

HB 18 INTRODUCED BY PECK, GAGE, ET AL.
 ALLOCATING PART OF COAL TAX TRUST EARNINGS FOR LAW
 ENFORCEMENT

6/17 INTRODUCED
6/17 REFERRED TO APPROPRIATIONS
6/24 HEARING
6/25 COMMITTEE REPORT-BILL PASS AS AMENDED
6/26 2ND READING DO NOT PASS AS AMENDED 60 38
 BILL KILLED

1 House BILL NO. 18
2 INTRODUCED BY Rep. O'Hara Speech
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT DEPOSITING A PORTION OF
5 THE EARNINGS OF THE PERMANENT COAL TAX TRUST FOR LAW
6 ENFORCEMENT ASSISTANCE; REDUCING THE ALLOCATION OF EARNINGS
7 TO THE PERMANENT TRUST; REVISING THE APPROPRIATION OF MONEY
8 FOR CRIMINAL INVESTIGATION; AMENDING SECTIONS 17-5-704,
9 17-6-305, 17-6-306, AND 44-13-103, MCA, AND HOUSE BILL 500,
10 LAWS OF 1985; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND
11 AN APPLICABILITY DATE."
12

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

14 Section 1. Section 17-5-704, MCA, is amended to read:

15 "17-5-704. Investment of funds -- allocation of part
16 of earnings to law enforcement assistance. (1) Money in the
17 coal severance tax bond fund, the coal severance tax
18 permanent fund, and the coal severance tax income fund must
19 be invested in accordance with the investment standards for
20 coal severance tax funds except as provided in subsection
21 (2). Income and earnings from all funds must be transferred
22 to and retained in the coal severance tax income fund until
23 appropriated by the legislature.

24 (2) Beginning on July 1, 1983 1986, the legislature
25 shall appropriate 15%-of from the income and earnings from

1 all funds;

2 (a) 2% to be deposited to the coal tax special law
3 enforcement assistance account created under [section 4];
4 and

5 (b) 13% to be deposited to the coal severance tax
6 permanent fund each year. The funds appropriated to the coal
7 severance tax permanent fund under this subsection may not
8 be further appropriated except by vote of three-fourths of
9 the members of each house of the legislature."

10 Section 2. Section 17-6-305, MCA, is amended to read:

11 "17-6-305. Investment of twenty-five percent of the
12 coal tax trust fund in the Montana economy. (1) Twenty-five
13 percent of all revenue deposited after June 30, 1983, into
14 the permanent coal tax trust fund established in 17-6-203(5)
15 and 15% 13% of the annual income and earnings on the Montana
16 in-state investment fund appropriated to the coal severance
17 tax permanent fund by 17-5-704(2) shall be invested in the
18 Montana economy with special emphasis on investments in new
19 or expanding locally owned enterprises.

20 (2) In determining the probable income to be derived
21 from investment of this revenue, the long-term benefit to
22 the Montana economy shall be considered.

23 (3) The legislature may provide additional procedures
24 to implement this section."

25 Section 3. Section 17-6-306, MCA, is amended to read:

1 "17-6-306. Montana in-state investment fund. The
2 Montana in-state investment fund consists of:

3 (1) 25% of the revenue deposited after June 30, 1983,
4 into the permanent coal tax trust fund established in
5 17-6-203(5);

6 (2) the principal payments on all investments made
7 from the Montana in-state investment fund; and

8 (3) ~~15%~~ 13% of the annual income and earnings on the
9 Montana in-state investment fund appropriated to the coal
10 severance tax permanent fund by 17-5-704(2)."

11 NEW SECTION. Section 4. Coal tax special law
12 enforcement assistance account created. (1) There is within
13 the state special revenue fund a coal tax special law
14 enforcement assistance account.

15 (2) Money allocated under 17-5-704(2)(a) must be
16 deposited to the coal tax special law enforcement assistance
17 account.

18 Section 5. Section 44-13-103, MCA, is amended to read:

19 "44-13-103. Limitations on use of special law
20 enforcement assistance account accounts. Money, property,
21 and proceeds from property credited to the account accounts
22 created under 44-13-101 and [section 4] may be used only for
23 the following types of activities:

24 (1) payment of informants;
25 (2) use by undercover agents to purchase unlawful

1 substances, including, without limitation, counterfeit or
2 real controlled substances, pornographic materials, stolen
3 property, or other contraband;

4 (3) use as gambling front money by undercover agents;
5 and

6 (4) payment of overtime to state or local law
7 enforcement officers when engaged in special
8 investigations."

9 Section 6. The appropriation for fiscal year 1987 to
10 the Department of Justice in Section A of Section 17, House
11 Bill 500, Laws of 1985, at page 16 of the enrolled bill and
12 page 1778 of the 1985 Montana Session Laws, is amended to
13 read:

	<u>Fiscal 1987</u>				
	General	State	Federal		
	<u>Fund</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>
14. Criminal Investigators					
154,123			70,292		224,415
a. Case-Related Travel					
10,000					10,000
b. Undercover Criminal Investigation					
308,959		308,959			308,959
c. Buy Fund					
100,000		100,000			100,000

1 NEW SECTION. Section 7. Codification instruction.
2 Section 4 is intended to be codified as an integral part of
3 Title 44, chapter 13, part 1, and the provisions of Title
4 44, chapter 13, apply to section 4.

5 NEW SECTION. Section 8. Effective date --
6 applicability. This act is effective on passage and approval
7 and applies to income and earnings received after June 30,
8 1986.

-End-

APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 18

INTRODUCED BY PECK, GAGE, O'HARA, SPAETH

A BILL FOR AN ACT ENTITLED: "AN ACT DEPOSITING A PORTION OF THE EARNINGS OF THE PERMANENT COAL TAX TRUST FOR LAW ENFORCEMENT ASSISTANCE; REDUCING THE ALLOCATION OF EARNINGS TO THE PERMANENT TRUST; REVISING THE APPROPRIATION OF MONEY FOR CRIMINAL INVESTIGATION; AMENDING SECTIONS 17-5-704, 17-6-305, AND 17-6-306, AND 44-13-103, MCA, AND HOUSE BILL 500, LAWS OF 1985; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 17-5-704, MCA, is amended to read:

"17-5-704. Investment of funds -- allocation of part of earnings to law enforcement assistance. (1) Money in the coal severance tax bond fund, the coal severance tax permanent fund, and the coal severance tax income fund must be invested in accordance with the investment standards for coal severance tax funds except as provided in subsection (2). Income and earnings from all funds must be transferred to and retained in the coal severance tax income fund until appropriated by the legislature.

(2) Beginning on July 1, 1983 1986, the legislature shall appropriate ~~15% of~~ from the income and earnings from

all funds:

(a) ~~2%~~ to be deposited to the coal tax ~~special-law enforcement---assistance~~ CRIMINAL INVESTIGATION account created under [section 4]; and

(b) 13% to be deposited to the coal severance tax permanent fund each year. The funds appropriated to the coal severance tax permanent fund under this subsection may not be further appropriated except by vote of three-fourths of the members of each house of the legislature."

Section 2. Section 17-6-305, MCA, is amended to read:

"17-6-305. Investment of twenty-five percent of the coal tax trust fund in the Montana economy. (1) Twenty-five percent of all revenue deposited after June 30, 1983, into the permanent coal tax trust fund established in 17-6-203(5) and ~~15%~~ 13% of the annual income and earnings on the Montana in-state investment fund appropriated to the coal severance tax permanent fund by 17-5-704(2) shall be invested in the Montana economy with special emphasis on investments in new or expanding locally owned enterprises.

(2) In determining the probable income to be derived from investment of this revenue, the long-term benefit to the Montana economy shall be considered.

(3) The legislature may provide additional procedures to implement this section."

Section 3. Section 17-6-306, MCA, is amended to read:

SECOND READING

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1 "17-6-306. Montana in-state investment fund. The
2 Montana in-state investment fund consists of:
3 (1) 25% of the revenue deposited after June 30, 1983,
4 into the permanent coal tax trust fund established in
5 17-6-203(5);

6 (2) the principal payments on all investments made
7 from the Montana in-state investment fund; and

8 (3) 15% 13% of the annual income and earnings on the
9 Montana in-state investment fund appropriated to the coal
10 severance tax permanent fund by 17-5-704(2)."

11 NEW SECTION. Section 4. Coal tax ~~special-law~~
12 ~~enforcement-assistance~~ CRIMINAL INVESTIGATION account
13 created. (1) There is within the state special revenue fund
14 a coal tax ~~special-law-enforcement-assistance~~ CRIMINAL
15 INVESTIGATION account.

16 (2) Money allocated under 17-5-704(2)(a) must be
17 deposited to the coal tax ~~special-law-enforcement-assistance~~
18 CRIMINAL INVESTIGATION account.

19 ~~Section-5--Section-44-13-103--MCA--is-amended-to-read:~~

20 ~~"44-13-103--Limitations--on--use--of--special-law~~
21 ~~enforcement-assistance account accounts;--Money;--property;~~
22 ~~and--proceeds-from-property-credited-to-the-account accounts~~
23 ~~created-under-44-13-101-and-{section-4} may-be-used-only-for~~
24 ~~the-following-types-of-activities:~~

25 {1}--payment-of-informants;

1 {2}--use-by--undercover--agents--to--purchase--unlawful
2 substances;--including;--without--limitation;--counterfeit-or
3 real-controlled-substances;--pornographic--materials;--stolen
4 property;--or-other-contraband;

5 {3}--use--as-gambling-front-money-by-undercover-agents;
6 and

7 {4}--payment--of--overtime--to--state--or--local--law
8 enforcement--officers--when--engaged--in--special
9 investigations."

10 Section 5. The appropriation for fiscal year 1987 to
11 the Department of Justice in Section A of Section 17, House
12 Bill 500, Laws of 1985, at page 16 of the enrolled bill and
13 page 1778 of the 1985 Montana Session Laws, is amended to
14 read:

	<u>Fiscal 1987</u>			
	State	Federal		
	General	Special	Special	
	<u>Fund</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Proprietary</u>
	<u>Total</u>			
19 "14. Criminal Investigators				
20 154,123		70,292		224,415
21 a. Case-Related Travel				
22 10,000				10,000
23 b. Undercover Criminal Investigation				
24 308,959	<u>308,959</u>			308,959
25 358,959	<u>358,959</u>			358,959

Fiscal 1987

		State	Federal	
	General	Special	Special	
	<u>Fund</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Proprietary</u> <u>Total</u>
c. Buy Fund				
	100,000	100,000		100,000
		50,000		50,000"

~~NEW-SECTION. Section 7. Codification instruction.~~
~~Section 4 is intended to be codified as an integral part of~~
~~Title 44, chapter 13, part 1, and the provisions of Title~~
~~44, chapter 13, apply to section 4.~~

NEW SECTION. Section 6. Effective date --
 applicability. This act is effective on passage and approval
 and applies to income and earnings received after June 30,
 1986.

-End-