

HOUSE BILL NO. 104

Introduced: 01/06/83

Referred to Committee on fish & Game: 01/06/83

Hearing: 1/18/83

Report: 01/27/83, do Not Pass

Objection Printing: 01/28/83

2nd Reading: 02/02/83, Do Not Pass

Bill Killed

1 House BILL NO. 104
 2 INTRODUCED BY Wendy, RUSSELL
 3 BY REQUEST OF THE COAL TAX OVERSIGHT SUBCOMMITTEE

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO LIMIT ALLOCATIONS TO
 6 THE PARKS AND CULTURAL TRUST FUND TO \$15 MILLION; AMENDING
 7 SECTION 15-35-108, MCA."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 15-35-108, MCA, is amended to read:

11 "15-35-108. (Effective July 1, 1983) Disposal of
 12 severance taxes. Severance taxes collected under the
 13 provisions of this chapter are allocated as follows:

14 (1) To the trust fund created by Article IX, section
 15 5, of the Montana constitution, 25% of total collections a
 16 year. After December 31, 1979, 50% of coal severance tax
 17 collections are allocated to this trust fund. The trust fund
 18 moneys shall be deposited in the fund established under
 19 17-6-203(5) and invested by the board of investments as
 20 provided by law.

21 (2) Coal severance tax collections remaining after
 22 allocation to the trust fund under subsection (1) are
 23 allocated in the following percentages of the remaining
 24 balance:

25 (a) to the county in which coal is mined, 2% of the

1 severance tax paid on the coal mined in that county until
 2 January 1, 1980, for such purposes as the governing body of
 3 the county may determine;

4 (b) 2 1/2% until December 31, 1979, and thereafter
 5 4 1/2% to the earmarked revenue fund to the credit of the
 6 alternative energy research development and demonstration
 7 account;

8 (c) 26 1/2% until July 1, 1979, and thereafter 37 1/2%
 9 to the earmarked revenue fund to the credit of the local
 10 impact and education trust fund account;

11 (d) for each of the 2 fiscal years following June 30,
 12 1977, 13% to the earmarked revenue fund to the credit of the
 13 coal area highway improvement account;

14 (e) 10% to the earmarked revenue fund for state
 15 equalization aid to public schools of the state;

16 (f) 1% to the earmarked revenue fund to the credit of
 17 the county land planning account;

18 (g) 1 1/4% to the sinking fund to the credit of the
 19 renewable resource development bond account;

20 (h) 5% to the earmarked revenue fund to the credit of
 21 a trust fund for the purpose of parks acquisition or
 22 management, protection of works of art in the state capitol,
 23 and other cultural and aesthetic projects. The allocation
 24 to this trust fund may continue only until the trust fund
 25 reaches \$15 million. Income from this trust fund shall be

1 appropriated as follows:

2 (i) 1/3 for protection of works of art in the state
3 capitol and other cultural and aesthetic projects; and

4 (ii) 2/3 for the acquisition of sites and areas
5 described in 23-1-102 and the operation and maintenance of
6 sites so acquired;

7 (i) 1% to the earmarked revenue fund to the credit of
8 the state library commission for the purposes of providing
9 basic library services for the residents of all counties
10 through library federations and for payment of the costs of
11 participating in regional and national networking;

12 (j) 1/2 of 1% to the earmarked revenue fund for
13 conservation districts;

14 (k) 1 1/4% to the sinking fund to the credit of the
15 water development sinking account;

16 (l) all other revenues from severance taxes collected
17 under the provisions of this chapter to the credit of the
18 general fund of the state."

-End-

STATE OF MONTANA

REQUEST NO. 064-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 10,, 19 83, there is hereby submitted a Fiscal Note for House Bill 104 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

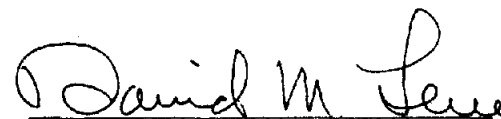
House Bill 104 limits the allocation to the Parks and Cultural Trust Fund to \$15 million.

ASSUMPTIONS:

- 1) Parks and Cultural Trust Fund balance - December 31, 1982 - \$10,553,024.
- 2) OBPP Coal Severance Tax revenue estimates - FY 83 - \$89,374,000; FY 84 - \$98,653,000; and FY 85 - \$123,068,000.
- 3) 2.5% allocated to Parks and Cultural Trust Fund.
- 4) One-half of the FY 83 revenues to be added to Parks and Cultural Trust Fund balance.
- 5) Interest earnings are allocated to appropriate agencies.
- 6) When allocations to Parks and Cultural Trust Fund reaches \$15 million, remaining revenues are reallocated to general fund.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>
General Fund (Reallocation)		
Under Current Law	No Impact	-0-
Under Proposed Law	No Impact	\$ 2,213,224
Estimated Increase	No Impact	2,213,224
Parks and Cultural Trust Fund		
Under Current Law	\$ 2,466,325	3,076,700
Under Proposed Law	2,466,325	836,476
Estimated Decrease	-0-	(2,213,224)

Continued

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-13-83

	<u>FY 84</u>	<u>FY 85</u>
Parks and Cultural Trust Fund Interest		
Fish and Game Parks Account		
Under Current Law	\$ 815,000	\$ 1,072,000
Under Proposed Law	815,000	1,018,000
Estimated Decrease	-0-	(54,000)
Parks and Cultural Trust Fund Interest		
Historical Society Account		
Under Current Law	\$ 407,500	\$ 536,000
Under Proposed Law	407,500	496,000
Estimated Decrease	-0-	(40,000)

LONG RANGE IMPACT:

Since the trust fund will not reach the \$15 million maximum level until FY 85, the fiscal impact does not reach a maximum level until FY 86 and beyond. It is estimated that interest earnings lost from FY 86 and beyond will be substantial for the Department of Fish, Wildlife and Parks and the Historical Society.

Comm. on Fish and Game
recommend do not pass
Objection Raised to
Adverse Committee Report

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-End-