

HOUSE BILL NO. 525

1/28 Introduced
1/28 Referred to Appropriations
3/21 Hearing
Died in Committee

1 HOUSE BILL NO. 525
2 INTRODUCED BY Sen. Gary Yellowtail M. Hanson JARR
3 Ellison

4 A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING \$2,000,000
5 IN EACH FISCAL YEAR 1986, 1987, AND 1988 FROM THE COAL BOARD
6 TO THE DEPARTMENT OF HIGHWAYS AND APPROPRIATING \$6,000,000
7 FOR RECONSTRUCTION OF SECONDARY HIGHWAY 384 IN TREASURE
8 COUNTY; PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE;
9 AND AMENDING SECTION 90-6-205, MCA."

10
11 WHEREAS, the development of coal resources imposed on
12 southeastern Montana's road system a burden that far exceeds
13 the loads anticipated when the roads were designed and
14 constructed decades ago; and

15 WHEREAS, the justification for financing needed
16 reconstruction, repair, and upgrading of the coal area road
17 system from the cause of the damage was acknowledged when
18 the legislature, in 15-35-108, allocated 13% of the coal tax
19 proceeds, after deposits to the permanent trust fund, for
20 fiscal years 1978 and 1979 to the coal area highway
21 improvement account; and

22 WHEREAS, that allocation generated only a fraction of
23 the money needed to mitigate damages to the coal area road
24 system caused by the increased burden of heavy traffic
25 resulting from coal production; and

1 WHEREAS, access to the Absaloka and Rosebud mines and
2 to the Colstrip energy complex from the west and the north
3 is over Montana secondary highway 384 through Big Horn and
4 Treasure Counties; and

5 WHEREAS, the completion of the portion of Montana
6 secondary highway 384 in Big Horn County to secondary
7 highway standards was financed principally from the coal
8 severance tax allocation; and

9 WHEREAS, the portion of Montana secondary highway 384,
10 known as the Sarpy Creek road, in Treasure County, which has
11 exhausted and overdrawn its apportionment of state funds for
12 the secondary highway system under 60-3-206, has
13 deteriorated under coal-related traffic so it is no longer a
14 reliable route for residents of the Sarpy Creek area, and no
15 coal severance tax money has been expended on that portion
16 of Montana secondary highway 384.

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19 NEW SECTION. Section 1. Transfer of money --
20 appropriation. (1) There is transferred from any money in
21 the local impact and education trust fund account
22 established under 90-6-202 and available to the Coal Board
23 to award grants and loans under 90-6-205 to the Department
24 of Highways state special revenue fund and from that fund
25 appropriated to the Department of Highways:

1 (a) \$2,000,000 in the fiscal year ending June 30,
2 1986;

3 (b) \$2,000,000 in the fiscal year ending June 30,
4 1987; and

5 (c) \$2,000,000 in the fiscal year ending June 30,
6 1988.

7 (2) The transfer of money in subsection (1) takes
8 precedence over any grants or loans that might be made by
9 the Coal Board under 90-6-205 from funds available to the
10 Coal Board in fiscal years 1986, 1987, and 1988.

11 (3) The Department of Highways shall use the money
12 appropriated in subsection (1) to plan, design, reconstruct,
13 and repair to secondary highway standards the portion of
14 Montana secondary highway 384, known as the Sarpy Creek
15 road, within Treasure County.

16 (4) The Department of Highways has authority to
17 transfer money from and among the fiscal year appropriations
18 authorized in subsection (1) to accomplish the objective of
19 this section.

20 NEW SECTION. Section 2. Exception to reversion
21 requirement. The provisions of 17-7-304 requiring the
22 reversion to the original source of the unexpended balance
23 of a specific appropriation do not apply to the
24 appropriations in [section 1] for fiscal years 1986, 1987,
25 and 1988, and any unexpended balance of any appropriation in

1 [section 1] is available to the department of highways for
2 the purpose provided in [section 1].

3 Section 3. Section 90-6-205, MCA, is amended to read:
4 "90-6-205. Coal board -- general powers. The board
5 may:

6 (1) retain professional consultants and advisors;

7 (2) adopt rules governing its proceedings;

8 (3) consider applications for grants from the local
9 impact and education trust fund account;

10 (4) consider applications for loans from the local
11 impact and education trust fund account for periods and
12 interest rates to be determined by the board; and

13 (5) award grants and loans, subject to 90-6-207, not
14 to exceed in any one year seven-elevenths and after June 30,
15 1979, seven-fifteenths of the revenue paid into the local
16 impact and education trust fund account, except as provided
17 in [section 1], to local governmental units, state agencies,
18 and governing bodies of federally recognized Indian tribes
19 to assist local governmental units and federally recognized
20 Indian tribes in meeting the local impact of coal
21 development by enabling them to adequately provide
22 governmental services and facilities which are needed as a
23 direct consequence of coal development. As used in the
24 preceding sentence, "revenue paid" does not include interest
25 income from the account reinvested in the account in trust

1 for the public schools and the university system. Grants and
2 loans may be from current allocations only, and no part of
3 the principal or income of the trust referred to in 90-6-211
4 may be used for this purpose. The money derived from loan
5 repayments, including the interest thereon, must be
6 deposited to the credit of the local impact fund referred to
7 in 90-6-202.

8 (6) award a grant to a local government unit for the
9 purpose of paying for part or all of the credit that the
10 local government unit is obligated to give to a major new
11 industrial facility that has prepaid property taxes under
12 15-16-201. The board must award the grant in accordance with
13 90-6-206."

14 NEW SECTION. Section 4. Effective date --
15 termination. (1) This act is effective July 1, 1985.

16 (2) This act is not effective after June 30, 1988,
17 except to the extent that section 2 establishes an exception
18 to 17-7-304 to allow any unexpended balance of the
19 appropriation in section 1 after June 30, 1988, to be used
20 by the department of highways to complete the project for
21 which the money is provided.

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