

HOUSE BILL NO. 19

1/07 Introduced  
1/07 Referred to Highways & Transportation  
1/10 Fiscal Note Requested  
1/14 Fiscal Note Received  
1/15 Committee Report-Bill Do Pass  
1/15 Hearing  
1/24 Referred to Highways & Transportation  
Died in Committee

1                    HOUSE    BILL NO.   19  
 2    INTRODUCED BY   QUILICI  
 3                    BY REQUEST OF THE DEPARTMENT OF HIGHWAYS

4  
 5    A BILL FOR AN ACT ENTITLED: "AN ACT TO CORRECT THE DATES ON  
 6    WHICH PERCENTAGES OF THE COAL SEVERANCE TAXES ARE ALLOCATED  
 7    TO THE HIGHWAY RECONSTRUCTION TRUST FUND ACCOUNT; AMENDING  
 8    SECTIONS 15-35-108 AND 60-3-216, MCA; AND PROVIDING AN  
 9    EFFECTIVE DATE."

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

12            Section 1. Section 15-35-108, MCA, is amended to read:  
 13            "15-35-108. Disposal of severance taxes. Severance  
 14    taxes collected under the provisions of this chapter are  
 15    allocated as follows:

16            (1) To the trust fund created by Article IX, section  
 17    5, of the Montana constitution, 25% of total collections a  
 18    year. After December 31, 1979, 50% of coal severance tax  
 19    collections are allocated to this trust fund. The trust fund  
 20    moneys shall be deposited in the fund established under  
 21    17-6-203(5) and invested by the board of investments as  
 22    provided by law.

23            (2) Starting July 1, ~~1986~~ 1985, and ending June 30,  
 24    ~~1987~~ 1986, 6% of coal severance tax collections are  
 25    allocated to the highway reconstruction trust fund account

1    in the state special revenue fund. Starting July 1, ~~1987~~  
 2    1986, and ending June 30, 1993, 12% of coal severance tax  
 3    collections are allocated to the highway reconstruction  
 4    trust fund account in the state special revenue fund.

5            (3) Coal severance tax collections remaining after the  
 6    allocations provided by subsections (1) and (2) are  
 7    allocated in the following percentages of the remaining  
 8    balance:

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

13            (b) 2 1/2% until December 31, 1979, and thereafter  
 14    4 1/2% to the state special revenue fund to the credit of  
 15    the alternative energy research development and  
 16    demonstration account;

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

20            (d) for each of the 2 fiscal years following June 30,  
 21    1977, 13% to the state special revenue fund to the credit of  
 22    the coal area highway improvement account;

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

25            (f) 1% to the state special revenue fund to the credit



1 of the county land planning account;

2 (g) 1 1/4% to the credit of the renewable resource  
3 development bond fund;

4 (h) 5% to a nonexpendable trust fund for the purpose  
5 of parks acquisition or management, protection of works of  
6 art in the state capitol, and other cultural and aesthetic  
7 projects. Income from this trust fund shall be appropriated  
8 as follows:

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

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

14 (i) 1% to the state special revenue fund to the credit  
15 of the state library commission for the purposes of  
16 providing basic library services for the residents of all  
17 counties through library federations and for payment of the  
18 costs of participating in regional and national networking;

19 (j) 1/2 of 1% to the state special revenue fund for  
20 conservation districts;

21 (k) 1 1/4% to the debt service fund type to the credit  
22 of the water development debt service fund;

23 (l) all other revenues from severance taxes collected  
24 under the provisions of this chapter to the credit of the  
25 general fund of the state."

1 Section 2. Section 60-3-216, MCA, is amended to read:  
2 "60-3-216. Highway reconstruction trust account. (1)  
3 There is a highway reconstruction trust account created in  
4 the state special revenue fund.

5 (2) The highway reconstruction trust fund account  
6 consists of the following allocations:

7 (a) from the taxes collected pursuant to 15-35-103 for  
8 each fiscal year beginning on or after July 1, ~~1986~~ 1985,  
9 and ending on or before June 30, 1993, the amounts allocated  
10 to the account pursuant to 15-35-108;

11 (b) for each fiscal year beginning on or after July 1,  
12 1983, and ending on or before June 30, 1993, all money  
13 received from the state treasurer pursuant to 17-3-201; and

14 (c) from the taxes collected pursuant to 15-70-204 and  
15 15-70-321, for each fiscal year beginning on or after July  
16 1, 1983, and ending on or before June 30, 1993, an amount  
17 that, when added to the amount received pursuant to  
18 subsections (2)(a) and (2)(b), will equal appropriated  
19 expenditures. (Terminates July 1, 1993--sec. 7, Ch. 541, L.  
20 1983.)"

21 NEW SECTION. Section 3. Effective date. This act is  
22 effective July 1, 1985.

-End-

STATE OF MONTANA  
FISCAL NOTE

REQUEST NO. FNN051-85

Form BD-15

In compliance with a written request received January 11 \_\_\_\_\_ 19 85 \_\_\_\_\_, there is hereby submitted a Fiscal Note for H.B. 19 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:

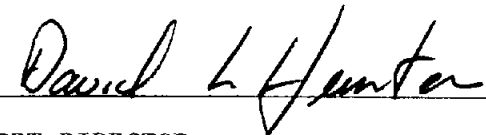
An act to correct the dates on which percentages of the coal severance taxes are allocated to the highway reconstruction trust fund account and providing an effective date.

ASSUMPTIONS:

Coal severance tax total revenue projections, provided by OBPP, are \$103,868,421 in FY 1986 and \$112,033,493 in FY 1987.

FUNDING:

(See attached sheet)



BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: JAN 14, 1985

Request No. \_\_\_\_\_  
 Form BP-15 Page 2  
 H.B. 19 (LC 0209)

The effect of H.B. 19 is to alter the disposition of coal severance tax revenue as follows:

| Account                           | Under         | FY86               | Difference    | Under         | FY87               | Difference    |
|-----------------------------------|---------------|--------------------|---------------|---------------|--------------------|---------------|
|                                   | Current Law   | Under Proposed Law |               | Current Law   | Under Proposed Law |               |
| Coal Tax Trust Fund               | \$ 51,934,211 | \$ 51,934,211      | 0             | \$ 56,016,747 | \$ 56,016,747      | 0             |
| Highway Fund                      | 0             | \$ 6,232,105       | \$6,232,105   | \$ 6,722,010  | \$ 13,444,019      | \$6,722,009   |
| Alternative Energy Research       | \$ 2,337,039  | \$ 2,056,595       | (\$ 280,444)  | \$ 2,218,263  | \$ 1,915,773       | (\$ 302,490)  |
| Local Impact and Education Trust  | \$ 19,475,329 | \$ 17,138,289      | (\$2,337,040) | \$ 18,485,526 | \$ 15,964,773      | (\$2,520,754) |
| School Equalization               | \$ 5,193,421  | \$ 4,570,211       | (\$ 623,210)  | \$ 4,929,474  | \$ 4,257,273       | (\$ 672,201)  |
| County Land Planning              | \$ 519,342    | \$ 457,021         | (\$ 62,321)   | \$ 492,947    | \$ 425,727         | (\$ 67,220)   |
| Renewable Resource Development    | \$ 649,178    | \$ 571,276         | (\$ 77,902)   | \$ 616,184    | \$ 532,159         | (\$ 84,025)   |
| Parks Acquisition and Maintenance | \$ 2,596,711  | \$ 2,285,105       | (\$ 311,606)  | \$ 2,464,737  | \$ 2,128,637       | (\$ 336,100)  |
| State Library Commission          | \$ 519,342    | \$ 457,021         | (\$ 62,321)   | \$ 492,947    | \$ 425,727         | (\$ 67,220)   |
| Conservation Districts            | \$ 259,671    | \$ 228,511         | (\$ 31,160)   | \$ 246,474    | \$ 212,864         | (\$ 33,610)   |
| Water Development                 | \$ 649,178    | \$ 571,276         | (\$ 77,902)   | \$ 616,184    | \$ 532,159         | (\$ 84,025)   |
| State General Fund                | \$ 19,735,000 | \$ 17,366,800      | (\$2,368,200) | \$ 18,732,000 | \$ 16,177,636      | (\$2,554,364) |
| TOTAL REVENUE                     | \$103,868,421 | \$103,868,421      | 0             | \$112,033,493 | \$112,033,493      | 0             |

APPROVED BY COMMITTEE  
ON HIGHWAYS & TRANSPORTATION

HOUSE BILL NO. 19

INTRODUCED BY QUILICI, HARP, ABRAMS

BY REQUEST OF THE DEPARTMENT OF HIGHWAYS

A BILL FOR AN ACT ENTITLED: "AN ACT TO CORRECT THE DATES ON WHICH PERCENTAGES OF THE COAL SEVERANCE TAXES ARE ALLOCATED TO THE HIGHWAY RECONSTRUCTION TRUST FUND ACCOUNT; AMENDING SECTIONS 15-35-108 AND 60-3-216, MCA; AND PROVIDING AN EFFECTIVE DATE."

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(2) Starting July 1, ~~1986~~ 1985, and ending June 30, ~~1987~~ 1986, 6% of coal severance tax collections are allocated to the highway reconstruction trust fund account

in the state special revenue fund. Starting July 1, ~~1987~~ 1986, and ending June 30, 1993, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after the allocations provided by subsections (1) and (2) 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 state special 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 state special 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 state special revenue fund to the credit of the coal area highway improvement account;

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

(f) 1% to the state special revenue fund to the credit

1 of the county land planning account;

2 (g) 1 1/4% to the credit of the renewable resource  
3 development bond fund;

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5 of parks acquisition or management, protection of works of  
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7 projects. Income from this trust fund shall be appropriated  
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17 counties through library federations and for payment of the  
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