

HOUSE BILL 10

Introduced by Cobb

6/16	Introduced
6/19	Referred to Education & Cultural Resources
6/20	Hearing Died in Committe

1 HOUSE BILL NO. 10
2 INTRODUCED BY COBB
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ABOLISH THE
5 EDUCATION TRUST FUND ACCOUNT AND ALLOCATE FUNDS TO THE
6 SUPERINTENDENT OF PUBLIC INSTRUCTION FOR STATE EQUALIZATION
7 AID; TO PROVIDE AN APPROPRIATION; AMENDING SECTIONS
8 15-35-108, 20-9-343, 90-1-108, 90-6-202, AND 90-6-212, MCA;
9 REPEALING SECTIONS 20-9-513 AND 90-6-211, MCA; AND PROVIDING
10 AN EFFECTIVE DATE."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 **Section 1.** Section 15-35-108, MCA, is amended to read:

14 "15-35-108. Disposal of severance taxes. Severance
15 taxes collected under this chapter must be allocated
16 according to the provisions in effect on the date the tax is
17 due under 15-35-104. Severance taxes collected under the
18 provisions of this chapter are allocated as follows:

19 (1) To the trust fund created by Article IX, section
20 5, of the Montana constitution, 50% of total coal severance
21 tax collections. The trust fund moneys shall be deposited
22 in the fund established under 17-6-203(5) and invested by
23 the board of investments as provided by law.

24 (2) Starting July 1, 1987, and ending June 30, 1993,
25 12% of coal severance tax collections are allocated to the

1 highway reconstruction trust fund account in the state
2 special revenue fund.

3 (3) Coal severance tax collections remaining after the
4 allocations provided by subsections (1) and (2) are
5 allocated in the following percentages of the remaining
6 balance:

7 (a) ~~20%~~ 30% to the state special revenue fund to the
8 ~~credit of the education trust fund account~~ and 17.5% to the
9 credit of the local impact account. Unencumbered funds
10 remaining in the local impact account at the end of each
11 biennium are allocated to the ~~education trust fund account~~
12 state special revenue fund for state equalization aid to
13 public schools of the state.

14 (b) ~~10%~~ 30% to the state special revenue fund for
15 state equalization aid to public schools of the state;

16 (c) 1% to the state special revenue fund to the credit
17 of the county land planning account;

18 (d) 1 1/4% to the credit of the renewable resource
19 development bond fund;

20 (e) 5% to a nonexpendable trust fund for the purpose
21 of parks acquisition or management, protection of works of
22 art in the state capitol, and other cultural and aesthetic
23 projects. Income from this trust fund shall be appropriated
24 as follows:

25 (i) 1/3 for protection of works of art in the state

1 capitol and other cultural and aesthetic projects; and
 2 (ii) 2/3 for the acquisition, development, operation,
 3 and maintenance of any sites and areas described in
 4 23-1-102;
 5 (f) 1% to the state special revenue fund to the credit
 6 of the state library commission for the purposes of
 7 providing basic library services for the residents of all
 8 counties through library federations and for payment of the
 9 costs of participating in regional and national networking;
 10 (g) 1/2 of 1% to the state special revenue fund for
 11 conservation districts;
 12 (h) 1 1/4% to the debt service fund type to the credit
 13 of the water development debt service fund;
 14 (i) 2% to the state special revenue fund for the
 15 Montana Growth Through Agriculture Act;
 16 (j) all other revenues from severance taxes collected
 17 under the provisions of this chapter to the credit of the
 18 general fund of the state."

19 **Section 2.** Section 20-9-343, MCA, is amended to read:

20 "20-9-343. Definition of and revenue for state
 21 equalization aid. (1) As used in this title, the term "state
 22 equalization aid" means ~~those moneys~~ the money deposited in
 23 the state special revenue fund as required in this section
 24 plus any legislative appropriation of money from other
 25 sources for distribution to the public schools for the

1 purpose of equalization of the foundation program.

2 (2) The legislative appropriation for state
 3 equalization aid ~~shall~~ must be made in a single sum for the
 4 biennium. The superintendent of public instruction ~~has~~
 5 ~~authority to~~ may spend ~~such the~~ appropriation, together with
 6 the earmarked revenues provided in subsection (3), as
 7 required for foundation program purposes throughout the
 8 biennium.

9 (3) The following ~~shall~~ must be paid into the state
 10 special revenue fund for state equalization aid to public
 11 schools of the state:

12 (a) 31.8% of all money received from the collection of
 13 income taxes under chapter 30 of Title 15;

14 (b) 25% of all money, except as provided in 15-31-702,
 15 received from the collection of corporation license and
 16 income taxes under chapter 31 of Title 15, as provided by
 17 15-1-501;

18 (c) 100% of the money allocated to state equalization
 19 from the collection of the severance tax on coal;

20 (d) 100% of the money received from the treasurer of
 21 the United States as the state's shares of oil, gas, and
 22 other mineral royalties under the federal Mineral Lands
 23 Leasing Act, as amended;

24 (e) interest and income money described in 20-9-341
 25 and 20-9-342; and

1 ~~(f)--income-from-the-education-trust-fund-account;--and~~
 2 ~~(g)(f)~~ in addition to these revenues, the surplus
 3 revenues collected by the counties for foundation program
 4 support according to 20-9-331 and 20-9-333.

5 (4) Any surplus revenue in the state equalization aid
 6 account in the second year of a biennium may be used to
 7 reduce the appropriation required for the next succeeding
 8 biennium."

9 **Section 3.** Section 90-1-108, MCA, is amended to read:

10 **"90-1-108. County land planning assistance.** (1) The
 11 department of commerce shall annually distribute the funds
 12 appropriated to it from the county land planning account.
 13 Each county shall be allotted \$3,000. After this
 14 disbursement has been made, 40% of the balance in the
 15 account shall be apportioned to the counties according to
 16 the ratio of each county's land area to the total land area
 17 of the state and 60% of the balance shall be apportioned to
 18 the counties according to each county's portion of the total
 19 population of the state. If a multijurisdictional planning
 20 board has been established in the county, it may receive and
 21 expend part or all of the funds allocated to that county.

22 (2) Counties, cities, or joint planning boards
 23 receiving funds under this section shall use such funds for
 24 land planning purposes, which include but are not limited to
 25 comprehensive planning, economic development planning, and

1 capital improvements planning.

2 (3) At the end of each fiscal year, every local
 3 governing body and planning agency receiving funds under
 4 this section shall provide an accounting of how the money
 5 was spent, in a form acceptable to the department of
 6 commerce. Surplus funds may be accumulated and rebudgeted
 7 for the purposes stated in subsection (2), except that funds
 8 rebudgeted by a local governing body or planning agency may
 9 not exceed the total revenue received under subsection (1)
 10 in the year immediately prior to the budget year. Any
 11 excess funds shall revert to the education--trust-fund
 12 account state special revenue fund for state equalization
 13 aid to public schools of the state at the end of each
 14 odd-numbered fiscal year, beginning in June ~~1987~~ 1991."

15 **Section 4.** Section 90-6-202, MCA, is amended to read:

16 **"90-6-202. Accounts established.** (1) There is within
 17 the state special revenue fund a local impact account.
 18 Moneys are payable into this account under 15-35-108. The
 19 state treasurer shall draw warrants from this account upon
 20 order of the coal board.

21 (2) There is within the state special revenue fund a
 22 coal area highway improvement account.

23 ~~(3)--There-is-within-the-nonexpendable--trust--fund--an~~
 24 ~~education-trust-fund-account--"~~

25 **Section 5.** Section 90-6-212, MCA, is amended to read:

1 ***90-6-212. Local impact account -- disposition of loan**
 2 **repayments, interest, and unexpended balances.** (1) The money
 3 derived from loans made pursuant to this part, including
 4 interest thereon, must be deposited to the credit of the
 5 local impact account created in 90-6-202.

6 (2) The unexpended money in the local impact account
 7 must be invested by the board of investments as provided by
 8 statute. Interest and earnings must be deposited to the
 9 credit of the education--trust-fund-account state special
 10 revenue fund for state equalization aid to public schools of
 11 the state.

12 (3) The unexpended balance in the local impact account
 13 at the end of each biennium must be deposited to the credit
 14 of the education--trust-fund-account state special revenue
 15 fund for state equalization aid to public schools of the
 16 state."

17 **NEW SECTION. Section 6. Appropriation.** Any money
 18 remaining in the education trust fund account, established
 19 in 90-6-202(3), and the vocational-technical center and
 20 adult basic education account, established in 20-9-513, as
 21 of June 30, 1989, is appropriated to the superintendent of
 22 public instruction for the fiscal year ending June 30, 1990,
 23 for state equalization aid to public schools.

24 **NEW SECTION. Section 7. Repealer.** Sections 20-9-513
 25 and 90-6-211, MCA, are repealed.

1 **NEW SECTION. Section 8. Effective date.** [This act] is
 2 effective July 1, 1989, and if signed by the governor or
 3 becomes law under 5-4-307 after July 1, 1989, applies
 4 retroactively, within the meaning of 1-2-109, to July 1,
 5 1989.

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