

HOUSE BILL NO. 312

1/22 Introduced
1/22 Referred to Natural Resources
1/23 Fiscal Note Requested
1/28 Fiscal Note Received
2/23 Hearing
Died in Committee

1 HOUSE BILL NO. 312
2 INTRODUCED BY *[Signature]*

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR
5 DISTRIBUTION OF GAS, OIL, AND MINERAL ROYALTY PAYMENTS FROM
6 THE FEDERAL GOVERNMENT TO APPROPRIATE COUNTIES INSTEAD OF
7 THE HIGHWAY RECONSTRUCTION TRUST ACCOUNT; AMENDING SECTIONS
8 17-3-201 AND 60-3-216, MCA; AND PROVIDING AN EFFECTIVE
9 DATE."

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

12 Section 1. Section 17-3-201, MCA, is amended to read:

13 "17-3-201. Deposit of Apportionment of gas and oil
14 royalties from federal government in--highway-account to
15 counties. (1) For each fiscal year beginning on or after
16 July 1, 1983,--and ending on or before June 30, 1993 1985,
17 the state treasurer shall apportion and pay 37 1/2% of the
18 moneys received from the treasurer of the United States as
19 the state's share of gas, oil, and other mineral royalties
20 under the federal Mineral Lands Leasing Act, as amended, to
21 the highway-reconstruction-trust-fund-account-in--the--state
22 special--revenue--fund counties entitled thereto under
23 subsection (2).

24 (2) The state treasurer shall apportion the funds
25 referred to in subsection (1) to each county in which

1 federal land for which gas, oil, or other mineral royalties
2 are received is located in proportion to the amount of
3 royalties derived from federal land in that county. The
4 state treasurer shall pay the royalty to the county
5 treasurers entitled thereto within 30 days after receiving
6 the payment from the federal government."

7 Section 2. Section 60-3-216, MCA, is amended to read:

8 "60-3-216. Highway reconstruction trust account. (1)
9 There is a highway reconstruction trust account created in
10 the state special revenue fund.

11 (2) The highway reconstruction trust fund account
12 consists of the following allocations:

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

17 ~~(b) for each fiscal year beginning on or after July 1,~~
18 ~~1983,--and ending on or before June 30, 1993, all money~~
19 ~~received from the state treasurer pursuant to 17-3-201,--and~~

20 ~~(c)(b) from the taxes collected pursuant to 15-70-204~~
21 ~~and 15-70-321, for each fiscal year beginning on or after~~
22 ~~July 1, 1983, and ending on or before June 30, 1993, an~~
23 ~~amount that, when added to the amount received pursuant to~~
24 ~~subsections subsection (2)(a) and--(2)(b), will equal~~
25 ~~appropriated expenditures. (Terminates July 1, 1993--sec.~~



LC 0413/01

1 7, Ch. 541, L. 1983.)"
2 NEW SECTION. Section 3. Effective date. This act is
3 effective July 1, 1985.

-End-

STATE OF MONTANA
F I S C A L N O T E

REQUEST NO. FNN 177-85
Form BD-15

In compliance with a written request received January 24, 19 85 , there is hereby submitted a Fiscal Note for H.B. 312 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:

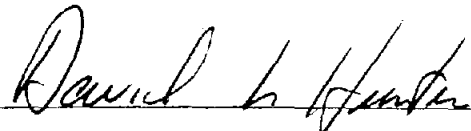
This bill would reallocate gas, oil, and mineral royalty payments from the Department of Highways to local governments.

ASSUMPTIONS:

Assume these mineral royalties will generate \$ 7,564,000 in fiscal year 1986 and \$ 7,598,000 in fiscal year 1987.

FISCAL IMPACT:

Under the current law, these mineral royalty payments totalling \$15.1 million over the biennium would be allocated to the Department of Highways for construction. This bill allocates those revenues to the local government block grant. This bill will significantly reduce the amount of highway construction in both the FY 86-87 biennium and in future years.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 28, 1985

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