

HB 742 INTRODUCED BY COBB  
TERMINATING CERTAIN STATE SPECIAL REVENUE ACCOUNTS

2/14 INTRODUCED  
2/14 REFERRED TO APPROPRIATIONS  
2/14 FISCAL NOTE REQUESTED  
2/20 HEARING  
2/20 FISCAL NOTE RECEIVED  
2/21 TABLED IN COMMITTEE

1 House BILL NO. 742  
2 INTRODUCED BY Cobb

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TERMINATING CERTAIN  
5 ACCOUNTS IN THE STATE SPECIAL REVENUE FUND; PROVIDING FOR  
6 PERIODIC REVIEW OF DEDICATED REVENUE PROVISIONS; AND  
7 PROVIDING AN EFFECTIVE DATE."  
8

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

10 Section 1. Purpose. (1) The legislature finds that  
11 provisions for dedicating state revenue have increased in  
12 number and that over one-half of state revenue collections  
13 are affected by dedication provisions. The legislature also  
14 finds that dedication provisions reduce legislative control  
15 over state spending, complicate the state funding structure,  
16 and increase the effort required to budget, appropriate, and  
17 monitor public funds.

18 (2) It is the intent of the legislature, by  
19 establishing a system for the review and evaluation of  
20 revenue dedication provisions, to ensure that provisions for  
21 revenue dedication:

22 (a) are based on sound principles of revenue  
23 dedication;

24 (b) reflect present circumstances and legislative  
25 priorities for state spending; and

1 (c) are terminated when they no longer are necessary  
2 or appropriate.

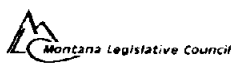
3 Section 2. Definitions. The following definitions  
4 apply in [this act]:

5 (1) "Dedicated revenue provision" means an  
6 administrative or legislative action that allocates the  
7 revenue from a tax, fee, or other source to an account in  
8 the state special revenue fund.

9 (2) "State special revenue fund" means a fund in the  
10 state treasury consisting of money from state sources that  
11 is earmarked for the purposes of defraying particular costs  
12 of an agency, program, or function of state government, as  
13 provided in 17-2-102.

14 Section 3. Accounts in the state special revenue fund  
15 to terminate. The following accounts terminate July 1, 1987:

- 16 Indemnification for damage 2-17-105
- 17 to state buildings
- 18 Central payroll operating 2-18-403
- 19 expenses
- 20 Local government block grant 7-6-302 through 7-6-309;
- 21 account 15-1-501; 15-36-112;
- 22 61-3-509
- 23 Emergency telecommunications 10-4-301
- 24 account
- 25 Public campaign fund 13-37-304



1	Livestock brand enforcement	15-24-923; 15-24-924
2	fund	
3	Animal slaughter indemnity	15-24-923; 15-24-924
4	fund	
5	State library (coal tax)	15-35-108
6	Cultural and aesthetic	15-35-108; 22-2-301
7	projects	
8	Conservation districts	15-35-108; 76-15-530
9	County land planning	15-35-108; 90-1-108
10	Alternative energy and	15-35-108; 90-4-103
11	energy conservation	
12	research and development	
13	Hard-rock mining account	15-37-117; 82-4-311;
14		90-6-303; 90-6-304;
15		90-6-321; 90-6-322
16	Alcoholism prevention and	16-1-404; 16-1-408;
17	treatment fund	16-1-410; 16-1-411;
18		53-24-108
19	Cigarette enforcement	16-11-124
20	account	
21	Insurance regulatory trust	17-2-121 through 17-2-123;
22	account	33-2-708
23	Montana arts council	22-2-107; 22-2-109
24	Traffic education account	20-7-501; 20-7-504;
25		61-5-121

1	Adult basic education	20-9-513; 90-6-211
2	Motor vehicle recording	23-2-611; 23-2-612;
3	account	23-2-615; 23-2-616;
4		23-2-619
5	Real estate recovery fund	37-51-501 through 37-51-512
6	Industrial accident	39-71-1004
7	rehabilitation account	
8	Workers' compensation	39-71-205
9	documents	
10	Criminalistics laboratory	44-3-302
11	Local board of health	50-2-108; 50-50-205;
12	inspection fund	50-50-305; 50-51-204;
13		50-51-303; 50-52-202;
14		50-52-302
15	Preservation of vital	50-15-111
16	records	
17	Plumbing installations	50-60-508
18	Crime victims compensation	53-9-109
19	account	
20	Aeronautics account	60-3-201; 67-1-301
21	Motor vehicle recording	61-3-102; 61-3-103;
22	account	61-3-108; 61-3-204;
23		61-3-321; 61-3-406
24	Highway patrol ID card fund	61-12-504
25	Environmental impact	75-1-205; 85-2-124

1	statements	
2	Environmental contingency	75-1-1101
3	account	
4	Air pollution control	75-2-211
5	Air quality variance review	75-2-212
6	Water inspection and	75-6-104
7	analysis	
8	Junk vehicle account	75-10-532
9	Major facility siting	75-20-112; 75-20-215;
10		75-20-408
11	Subdivision plat review	76-4-1108; 76-4-1212;
12		76-4-1213
13	Grazing districts	76-16-106
14	Rangeland improvement loan	76-14-112
15	account	
16	Timber stand improvement and	77-5-204
17	brush disposal	
18	Milk price control	81-23-202; 81-23-204;
19		81-23-403
20	Oil and gas conservation	82-11-135
21	board	
22	Weather modification	85-3-213
23	Water development account	85-1-332; 85-1-604
24	Water right adjudication	85-2-241; 85-2-242
25	Water right appropriation	85-2-318; 85-2-426

1 Section 4. Transfer of fund balances to general fund.

2 On July 1, 1987, the balance remaining in each account

3 designated in [section 3] must be deposited in the general

4 fund.

5 Section 5. Effect of termination. (1) If the

6 legislature has appropriated this dedicated revenue, the

7 appropriation is considered to have been made from the

8 general fund.

9 (2) All assets, liabilities, and fund balances of

10 accounts terminated by [section 3] accrue to the general

11 fund.

12 (3) Wherever the term "state special revenue fund"

13 appears in the code sections listed in [section 3], it is

14 changed to "general fund".

15 Section 6. Termination of other dedicated revenue

16 provisions. (1) A dedicated revenue provision established by

17 administrative or legislative action before July 1, 1987,

18 and not listed in [section 3] terminates July 1, 1991.

19 (2) A dedicated revenue provision established by

20 administrative or legislative action after July 1, 1987,

21 terminates on July 1 of the fourth year after its effective

22 date.

23 (3) All assets, liabilities, and fund balances of

24 accounts terminated by this section accrue to the general

25 fund.

1 (4) Wherever the term "state special revenue fund"  
2 appears in code sections that establish a dedicated revenue  
3 provision terminated by this section, it is changed to  
4 "general fund".

5 Section 7. Reestablishment. A dedicated revenue  
6 provision scheduled for termination under [this act] may be  
7 reestablished by the legislature for a period of time not to  
8 exceed 4 years. At the end of the period, the legislature  
9 shall again review the provision as provided in [section 8]  
10 and may reestablish, modify, or allow the termination of the  
11 provision.

12 Section 8. Legislative review and report. (1) The  
13 legislative finance committee shall review each dedicated  
14 provision scheduled for termination by [sections 3 and 6].  
15 The review must be completed at least 6 months before the  
16 date set for termination.

17 (2) The review conducted by the committee must include  
18 an evaluation of the dedicated revenue provision based on  
19 whether it:

20 (a) provides direct benefits for those who pay the  
21 dedicated tax, fee, or assessment;

22 (b) provides special information or other advantages  
23 that could not be obtained if the revenue were allocated to  
24 the general fund;

25 (c) provides program funding at a level equivalent to

1 the expenditures established by the legislature;

2 (d) involves collection and allocation formulas that  
3 are appropriate to the present circumstances in state  
4 government; and

5 (e) impairs the legislature's ability to scrutinize  
6 budgets, control expenditures, and establish priorities for  
7 state spending.

8 (3) The committee shall establish procedures to  
9 facilitate the review and evaluation required by [this act].

10 (4) Upon completion of the review, the committee shall  
11 report its findings to the legislature, including its  
12 recommendation of termination or reestablishment, with or  
13 without modification, of the dedicated revenue provision.

14 Section 9. Reversion of unobligated funds to the  
15 general fund. At the end of each biennium any unobligated  
16 balance remaining in a special revenue fund shall revert  
17 automatically to the general fund unless the committee  
18 recommends otherwise.

19 Section 10. Code commissioner instruction. The code  
20 commissioner shall change the MCA sections listed in section  
21 3 or affected by section 6 in accordance with this act and  
22 may make incidental changes as necessary to reflect the  
23 intent of these sections as amended by this act without  
24 changing the meaning.

25 Section 11. Effective date. This act is effective July

LC 0207/01

1 1, 1987.

-End-