# SENATE BILL NO. 379

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# INTRODUCED BY WEEDING, TOWE, GAGE, D. MANNING

IN THE SENATE

January 9, 1985	On motion, rules suspended to add Senator Dave Manning as an additional sponsor. Motion adopted.
February 11, 1985	Introduced and referred to Committee on Taxation.
February 19, 1985	Fiscal Note requested.
February 21, 1985	Committee recommend bill do pass. Report adopted.
February 22, 1985	Bill printed and placed on members' desks.
	Fiscal Note returned.
February 23, 1985	Second reading, do pass.
February 25, 1985	Considered correctly engrossed.
	Third reading, passed. Ayes, 48; Noes, 0.
	Transmitted to House.
IN THE	HOUSE
February 27, 1985	Introduced and referred to Committee on Taxation.
March 18, 1985	Committee recommend bill be concurred in. Report adopted.
March 20, 1985	Second reading, pass consideration.

March	21, 1985	On motion, taken from second reading and rereferred to Committee on Appropriations.
March	30, 1985	On motion, taken from Committee on Appropriations and rereferred to second reading.
April	1, 1985	Second reading, pass consideration.
April	3, 1985	Motion pass consideration.
April	10, 1985	On motion, taken from Speaker's desk and rereferred to second reading.
April	11, 1985	Second reading, concurred in.
April	13, 1985	Third reading, concurred in.
		Returned to Senate.
	IN	THE SENATE
April	15, 1985	Received from House.
		Sent to enrolling.

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Reported correctly enrolled.

LC 1613/01

INTRODUCED BY (iluding the Cape 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE COAL BOARD 4 5 TO MAKE GRANTS FOR CERTAIN HIGHWAY CONSTRUCTION, REPAIR, AND MAINTENANCE; AMENDING SECTIONS 90-6-205, 90-6-207, AND 6 90-6-209. MCA: AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section 1. Section 90-6-205, MCA, is amended to read: 1.0 "90-6-205. Coal board -- general powers. The board 11 12 may: (1) retain professional consultants and advisors: 13 adopt rules governing its proceedings; 14 (2) (3) consider applications for grants from the local 15 impact and education trust fund account; 16

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

(5) award grants and loans, subject to 90-6-207, not
to exceed in any one year seven-elevenths and after June 30,
1979, seven-fifteenths of the revenue paid into the local
impact and education trust fund account;

24 (a) to local governmental units, state agencies, and
 25 governing bodies of federally recognized Indian tribes to

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assist local governmental units and federally recognized
 Indian tribes in meeting the local impact of coal
 development by enabling them to adequately provide
 governmental services and facilities which are needed as a
 direct consequence of coal development<sub>7</sub>; and

(b) notwithstanding the provisions of 90-6-207, to the 6 department of highways established in 2-15-2501 to expedite 7 8 the construction, repair, and maintenance of deficient sections of highway within the area designated in 90-6-210 9 if the deficiency is the direct result of increased traffic 10 accompanying the development of coal resources; and 11 12 (c) As provided that as used in the-preceding-sentence this subsection (5), "revenue paid" does not include 13 14 interest income from the account reinvested in the account in trust for the public schools and the university system. 15

16 Grants and loans may be from current allocations only, and 17 no part of the principal or income of the trust referred to 18 in 90-6-211 may be used for this purpose. The money derived 19 from loan repayments, including the interest thereon, must 20 be deposited to the credit of the local impact fund referred 21 to in 90-6-202.

(6) award a grant to a local government unit for the purpose of paying for part or all of the credit that the local government unit is obligated to give to a major new industrial facility that has prepaid property taxes under

INTRODUCED BILL -2-53 379

#### LC 1613/01

1 15-16-201. The board must award the grant in accordance with 2 90-6-206."

3 Section 2. Section 90-6-207, MCA, is amended to read: "90-6-207. Priorities for impact grants. (1) The 4 department of commerce shall annually designate counties, 5 incorporated cities and towns, school districts, and other 6 governmental units which have had or expect to have as a 7 result of the impact of coal development a net increase in 8 estimated population of at least 10% over one of the 3-year 9 periods specified in subsection (2). The Except as provided 10 in 90-6-205(5)(b), the coal board shall, subject to the 11 appropriations of the legislature, award at least 50% of all 12 grants awarded to governmental units and state agencies for 13 meeting the needs caused by coal development each year to 14 these designated governmental units. 15

16 (2) For the purposes of subsection (1), the department 17 of commerce shall use five 3-year periods as follows:

18 (a) one consecutive 3-year period ending 2 calendar
19 years prior to the current calendar year;

(b) one consecutive 3-year period ending 1 calendar
year prior to the current calendar year;

(c) one, consecutive 3-year period ending with thecurrent calendar year;

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(3) Attention should be given by the coal board to the 3 need for community planning before the full impact is Λ realized. Applicants should be able to show how their 5 request reasonably fits into an overall plan for the orderly б management of the existing or contemplated growth problems. 7 (4) All funds placed in the local impact and 8 educational trust fund account established under this part, 9 subject to the limitations imposed by 90-6-211, shall be 10 subject to appropriations by the legislature for use related 11 to local impact or for transfer to a permanent trust for 12 education." 13

Section 3. Section 90-6-209, MCA, is amended to read: 14 "90-6-209. Limitations on grants and loans. (1) The 15 board may commit itself to the expenditure of funds for more 16 than 1 year for a single project, as long as the grant or 17 loan does not extend over more than 10 years and does not 18 19 exceed reasonable revenue expectations. The total amount of grants and loans to state agencies, except grants made 20 pursuant to 90-6-205(5)(b), and Indian tribes may not exceed 21 7% of the total money allocated to the board during each 22 23 fiscal year.

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2 (b) The repayment period for loans approved by the3 board may not exceed 20 years.

4 (c) The board shall hold all loan contracts within its 5 administrative offices. The board may not sell, assign, or 6 pledge a loan contract to any other entity.

7 (d) A local government unit or the governing body of a 8 federally recognized Indian tribe receiving a loan from the 9 board shall use or commit for use the loan money within 1 10 year of the date of the board's final approval of the loan. 11 (e) If a local government unit or the governing body

12 of a federally recognized Indian tribe fails to comply with 13 subsection (4) (2)(d), the entire loan must be repaid within 14 30 days following expiration of the 1-year period.

15 (3) No loan or grant to an Indian tribe under 90-6-205
16 may be approved by the board unless, with respect to that
17 loan or grant:

18 (a) the governing body of the tribe has agreed:

19 (i) to waive its immunity from suit on any issue
20 specifically arising from the transaction of a loan or grant
21 obtained under this part; and

(ii) to the adjudication of any dispute arising out of
the loan or grant transaction in the district court of the
first judicial district of the state of Montana; and

25 (b) approval of the transaction has been obtained from

1 the secretary of the United States department of the 2 interior whenever such approval is necessary."

3 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 4 existing authority of the coal board to make rules on the 5 subject of the provisions of this act is extended to the 6 provisions of this act.

7 <u>NEW SECTION.</u> Section 5. Effective date. This act is
8 effective on passage and approval.

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-End-

## STATE OF MONTANA

REQUEST NO. FNN 476-85

## FISCAL NOTE

Form BD-15

In compliance with a written request received <u>February 19</u>, <u>19</u><u>85</u>, there is hereby submitted a Fiscal Note for <u>S.B. 379</u> 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 379 is an act to allow the Coal Board to make grants for highway construction, repair, and maintenance; amending sections and providing for an immediate effective date.

FISCAL IMPACT:

This legislation will have no fiscal impact either on the revenues or expenditures of the Local Impact Assistance Program administered by the Coal Board.

#### LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

- 1. This legislation would have an effect on local governmental units that are impacted by coal development if the Coal Board chose to award all their grant monies to highway construction, repair and maintenance projects through the Department of Highways.
- 2. This legislation will result in a lower amount of funds being reverted to the educational trust fund because more eligible projects would be available for funding by the Coal Board.

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BUDGET DIRECTOR Office of Budget and Program Planning

Date: Fel 22 SR 3:

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49th Legislature

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assist local governmental units and federally recognized 1 Indian tribes in meeting the local impact of coal 2 3 development by enabling them to adequately provide governmental services and facilities which are needed as a direct consequence of coal development;; and 5 б (b) notwithstanding the provisions of 90-6-207, to the 7 department of highways established in 2-15-2501 to expedite the construction, repair, and maintenance of deficient 9 sections of highway within the area designated in 90-6-210 10 if the deficiency is the direct result of increased traffic accompanying the development of coal resources; and 11 12 (c) As provided that as used in the-preceding-sentence 13 this subsection (5), "revenue paid" does not include 14 interest income from the account reinvested in the account 15 in trust for the public schools and the university system. Grants and loans may be from current allocations only, and 16 no part of the principal or income of the trust referred to 17 18 in 90-6-211 may be used for this purpose. The money derived from loan repayments, including the interest thereon, must 19 20 be deposited to the credit of the local impact fund referred 21 to in 90-6-202. (6) award a grant to a local government unit for the 22 23 purpose of paying for part or all of the credit that the 24 local government unit is obligated to give to a major new

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Montana Legislative Council

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3 <u>NEW SECTION.</u> Section 4. Extension of authority. Any

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5 subject of the provisions of this act is extended to the

6 provisions of this act.

7 NEW SECTION. Section 5. Effective date. This act is

8 effective on passage and approval.

-End-

SB 0379/02

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Montana Legislative Council

assist local governmental units and federally recognized Indian tribes in meeting the local impact of coal development by enabling them to adequately provide governmental services and facilities which are needed as a direct consequence of coal development; and (b) notwithstanding the provisions of 90-6-207, to the department of highways established in 2-15-2501 to expedite the construction, repair, and maintenance of deficient sections of highway within the area designated in 90-6-210 if the deficiency is the direct result of increased traffic accompanying the development of coal resources; and (c) As provided that as used in the-preceding-sentence this subsection (5), "revenue paid" does not include interest income from the account reinvested in the account in trust for the public schools and the university system. Grants and loans may be from current allocations only, and no part of the principal or income of the trust referred to in 90-6-211 may be used for this purpose. The money derived from loan repayments, including the interest thereon, must be deposited to the credit of the local impact fund referred to in 90-6-202.

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 THIRD READING

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**REFERENCE BILL** 

SB 379

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SB 379

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