

HB 255 INTRODUCED BY GILBERT  
TRANSFER \$6 MILLION FROM COAL TAX BOND FUND TO  
HIGHWAY RECONSTRUCTION TRUST

1/16 INTRODUCED

1/16 REFERRED TO TAXATION

1/22 HEARING

1/27 COMMITTEE REPORT--BILL NOT PASSED

1/28 ADVERSE COMMITTEE REPORT ADOPTED

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1 House BILL NO. 255  
2 INTRODUCED BY Gilbert

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING \$6 MILLION  
5 OF COAL SEVERANCE TAX COLLECTIONS THAT WOULD BE DEPOSITED IN  
6 THE PERMANENT TRUST FUND TO THE HIGHWAY RECONSTRUCTION TRUST  
7 FUND ACCOUNT; AMENDING SECTION 17-5-703, MCA; AND PROVIDING  
8 AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

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

11 Section 1. Section 17-5-703, MCA, is amended to read:

12 "17-5-703. Coal severance tax trust funds. (1) The  
13 trust established under Article IX, section 5, of the  
14 Montana constitution shall be composed of the following  
15 funds:

- 16 (a) a coal severance tax bond fund into which the
- 17 constitutionally dedicated receipts from the coal severance
- 18 tax shall be deposited;
- 19 (b) a coal severance tax permanent fund; and
- 20 (c) a coal severance tax income fund.

21 (2) The Except as provided in subsection (3), the  
22 state treasurer shall from time to time transfer to the coal  
23 severance tax permanent fund all money in the coal severance  
24 tax bond fund except the amount necessary to meet all  
25 principal and interest payments on bonds payable from the

1 coal severance tax bond fund on the next two ensuing  
2 semiannual payment dates.

3 (3) The state treasurer shall transfer to the highway  
4 reconstruction trust fund account in the state special  
5 revenue fund from the coal severance tax bond fund a total  
6 of \$6 million at the time the treasurer would normally  
7 transfer money to the permanent fund."

8 NEW SECTION. Section 2. Requirements for coal trust  
9 transfer. Because section 1 transfers money flowing into the  
10 permanent trust fund to the highway reconstruction trust  
11 fund account, a three-fourths vote of each house of the  
12 legislature is required under Article IX, section 5, of the  
13 Montana constitution.

14 NEW SECTION. Section 3. Effective date --  
15 termination. This act is effective on passage and approval  
16 and terminates October 1, 1988.

-End-

