

HB 856 INTRODUCED BY VINCENT
CREATE THE MONTANA VALUE-ADDED COMMISSION; AUTHORIZE
APPROPRIATION

3/03 INTRODUCED
3/03 REFERRED TO BUSINESS & LABOR
3/03 FISCAL NOTE REQUESTED
3/04 FISCAL NOTE RECEIVED
3/19 HEARING
3/20 TABLED IN COMMITTEE

1 House BILL NO. 856
2 INTRODUCED BY Vincent

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH THE
5 MONTANA VALUE-ADDED COMMISSION; TO AUTHORIZE LOANS FROM THE
6 GENERAL FUND; TO PROVIDE FOR AN APPROPRIATION; AND PROVIDING
7 AN IMMEDIATE EFFECTIVE DATE."

8
9 WHEREAS, experts in economic development have
10 emphasized that the state of Montana adds little value to
11 the state's basic commodities before exportation; and

12 WHEREAS, adding value to products in Montana can create
13 new jobs and increase profits.

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Montana value-added commission. There is
17 created the Montana value-added commission within the
18 department of commerce.

19 Section 2. Purpose. It is the purpose of the Montana
20 value-added commission to develop a strategy to add value,
21 before exportation, to the state's basic commodities,
22 including coal, metal and nonfuel minerals, oil and gas,
23 timber, agriculture, tourism and travel, water and wildlife,
24 in an effort to create new jobs and increase profits.

25 Section 3. Commission members -- composition. The

1 Montana value-added commission consists of 10 members
2 appointed as follows:

3 (1) eight members, with the speaker of the house, the
4 president of the senate, the senate floor leader, and the
5 house minority leader each appointing a member of the
6 current legislature and a member of the public; and

7 (2) two members appointed by the director of the
8 department of commerce.

9 Section 4. Appropriation. There is appropriated the
10 sum of \$200,000 for the biennium ending June 30, 1989, from
11 the general fund to the department of commerce to be used by
12 the Montana value-added commission established in section 1,
13 to explore ways to add value to Montana's basic commodities
14 before exportation.

15 Section 5. Codification instruction. Sections 1
16 through 3 are intended to be codified as an integral part of
17 Title 2, chapter 15, part 18, and the provisions of Title 2,
18 chapter 15, part 18, apply to sections 1 through 3.

19 Section 6. Effective date. This act is effective on
20 passage and approval.

-End-



-2- INTRODUCED BILL
HB-856

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB856, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to establish the Montana value-added commission; to authorized loans from the general fund; to provide for an appropriation.

ASSUMPTIONS:

1. One staff person will be required to assist in administering the project in Department of Commerce.
2. Commission operating expenses (except travel and contracted services) will be approximately the same as the amount needed to administer the Governor's Council on Economic Development.
3. Commission travel will be approximately equal to one half the yearly requirements for the GCED (10 members on Commission/20 on GCED).
4. The vast majority of research and writing will be conducted through contracted services.
5. The fiscal note is written with expenditures the same in FY88 and FY89, but it is assumed that the biennial appropriation would allow flexibility to make expenditures as needed.
6. A \$200,000 biennial general fund appropriation is made to the Department of Commerce to fund this commission's activities.

FISCAL IMPACT:Expenditures:

	<u>FY88</u>	<u>FY89</u>
Personal Services	\$ 32,641	\$ 32,641
Operating Expenses	67,359	67,359
TOTAL	<u>\$100,000</u>	<u>\$100,000</u>

Revenues:

	<u>88-89 Biennium</u>
From the General Fund	<u>\$200,000</u>

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Future economic benefit could occur as a result of expanded value-added manufacturing.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

The body of the bill does not address General Fund Loans referred to in the title.

David L. Hunter

DATE 3/4/87

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

John Vincent

DATE 2/4/87

JOHN VINCENT, PRIMARY SPONSOR

Fiscal Note for HB856, as introduced.

HB 856