

SENATE BILL NO. 359

Introduced: 02/04/83

Referred to Committee on Taxation: 02/04/83

Hearing: 2/18/83

Report: 02/21/83, Do Not Pass. Report Adopted.
Bill Killed.

Senate BILL NO. 359

INTRODUCED BY *Mark A. Story* *Rep. Samson* *Mark*
Richard E. Manning *John* *Shannon* *Shoff* *Doran*
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E. Smith *Edwards*

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOCATE A PORTION OF THE COAL SEVERANCE TAX THAT CURRENTLY GOES TO COUNTY LAND PLANNING TO A NOXIOUS WEED ACCOUNT IN EACH COUNTY; PROVIDING FOR ALLOCATION BASED ON POPULATION AND LAND AREA; AMENDING SECTIONS 7-6-2218, 7-22-2142, AND 15-35-108, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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

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

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

(2) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining

balance:

(a) to the county in which coal is mined, 2% of the severance tax paid on the coal mined in that county until January 1, 1980, for such purposes as the governing body of the county may determine;

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

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

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

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

(f) ~~2 1/10 of 1%~~ to the earmarked revenue fund to the credit of the county land planning account;

~~13 1/10 of 1% to the earmarked revenue fund to the credit of the county noxious weed account provided for in 1-22-2142;~~

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

~~(h) 5% to the earmarked revenue fund to the credit~~

of a trust fund for the purpose of parks acquisition or management, protection of works of art in the state capitol, and other cultural and aesthetic projects. Income from this trust fund shall be appropriated as follows:

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

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

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

~~†††(k)~~ 1/2 of 1% to the earmarked revenue fund for conservation districts;

~~†††(l)~~ 1 1/4% to the sinking fund to the credit of the water development sinking account;

~~†††(m)~~ all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state."

Section 2. Section 7-6-2218, MCA, is amended to read:

"7-6-2218. Appropriation of state and federal money by county. (1) The board of county commissioners of any county in Montana shall have the power and authority to

appropriate, by formal resolution, money received from the federal or state government, regardless of the time the money is received. The expenditure of said funds shall be according to federal requirements specified in the federal act or state requirements specified in the state legislation. The money appropriated under this section may include coal severance tax money allocated under 15-35-108 and federal revenue sharing funds granted to Montana conservation districts organized under Title 76, chapter 15.

(2) The resolution shall state the source of the money, the expenditure program for the funds, and the effective date of the appropriation."

Section 3. Section 7-22-2142, MCA, is amended to read:

"7-22-2142. Sources Account established -- sources of money for noxious weed fund. †† There is a noxious weed account in the earmarked revenue fund of the state treasury. Money is paid into this account under the provisions of 15-35-108 and distributed from the account to the county noxious weed fund as provided in [section 4].

~~†††(2)~~ The board of county commissioners may create supplement the county noxious weed fund account by either:

(a) appropriating money from the general fund of the county; or

(b) at any time fixed by law for levy and assessment of taxes, levying a tax not exceeding 2 mills on the dollar

1 of total taxable valuation in such county.

2 ~~†2†(3) The proceeds-of--the--tax--shall~~ noxious weed
3 account must be used solely for the purpose of promoting the
4 control of noxious weeds or extermination of weed seed in
5 said county ~~and-shall-be--designated--to--the--noxious--weed~~
6 fund.

7 ~~†3†(4) Any proceeds from work or chemical sales shall~~
8 must revert to the noxious weed fund account and shall be
9 available for reuse within the fiscal year."

10 NEW SECTION. Section 4. Disposition of noxious weed
11 allocation. (1) The money allocated to the earmarked revenue
12 fund to the credit of the noxious weed account established
13 in 7-22-2142 must be distributed to the county noxious weed
14 account on the following basis:

15 (a) 40% of the money in the account must be
16 apportioned to the counties according to the ratio of each
17 county's land area to the total land area of the state;

18 (b) 60% of the money must be apportioned to the
19 counties according to each county's portion of the total
20 population of the state.

21 (2) Counties receiving funds under this section shall
22 use such funds for noxious weed control purposes.

23 NEW SECTION. Section 5. Effective date. This act is
24 effective July 1, 1983.

-End-

STATE OF MONTANA

REQUEST NO. 341-83

FISCAL NOTE

Form BD-15

n compliance with a written request received February 7, 19 83, there is hereby submitted a Fiscal Note or Senate Bill 359 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:

Senate Bill 359 allocates a portion of the coal severance tax that currently goes to county land planning to a noxious weed account in each county; provides for allocation based on population and land area; and provides an effective date.

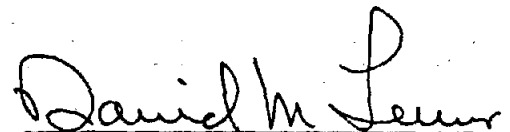
ASSUMPTIONS:

- 1) Allocation: Current Law - County Land Planning Account 0.5%
Proposed Law - County Land Planning Account 0.45%
County Noxious Weed Account 0.05%
- 2) Coal Severance Tax Revenues: FY 84 - \$98,653,000; FY 85 - \$123,068,000 (Office of Budget and Program Planning Estimate)
- 3) Effective Date - July 1, 1983.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>
County Land Planning Account		
Under Current Law	\$ 493,265	\$ 615,340
Under Proposed Law	443,939	553,806
Decrease In Revenue	<u>\$ (49,326)</u>	<u>\$ (61,534)</u>
County Noxious Weed Account		
Under Current Law	\$ -0-	\$ -0-
Under Proposed Law	49,326	61,534
Increase In Revenue	<u>\$ 49,326</u>	<u>\$ 61,534</u>

FISCAL NOTE 12:Q/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-11-83