 1977:~~

21 For Fiscal Year For Fiscal Year
22 Ending 6/30/76 Ending 6/30/77

23 DEPARTMENT OF NATURAL RESOURCES
24 AND CONSERVATION
25 Administrative expenses from

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

1 resource-development-loan-program
2 authorized-by-section-3-of
3 this-act
4 from-the-clearance-fund
5 account 1,000,000 2,000,000
6 ~~{7}--In---case---of---necessity--an--appropriation--not~~
7 ~~expended-during-the-first-fiscal-year-of-the-biennium-may-be~~
8 ~~expended-during-the-second-fiscal-year--by--approved--budget~~
9 ~~amendment--submitted--through--the--budget--director--by--the~~
10 ~~governor--or-his-designated-representative"~~
11 Section 6. Effective date. This act is effective on
12 its passage and approval.
-End-

Approved by Committee
on Natural Resources

Senate BILL NO. *298*
Hoffman

1
2 INTRODUCED BY _____

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
5 89-3602, 89-3604, 89-3605, 89-3606, AND 89-3608, R.C.M.
6 1947, TO TRANSFER CERTAIN ADMINISTRATIVE DUTIES FROM THE
7 DEPARTMENT OF ADMINISTRATION TO THE DEPARTMENT OF NATURAL
8 RESOURCES AND CONSERVATION UNDER THE RENEWABLE RESOURCE
9 DEVELOPMENT PROGRAM; PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12 Section 1. Section 89-3602, R.C.M. 1947, is amended to
13 read as follows:

14 "89-3602. Definitions. Unless the context requires
15 otherwise, in this act:

16 (1) "Renewable resource development program" means
17 such developments in the public interest of renewable
18 natural resources of the state as shall from time to time be
19 acquired, constructed, and financed from funds appropriated
20 to the accounts referred to in this section, and from the
21 proceeds of bonds issued in anticipation of the receipt of
22 these funds. Renewable resource developments shall, whenever
23 practicable, be multiple use projects, and shall not
24 significantly diminish the quality of existing public
25 resources such as land, air, water, fish, wildlife and

1 recreational opportunities.

2 (2) "Renewable resource development bonds" mean all
3 series of bonds authorized by law to be issued pursuant to
4 section 89-3606 to finance any part of the renewable
5 resource development program, or to refund any such bonds.

6 (3) "Renewable resource development account", or
7 "clearance fund account", mean a separate account which is
8 created within the bond and insurance clearance fund
9 established in section 79-410, and shall be segregated by
10 the treasurer from all other money in that or any other fund
11 in the state treasury and used only to pay costs of the
12 renewable resource development program, upon order of the
13 ~~department of administration or the~~ board of natural
14 resources and conservation under authority and within
15 limitations provided by law.

16 (4) "Renewable resource development bond account", or
17 "sinking fund account", mean a separate account which is
18 created within the sinking fund established in section
19 79-410, and shall be segregated by the treasurer from all
20 other money in that or any other fund in the treasury and
21 used only as provided for herein.

22 (5) "Treasurer" means the state treasurer."

23 Section 2. Section 89-3604, R.C.M. 1947, is amended to
24 read as follows:

25 "89-3604. State renewable resource development grants.

SB 298

1 (1) The department of ~~administration~~ natural resources and
 2 conservation may recommend to the governor that grants from
 3 the renewable resource development account provided for by
 4 this act be made to any department, agency, board,
 5 commission, or other division of state government. Unless
 6 specifically authorized by the legislature, no bond proceeds
 7 shall be used for the purpose of making grants; grants may
 8 only be made in such sums as may be deposited in the sinking
 9 fund account from the collection of the strip coal mines
 10 license tax payable under the provisions of section 84-1302
 11 as provided in section 89-3607.

12 (2) The department shall solicit and consider in its
 13 evaluation of proposed projects the views of interested and
 14 affected departments, boards, agencies and other
 15 subdivisions of state and federal government and of other
 16 interested and affected persons.

17 (3) The governor shall submit those grant proposals
 18 having his approval to the legislature by the twentieth day
 19 of any legislative session. Those grant proposals approved
 20 by the legislature shall be administered by the department.

21 (4) The grants provided for by this section may be
 22 made for the purchase, lease, or construction of projects
 23 for the conservation, management, utilization, development
 24 or preservation of the land, water, fish, wildlife,
 25 recreational and other renewable resources in the state; for

1 the purpose of feasibility and design studies for such
 2 projects; for development of plans for the rehabilitation,
 3 expansion or modification of existing projects; and for such
 4 other and further similar purposes as the legislature may
 5 approve.

6 (5) The department may adopt rules as required to
 7 govern the terms and conditions for making grants pursuant
 8 to this section.*

9 Section 3. Section 89-3605, R.C.M. 1947, is amended to
 10 read as follows:

11 *89-3605. State and local renewable resource
 12 development loans. (1) The department of ~~administration~~
 13 natural resources and conservation may recommend to the
 14 governor that loans be made from the renewable resource
 15 development account established by this act to any
 16 department, agency, board, commission or other division of
 17 state government, or to any city, county, or other political
 18 subdivision or local government body of the state.

19 (2) The department shall solicit and consider in its
 20 evaluation of proposed projects the views of interested and
 21 affected departments, boards, agencies and other
 22 subdivisions of state and federal government and of other
 23 interested and affected persons.

24 (3) The governor shall submit those loan proposals
 25 having his approval to the legislature by the twentieth day

1 of any legislative session. Those loan proposals approved
2 by the legislature shall be administered by the department.

3 (4) The provisions of section 89-3603, subsection (2)
4 and subsections (4) through (9) shall govern and apply to
5 the local renewable resource loans herein provided for.

6 (5) Both the loans provided for by this section and
7 the grants provided for by section 89-3604 may be submitted
8 to the governor and approved by the legislature as may be
9 necessary to jointly finance any project."

10 Section 4. Section 89-3606, R.C.M. 1947, is amended to
11 read as follows:

12 "89-3606. Renewable resource development bonds. (1)
13 Within the limits authorized by section 89-3609, and within
14 the further limitations in this section, the state board of
15 examiners may issue and sell bonds of the state in such
16 manner as it considers necessary and proper to finance the
17 renewable resource development program. The full faith and
18 credit and taxing powers of the state shall be pledged for
19 the prompt and full payment of all bonds so issued and
20 interest and redemption premiums payable thereon according
21 to their terms.

22 (2) Each series of such bonds shall be issued by the
23 state board of examiners upon request of ~~the department of~~
24 ~~administration~~ or the board of natural resources and
25 conservation, in such denominations and forms, whether

1 payable to bearer with attached interest coupons or
2 registered as to principal or as to both principal and
3 interest, with such provisions for conversion or exchange
4 and for the issuance of notes in anticipation of the
5 issuance of definitive bonds, bearing interest at such rate
6 or rates, maturing at such time or times not exceeding
7 ~~thirty~~ ~~(30)~~ years from date of issue, subject to optional or
8 mandatory redemption at such earlier times and prices and
9 upon such notice, with such provisions for payment and
10 discharge by the deposit of funds or securities in escrow
11 for that purpose, and payable at the office of such banking
12 institution or institutions within or outside the state, as
13 the board shall determine subject to the limitations
14 contained in this section.

15 (3) In the issuance of each series of such bonds the
16 interest rates and the maturities and any mandatory
17 redemption provisions thereof shall be established in such
18 manner that the funds then specifically pledged and
19 appropriated by law to the sinking fund account will in the
20 judgment of the board be received in an amount sufficient in
21 each year to pay all principal, redemption premiums, and
22 interest due and payable in that year with respect to that
23 and all prior series of such bonds, except outstanding bonds
24 as to which the obligation of the state has been discharged
25 by the deposit of funds or securities sufficient for their

1 payment in accordance with the terms of the resolutions by
2 which they are authorized to be issued.

3 (4) In all other respects the state board of examiners
4 is authorized to prescribe the form and terms of the bonds,
5 and shall do whatever is lawful and necessary for their
6 issuance and payment. Such bonds and any interest coupons
7 appurtenant thereto shall be signed by the members of the
8 state board of examiners, and the bonds shall be issued
9 under the great seal of the state of Montana. The bonds and
10 coupons may be executed with facsimile signatures and seal
11 in the manner and subject to the limitations prescribed by
12 law. The state treasurer shall keep a record of all such
13 bonds issued and sold.

14 (5) All proceeds of bonds issued hereunder, other than
15 refunding bonds, shall be deposited in the clearance fund
16 account, except that any principal and accrued interest
17 received in repayment of the loans provided for in this act
18 shall be deposited in the sinking fund account. All
19 proceeds of refunding bonds shall be deposited in the
20 sinking fund account and applied to the payment and
21 redemption of outstanding bonds issued hereunder as directed
22 by the board, whether at maturity or on any previous date on
23 which they may be prepaid according to their terms.

24 (6) The state board of examiners is authorized to
25 issue refunding bonds at such times and in such amounts, if

1 any, as may be necessary to pay principal or interest due
2 which cannot be paid from funds then on hand in the sinking
3 fund account. It may also issue refunding bonds to refund
4 outstanding bonds before maturity, for the purpose of
5 extending the maturities thereof so far as determined by the
6 board to be necessary to assure that the funds then pledged
7 to the sinking fund account will be sufficient for payment
8 of principal and interest due in subsequent years. It may
9 also issue refunding bonds to refund outstanding bonds
10 before maturity for the purpose of reducing the interest
11 cost or the total amount of principal and interest payable
12 thereon.

13 (7) No refunding bonds may be issued and sold more
14 than ~~three~~{3} months before all bonds refunded thereby
15 mature or are called for redemption unless the proceeds
16 thereof, with any other funds in the sinking fund account
17 which are needed and available for the purpose, or
18 securities purchased from such proceeds and other funds, are
19 deposited with a suitable banking institution within or
20 outside the state, in escrow for the retirement of the
21 refunded bonds at maturity or at a prior date or dates on
22 which they have been called for redemption in accordance
23 with their terms, in an amount and in a manner sufficient
24 under the provisions securing the refunded bonds so that the
25 state's obligation to pay the same, from sources other than

1 the escrow fund, is discharged.

2 (8) No new debt may be created by the issuance of
3 refunding bonds in accordance with this section, but such
4 refunding bonds shall evidence the debt previously created
5 and shall be secured by the pledge of the full faith and
6 credit and taxing powers of the state and by the further
7 provisions of this act in the same manner as the bonds
8 refunded thereby."

9 Section 5. Section 89-3608, R.C.M. 1947, is amended to
10 read as follows:

11 "89-3608. Clearance fund account. (1) In addition to
12 any funds herein provided for the clearance fund account,
13 the state may by enactment of the legislature or the people
14 levy, impose, assess and pledge and appropriate to the
15 clearance fund account any tax, charge, fee, rental or other
16 income from any source.

17 (2) The state pledges and appropriates and directs to
18 be credited from the general fund to the clearance fund
19 account three hundred ninety thousand, nine hundred
20 seventy-four dollars (\$390,974) for its initial funding to
21 be used and administered as provided for in this act. When
22 sufficient funds have been accumulated in the clearance fund
23 account from bond proceeds or as otherwise provided for in
24 this act, the legislature directs that three hundred ninety
25 thousand, nine hundred seventy-four dollars (\$390,974) be

1 appropriated from the clearance fund account and credited
2 to the general fund.

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

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

17 ~~(5) The general fund appropriation provided for by~~
18 ~~subsection (2) of this section as the initial funding for~~
19 ~~the programs provided for by this act shall be appropriated~~
20 ~~and used as follows for the biennium ending June 30, 1977:~~

21 For Fiscal Year For Fiscal Year
22 Ending 6/30/76 Ending 6/30/77

23 DEPARTMENT OF NATURAL RESOURCES

24 AND CONSERVATION

25 Administrative expenses from

1 the earmarked revenue fund \$103,490 \$102,534

2 DEPARTMENT OF ADMINISTRATION

3 Administrative expenses from

4 the earmarked fund 30,000 30,950

5 DEPARTMENT OF NATURAL RESOURCES

6 AND CONSERVATION

7 Engineering studies on expanded

8 water storage on the Tongue

9 River from the clearance fund

10 account 49,000

11 Engineering studies on water

12 storage on the Powder River from

13 the clearance fund account 25,000

14 Study of the diversion of water

15 into the Milk River from the

16 clearance fund account 50,000

17 (6) The monies deposited in the clearance fund account

18 as provided for in section 6 of this act shall be

19 appropriated and used as follows for the biennium ending

20 June 30, 1977:

21	For Fiscal Year	For Fiscal Year
22	Ending 6/30/76	Ending 6/30/77

23 Department of Natural Resources

24 and Conservation

25 implementation of the renewable

1 resource development loan program

2 authorized by section 3 of

3 this act

4 from the clearance fund

5 account 1,000,000 2,000,000

6 (7) In case of necessity, an appropriation not

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

8 expended during the second fiscal year by approved budget

9 amendment submitted through the budget director by the

10 governor or his designated representative.

11 Section 6. Effective date. This act is effective on

12 its passage and approval.

-End-

1 SENATE BILL NO. 298

2 INTRODUCED BY HAZELBAKER

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
5 89-3602, 89-3604, 89-3605, 89-3606, AND 89-3608, R.C.M.
6 1947, TO TRANSFER CERTAIN ADMINISTRATIVE DUTIES FROM THE
7 DEPARTMENT OF ADMINISTRATION TO THE DEPARTMENT OF NATURAL
8 RESOURCES AND CONSERVATION UNDER THE RENEWABLE RESOURCE
9 DEVELOPMENT PROGRAM, ~~PROVIDING AN IMMEDIATE EFFECTIVE DATE.~~"

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:12 Section 1. Section 89-3602, R.C.M. 1947, is amended to
13 read as follows:14 "89-3602. Definitions. Unless the context requires
15 otherwise, in this act:

16 (1) "Renewable resource development program" means
17 such developments in the public interest of renewable
18 natural resources of the state as shall from time to time be
19 acquired, constructed, and financed from funds appropriated
20 to the accounts referred to in this section, and from the
21 proceeds of bonds issued in anticipation of the receipt of
22 these funds. Renewable resource developments shall, whenever
23 practicable, be multiple use projects, and shall not
24 significantly diminish the quality of existing public
25 resources such as land, air, water, fish, wildlife and

1 recreational opportunities.

2 (2) "Renewable resource development bonds" mean all
3 series of bonds authorized by law to be issued pursuant to
4 section 89-3606 to finance any part of the renewable
5 resource development program, or to refund any such bonds.

6 (3) "Renewable resource development account", or
7 "clearance fund account", mean a separate account which is
8 created within the bond and insurance clearance fund
9 established in section 79-410, and shall be segregated by
10 the treasurer from all other money in that or any other fund
11 in the state treasury and used only to pay costs of the
12 renewable resource development program, upon order of the
13 ~~department--of--administration--or--the~~ board of natural
14 resources and conservation under authority and within
15 limitations provided by law.

16 (4) "Renewable resource development bond account", or
17 "sinking fund account", mean a separate account which is
18 created within the sinking fund established in section
19 79-410, and shall be segregated by the treasurer from all
20 other money in that or any other fund in the treasury and
21 used only as provided for herein.

22 (5) "Treasurer" means the state treasurer."

23 Section 2. Section 89-3604, R.C.M. 1947, is amended to
24 read as follows:

25 "89-3604. State renewable resource development grants.

THIRD READING

1 (1) The department of ~~administration~~ natural resources and
 2 conservation may recommend to the governor that grants from
 3 the renewable resource development account provided for by
 4 this act be made to any department, agency, board,
 5 commission, or other division of state government. Unless
 6 specifically authorized by the legislature, no bond proceeds
 7 shall be used for the purpose of making grants; grants may
 8 only be made in such sums as may be deposited in the sinking
 9 fund account from the collection of the strip coal mines
 10 license tax payable under the provisions of section 84-1302
 11 as provided in section 89-3607.

12 (2) The department shall solicit and consider in its
 13 evaluation of proposed projects the views of interested and
 14 affected departments, boards, agencies and other
 15 subdivisions of state and federal government and of other
 16 interested and affected persons.

17 (3) The governor shall submit those grant proposals
 18 having his approval to the legislature by the twentieth day
 19 of any legislative session. Those grant proposals approved
 20 by the legislature shall be administered by the department.

21 (4) The grants provided for by this section may be
 22 made for the purchase, lease, or construction of projects
 23 for the conservation, management, utilization, development
 24 or preservation of the land, water, fish, wildlife,
 25 recreational and other renewable resources in the state; for

1 the purpose of feasibility and design studies for such
 2 projects; for development of plans for the rehabilitation,
 3 expansion or modification of existing projects; and for such
 4 other and further similar purposes as the legislature may
 5 approve.

6 (5) The department may adopt rules as required to
 7 govern the terms and conditions for making grants pursuant
 8 to this section."

9 Section 3. Section 89-3605, R.C.M. 1947, is amended to
 10 read as follows:

11 "89-3605. State and local renewable resource
 12 development loans. (1) The department of ~~administration~~
 13 natural resources and conservation may recommend to the
 14 governor that loans be made from the renewable resource
 15 development account established by this act to any
 16 department, agency, board, commission or other division of
 17 state government, or to any city, county, or other political
 18 subdivision or local government body of the state.

19 (2) The department shall solicit and consider in its
 20 evaluation of proposed projects the views of interested and
 21 affected departments, boards, agencies and other
 22 subdivisions of state and federal government and of other
 23 interested and affected persons.

24 (3) The governor shall submit those loan proposals
 25 having his approval to the legislature by the twentieth day

1 of any legislative session. Those loan proposals approved
2 by the legislature shall be administered by the department.

3 (4) The provisions of section 89-3603, subsection (2)
4 and subsections (4) through (9) shall govern and apply to
5 the local renewable resource loans herein provided for.

6 (5) Both the loans provided for by this section and
7 the grants provided for by section 89-3604 may be submitted
8 to the governor and approved by the legislature as may be
9 necessary to jointly finance any project."

10 Section 4. Section 89-3606, R.C.M. 1947, is amended to
11 read as follows:

12 "89-3606. Renewable resource development bonds. (1)
13 Within the limits authorized by section 89-3609, and within
14 the further limitations in this section, the state board of
15 examiners may issue and sell bonds of the state in such
16 manner as it considers necessary and proper to finance the
17 renewable resource development program. The full faith and
18 credit and taxing powers of the state shall be pledged for
19 the prompt and full payment of all bonds so issued and
20 interest and redemption premiums payable thereon according
21 to their terms.

22 (2) Each series of such bonds shall be issued by the
23 state board of examiners upon request of ~~the department of~~
24 ~~administration~~ or the board of natural resources and
25 conservation, in such denominations and forms, whether

1 payable to bearer with attached interest coupons or
2 registered as to principal or as to both principal and
3 interest, with such provisions for conversion or exchange
4 and for the issuance of notes in anticipation of the
5 issuance of definitive bonds, bearing interest at such rate
6 or rates, maturing at such time or times not exceeding
7 ~~thirty~~{30} years from date of issue, subject to optional or
8 mandatory redemption at such earlier times and prices and
9 upon such notice, with such provisions for payment and
10 discharge by the deposit of funds or securities in escrow
11 for that purpose, and payable at the office of such banking
12 institution or institutions within or outside the state, as
13 the board shall determine subject to the limitations
14 contained in this section.

15 (3) In the issuance of each series of such bonds the
16 interest rates and the maturities and any mandatory
17 redemption provisions thereof shall be established in such
18 manner that the funds then specifically pledged and
19 appropriated by law to the sinking fund account will in the
20 judgment of the board be received in an amount sufficient in
21 each year to pay all principal, redemption premiums, and
22 interest due and payable in that year with respect to that
23 and all prior series of such bonds, except outstanding bonds
24 as to which the obligation of the state has been discharged
25 by the deposit of funds or securities sufficient for their

1 payment in accordance with the terms of the resolutions by
2 which they are authorized to be issued.

3 (4) In all other respects the state board of examiners
4 is authorized to prescribe the form and terms of the bonds,
5 and shall do whatever is lawful and necessary for their
6 issuance and payment. Such bonds and any interest coupons
7 appurtenant thereto shall be signed by the members of the
8 state board of examiners, and the bonds shall be issued
9 under the great seal of the state of Montana. The bonds and
10 coupons may be executed with facsimile signatures and seal
11 in the manner and subject to the limitations prescribed by
12 law. The state treasurer shall keep a record of all such
13 bonds issued and sold.

14 (5) All proceeds of bonds issued hereunder, other than
15 refunding bonds, shall be deposited in the clearance fund
16 account, except that any principal and accrued interest
17 received in repayment of the loans provided for in this act
18 shall be deposited in the sinking fund account. All
19 proceeds of refunding bonds shall be deposited in the
20 sinking fund account and applied to the payment and
21 redemption of outstanding bonds issued hereunder as directed
22 by the board, whether at maturity or on any previous date on
23 which they may be prepaid according to their terms.

24 (6) The state board of examiners is authorized to
25 issue refunding bonds at such times and in such amounts, if

1 any, as may be necessary to pay principal or interest due
2 which cannot be paid from funds then on hand in the sinking
3 fund account. It may also issue refunding bonds to refund
4 outstanding bonds before maturity, for the purpose of
5 extending the maturities thereof so far as determined by the
6 board to be necessary to assure that the funds then pledged
7 to the sinking fund account will be sufficient for payment
8 of principal and interest due in subsequent years. It may
9 also issue refunding bonds to refund outstanding bonds
10 before maturity for the purpose of reducing the interest
11 cost or the total amount of principal and interest payable
12 thereon.

13 (7) No refunding bonds may be issued and sold more
14 than three-~~{3}~~ months before all bonds refunded thereby
15 mature or are called for redemption unless the proceeds
16 thereof, with any other funds in the sinking fund account
17 which are needed and available for the purpose, or
18 securities purchased from such proceeds and other funds, are
19 deposited with a suitable banking institution within or
20 outside the state, in escrow for the retirement of the
21 refunded bonds at maturity or at a prior date or dates on
22 which they have been called for redemption in accordance
23 with their terms, in an amount and in a manner sufficient
24 under the provisions securing the refunded bonds so that the
25 state's obligation to pay the same, from sources other than

1 the escrow fund, is discharged.

2 (8) No new debt may be created by the issuance of
3 refunding bonds in accordance with this section, but such
4 refunding bonds shall evidence the debt previously created
5 and shall be secured by the pledge of the full faith and
6 credit and taxing powers of the state and by the further
7 provisions of this act in the same manner as the bonds
8 refunded thereby."

9 Section 5. Section 89-3608, R.C.M. 1947, is amended to
10 read as follows:

11 *89-3608. Clearance fund account. (1) In addition to
12 any funds herein provided for the clearance fund account,
13 the state may by enactment of the legislature or the people
14 levy, impose, assess and pledge and appropriate to the
15 clearance fund account any tax, charge, fee, rental or other
16 income from any source.

17 (2) The state pledges and appropriates and directs to
18 be credited from the general fund to the clearance fund
19 account three hundred ninety thousand, nine hundred
20 seventy-four dollars (\$390,974) for its initial funding to
21 be used and administered as provided for in this act. When
22 sufficient funds have been accumulated in the clearance fund
23 account from bond proceeds or as otherwise provided for in
24 this act, the legislature directs that three hundred ninety
25 thousand, nine hundred seventy-four dollars (\$390,974) be

1 appropriated from the clearance fund account and credited
2 to the general fund.

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

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

17 ~~(5) The general fund appropriation provided for by~~
18 ~~subsection (2) of this section as the initial funding for~~
19 ~~the programs provided for by this act shall be appropriated~~
20 ~~and used as follows for the biennium ending June 30, 1977:~~

	For Fiscal Year	For Fiscal Year
	Ending 6/30/76	Ending 6/30/77
23	DEPARTMENT OF NATURAL RESOURCES	
24	AND CONSERVATION	
25	Administrative expenses from	

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

1 resource-development-loan-program
 2 authorized-by-section-3-of
 3 this-act
 4 from-the-clearance-fund
 5 account 1,000,000 2,000,000
 6 (7)--In---case---of---necessity---an---appropriation---not
 7 expended-during-the-first-fiscal-year-of-the-biennium-may-be
 8 expended-during-the-second-fiscal-year-by-approved-budget
 9 amendment--submitted--through--the--budget--director--by-the
 10 governor-or-his-designated-representative.
 11 Section-6--Effective-date--This-act-is-effective-on
 12 its-passage-and-approval

-End-

1 SENATE BILL NO. 298

2 INTRODUCED BY HAZELBAKER

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTIONS
5 89-3602, 89-3604, 89-3605, 89-3606, AND 89-3608, R.C.M.
6 1947, TO TRANSFER CERTAIN ADMINISTRATIVE DUTIES FROM THE
7 DEPARTMENT OF ADMINISTRATION TO THE DEPARTMENT OF NATURAL
8 RESOURCES AND CONSERVATION UNDER THE RENEWABLE RESOURCE
9 DEVELOPMENT PROGRAM, ~~PROVIDING AN IMMEDIATE EFFECTIVE DATE.~~"

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:12 Section 1. Section 89-3602, R.C.M. 1947, is amended to
13 read as follows:14 "89-3602. Definitions. Unless the context requires
15 otherwise, in this act:

16 (1) "Renewable resource development program" means
17 such developments in the public interest of renewable
18 natural resources of the state as shall from time to time be
19 acquired, constructed, and financed from funds appropriated
20 to the accounts referred to in this section, and from the
21 proceeds of bonds issued in anticipation of the receipt of
22 these funds. Renewable resource developments shall, whenever
23 practicable, be multiple use projects, and shall not
24 significantly diminish the quality of existing public
25 resources such as land, air, water, fish, wildlife and

1 recreational opportunities.

2 (2) "Renewable resource development bonds" mean all
3 series of bonds authorized by law to be issued pursuant to
4 section 89-3606 to finance any part of the renewable
5 resource development program, or to refund any such bonds.

6 (3) "Renewable resource development account", or
7 "clearance fund account", mean a separate account which is
8 created within the bond and insurance clearance fund
9 established in section 79-410, and shall be segregated by
10 the treasurer from all other money in that or any other fund
11 in the state treasury and used only to pay costs of the
12 renewable resource development program, upon order of the
13 department ~~of administration or~~ the board of natural
14 resources and conservation under authority and within
15 limitations provided by law.

16 (4) "Renewable resource development bond account", or
17 "sinking fund account", mean a separate account which is
18 created within the sinking fund established in section
19 79-410, and shall be segregated by the treasurer from all
20 other money in that or any other fund in the treasury and
21 used only as provided for herein.

22 (5) "Treasurer" means the state treasurer."

23 Section 2. Section 89-3604, R.C.M. 1947, is amended to
24 read as follows:

25 "89-3604. State renewable resource development grants.

1 (1) The department of ~~administration~~ natural resources and
 2 conservation may recommend to the governor that grants from
 3 the renewable resource development account provided for by
 4 this act be made to any department, agency, board,
 5 commission, or other division of state government. Unless
 6 specifically authorized by the legislature, no bond proceeds
 7 shall be used for the purpose of making grants; grants may
 8 only be made in such sums as may be deposited in the sinking
 9 fund account from the collection of the strip coal mines
 10 license tax payable under the provisions of section 84-1302
 11 as provided in section 89-3607.

12 (2) The department shall solicit and consider in its
 13 evaluation of proposed projects the views of interested and
 14 affected departments, boards, agencies and other
 15 subdivisions of state and federal government and of other
 16 interested and affected persons.

17 (3) The governor shall submit those grant proposals
 18 having his approval to the legislature by the twentieth day
 19 of any legislative session. Those grant proposals approved
 20 by the legislature shall be administered by the department.

21 (4) The grants provided for by this section may be
 22 made for the purchase, lease, or construction of projects
 23 for the conservation, management, utilization, development
 24 or preservation of the land, water, fish, wildlife,
 25 recreational and other renewable resources in the state; for

1 the purpose of feasibility and design studies for such
 2 projects; for development of plans for the rehabilitation,
 3 expansion or modification of existing projects; and for such
 4 other and further similar purposes as the legislature may
 5 approve.

6 (5) The department may adopt rules as required to
 7 govern the terms and conditions for making grants pursuant
 8 to this section."

9 Section 3. Section 89-3605, R.C.M. 1947, is amended to
 10 read as follows:

11 "89-3605. State and local renewable resource
 12 development loans. (1) The department of ~~administration~~
 13 natural resources and conservation may recommend to the
 14 governor that loans be made from the renewable resource
 15 development account established by this act to any
 16 department, agency, board, commission or other division of
 17 state government, or to any city, county, or other political
 18 subdivision or local government body of the state.

19 (2) The department shall solicit and consider in its
 20 evaluation of proposed projects the views of interested and
 21 affected departments, boards, agencies and other
 22 subdivisions of state and federal government and of other
 23 interested and affected persons.

24 (3) The governor shall submit those loan proposals
 25 having his approval to the legislature by the twentieth day

1 of any legislative session. Those loan proposals approved
2 by the legislature shall be administered by the department.

3 (4) The provisions of section 89-3603, subsection (2)
4 and subsections (4) through (9) shall govern and apply to
5 the local renewable resource loans herein provided for.

6 (5) Both the loans provided for by this section and
7 the grants provided for by section 89-3604 may be submitted
8 to the governor and approved by the legislature as may be
9 necessary to jointly finance any project."

10 Section 4. Section 89-3606, R.C.M. 1947, is amended to
11 read as follows:

12 "89-3606. Renewable resource development bonds. (1)
13 Within the limits authorized by section 89-3609, and within
14 the further limitations in this section, the state board of
15 examiners may issue and sell bonds of the state in such
16 manner as it considers necessary and proper to finance the
17 renewable resource development program. The full faith and
18 credit and taxing powers of the state shall be pledged for
19 the prompt and full payment of all bonds so issued and
20 interest and redemption premiums payable thereon according
21 to their terms.

22 (2) Each series of such bonds shall be issued by the
23 state board of examiners upon request of the ~~department~~ of
24 ~~administration~~ or the board of natural resources and
25 conservation, in such denominations and forms, whether

1 payable to bearer with attached interest coupons or
2 registered as to principal or as to both principal and
3 interest, with such provisions for conversion or exchange
4 and for the issuance of notes in anticipation of the
5 issuance of definitive bonds, bearing interest at such rate
6 or rates, maturing at such time or times not exceeding
7 ~~thirty~~ (30) years from date of issue, subject to optional or
8 mandatory redemption at such earlier times and prices and
9 upon such notice, with such provisions for payment and
10 discharge by the deposit of funds or securities in escrow
11 for that purpose, and payable at the office of such banking
12 institution or institutions within or outside the state, as
13 the board shall determine subject to the limitations
14 contained in this section.

15 (3) In the issuance of each series of such bonds the
16 interest rates and the maturities and any mandatory
17 redemption provisions thereof shall be established in such
18 manner that the funds then specifically pledged and
19 appropriated by law to the sinking fund account will in the
20 judgment of the board be received in an amount sufficient in
21 each year to pay all principal, redemption premiums, and
22 interest due and payable in that year with respect to that
23 and all prior series of such bonds, except outstanding bonds
24 as to which the obligation of the state has been discharged
25 by the deposit of funds or securities sufficient for their

1 payment in accordance with the terms of the resolutions by
2 which they are authorized to be issued.

3 (4) In all other respects the state board of examiners
4 is authorized to prescribe the form and terms of the bonds,
5 and shall do whatever is lawful and necessary for their
6 issuance and payment. Such bonds and any interest coupons
7 appurtenant thereto shall be signed by the members of the
8 state board of examiners, and the bonds shall be issued
9 under the great seal of the state of Montana. The bonds and
10 coupons may be executed with facsimile signatures and seal
11 in the manner and subject to the limitations prescribed by
12 law. The state treasurer shall keep a record of all such
13 bonds issued and sold.

14 (5) All proceeds of bonds issued hereunder, other than
15 refunding bonds, shall be deposited in the clearance fund
16 account, except that any principal and accrued interest
17 received in repayment of the loans provided for in this act
18 shall be deposited in the sinking fund account. All
19 proceeds of refunding bonds shall be deposited in the
20 sinking fund account and applied to the payment and
21 redemption of outstanding bonds issued hereunder as directed
22 by the board, whether at maturity or on any previous date on
23 which they may be prepaid according to their terms.

24 (6) The state board of examiners is authorized to
25 issue refunding bonds at such times and in such amounts, if

1 any, as may be necessary to pay principal or interest due
2 which cannot be paid from funds then on hand in the sinking
3 fund account. It may also issue refunding bonds to refund
4 outstanding bonds before maturity, for the purpose of
5 extending the maturities thereof so far as determined by the
6 board to be necessary to assure that the funds then pledged
7 to the sinking fund account will be sufficient for payment
8 of principal and interest due in subsequent years. It may
9 also issue refunding bonds to refund outstanding bonds
10 before maturity for the purpose of reducing the interest
11 cost or the total amount of principal and interest payable
12 thereon.

13 (7) No refunding bonds may be issued and sold more
14 than three-~~{3}~~ months before all bonds refunded thereby
15 mature or are called for redemption unless the proceeds
16 thereof, with any other funds in the sinking fund account
17 which are needed and available for the purpose, or
18 securities purchased from such proceeds and other funds, are
19 deposited with a suitable banking institution within or
20 outside the state, in escrow for the retirement of the
21 refunded bonds at maturity or at a prior date or dates on
22 which they have been called for redemption in accordance
23 with their terms, in an amount and in a manner sufficient
24 under the provisions securing the refunded bonds so that the
25 state's obligation to pay the same, from sources other than

1 the escrow fund, is discharged.

2 (8) No new debt may be created by the issuance of
3 refunding bonds in accordance with this section, but such
4 refunding bonds shall evidence the debt previously created
5 and shall be secured by the pledge of the full faith and
6 credit and taxing powers of the state and by the further
7 provisions of this act in the same manner as the bonds
8 refunded thereby."

9 Section 5. Section 89-3608, R.C.M. 1947, is amended to
10 read as follows:

11 "89-3608. Clearance fund account. (1) In addition to
12 any funds herein provided for the clearance fund account,
13 the state may by enactment of the legislature or the people
14 levy, impose, assess and pledge and appropriate to the
15 clearance fund account any tax, charge, fee, rental or other
16 income from any source.

17 (2) The state pledges and appropriates and directs to
18 be credited from the general fund to the clearance fund
19 account three hundred ninety thousand, nine hundred
20 seventy-four dollars (\$390,974) for its initial funding to
21 be used and administered as provided for in this act. When
22 sufficient funds have been accumulated in the clearance fund
23 account from bond proceeds or as otherwise provided for in
24 this act, the legislature directs that three hundred ninety
25 thousand, nine hundred seventy-four dollars (\$390,974) be

1 appropriated from the clearance fund account and credited
2 to the general fund.

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

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

17 ~~(5) The general fund appropriation provided for by~~
18 ~~subsection (2) of this section as the initial funding for~~
19 ~~the programs provided for by this act shall be appropriated~~
20 ~~and used as follows for the biennium ending June 30, 1977:~~

	For Fiscal Year	For Fiscal Year
	Ending 6/30/76	Ending 6/30/77
23 DEPARTMENT OF NATURAL RESOURCES		
24 AND CONSERVATION		
25 Administrative expenses from		

1 ~~the earmarked revenue fund \$103,498 \$102,534~~

2 DEPARTMENT OF ADMINISTRATION

3 ~~Administrative expenses from~~

4 ~~the earmarked fund 30,000 30,950~~

5 DEPARTMENT OF NATURAL RESOURCES

6 AND CONSERVATION

7 ~~Engineering studies on expanded~~

8 ~~water storage on the Tongue~~

9 ~~River from the clearance fund~~

10 ~~account 49,000~~

11 ~~Engineering studies on water~~

12 ~~storage on the Powder River from~~

13 ~~the clearance fund account 25,000~~

14 ~~Study of the diversion of water~~

15 ~~into the Milk River from the~~

16 ~~clearance fund account 50,000~~

17 ~~{6} The monies deposited in the clearance fund account~~

18 ~~as provided for in section 6 of this act shall be~~

19 ~~appropriated and used as follows for the biennium ending~~

20 ~~June 30, 1977:~~

21	For Fiscal Year	For Fiscal Year
22	Ending 6/30/76	Ending 6/30/77

23 Department of Natural Resources

24 and Conservation

25 Implementation of the renewable

1 ~~resource development loan program~~

2 ~~authorized by section 3 of~~

3 ~~this act~~

4 ~~from the clearance fund~~

5 ~~account 1,000,000 2,000,000~~

6 ~~{7} In case of necessity an appropriation not~~

7 ~~expended during the first fiscal year of the biennium may be~~

8 ~~expended during the second fiscal year by approved budget~~

9 ~~amendment submitted through the budget director by the~~

10 ~~governor or his designated representative"~~

11 ~~Section 6 -- Effective date -- This act is effective on~~

12 ~~its passage and approval~~

-End-