

HOUSE BILL NO. 3

INTRODUCED BY THOFT
BY REQUEST OF THE OFFICE OF BUDGET
AND PROGRAM PLANNING

IN THE HOUSE

JANUARY 3, 1992 INTRODUCED AND REFERRED TO COMMITTEE
ON APPROPRIATIONS.

JANUARY 6, 1992 FIRST READING.

JANUARY 10, 1992 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

PRINTING REPORT.

SECOND READING, DO PASS.

ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 74; NOES, 24.

TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 10, 1992 INTRODUCED AND REFERRED TO COMMITTEE
ON FINANCE & CLAIMS.

FIRST READING.

JANUARY 13, 1992 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

JANUARY 14, 1992 ON MOTION, TAKEN FROM SECOND READING
AND REREFERRED TO FINANCE AND CLAIMS
COMMITTEE.

JANUARY 15, 1992 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

SECOND READING, CONCURRED IN.

THIRD READING, CONCURRED IN.
AYES, 40; NOES, 10.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

JANUARY 15, 1992

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 3
2 INTRODUCED BY Thuff
3 BY REQUEST OF THE OFFICE OF BUDGET
4 AND PROGRAM PLANNING
5

6 A BILL FOR AN ACT ENTITLED: "AN ACT ACCEPTING AN AMENDMENT
7 TO THE ENABLING ACT IN ORDER TO ALLOW CERTAIN TIMBER TO BE
8 TREATED AS A CROP; TREATING TIMBER HARVESTED FROM SCHOOL
9 TRUST LANDS AS A CROP; AMENDING SECTIONS 20-9-341 AND
10 20-9-601, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
11

12 WHEREAS, the Legislature recognizes that timber on
13 school trust lands is a renewable resource managed on a
14 sustainable yield basis by the department of state lands.
15

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

17 NEW SECTION. **Section 1.** Acceptance of amendment. The
18 State of Montana hereby accepts the amendment to section 11
19 of the Act approved February 22, 1889 (25 Stat. 676),
20 relating to the admission into the Union of the States of
21 North Dakota, South Dakota, Montana, and Washington,
22 approved by the President of the United States, June 30,
23 1967, (Public Law 90-41), which amendment reads as follows:

24 BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES
25 OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That

1 the second sentence of the fourth paragraph of section 11 of
2 the Act entitled "An Act to provide for the division of
3 Dakota into two States and to enable the people of North
4 Dakota, South Dakota, Montana, and Washington to form
5 constitutions and State governments and to be admitted into
6 the Union on an equal footing with the original States, and
7 to make donations of public lands to such States", approved
8 February 22, 1889 (25 Stat. 676), as amended, is amended to
9 read as follows: "Rentals on leased land, proceeds from the
10 sale of timber and other crops, interest on deferred
11 payments on land sold, interest on funds arising from these
12 lands, and all other actual income, shall be available for
13 the acquisition and construction of facilities, including
14 the retirement of bonds authorized by law for such purposes,
15 and for the maintenance and support of such schools and
16 institutions." Approved June 30, 1967.

17 **Section 2.** Section 20-9-341, MCA, is amended to read:

18 "20-9-341. Definition of interest and income moneys.
19 (1) As used in this title, the term "interest and income
20 moneys" means the total of the following revenues, as
21 provided for by Article X, section 5, of the 1972 Montana
22 constitution:

23 (a) 95% of the interest received from the investment of
24 the public school fund;

25 (b) 95% of the interest received from the investment of

*

1 any other school funds held in trust by the state board of
2 land commissioners;

3 (c) 95% of the income received from the leasing of or
4 sale of timber from state school lands after any deductions
5 that may be made under the provisions of Title 77, chapter
6 1, part 6; and

7 (d) 95% of any other income derived from any other
8 covenant affecting the use of state school lands.

9 (2) The remaining 5% of such revenues shall be annually
10 credited to the public school fund."

11 **Section 3.** Section 20-9-601, MCA, is amended to read:

12 **"20-9-601. Public school fund.** The public school fund
13 shall be maintained by the state treasurer as a fund in the
14 nonexpendable trust fund type, and the principal amount of
15 such fund shall be irreducible and permanent. The following
16 moneys shall be credited to such fund as an addition to the
17 irreducible and permanent principal amount:

18 (1) appropriations and donations by the state;
19 (2) donations and bequests by individuals to the state
20 or schools;

21 (3) the proceeds of land and other property which
22 revert to the state by escheat and forfeiture;

23 (4) the proceeds of all property granted to the state,
24 when the purpose of the grant is not specified or is
25 uncertain;

1 (5) funds accumulated in the treasury of the state for
2 the disbursement of which provision has not been made by
3 law;

4 (6) the proceeds of the sale of ~~timber~~, stone,
5 materials, or other property from school lands other than
6 those granted for specific purposes and all moneys other
7 than rental recovered from persons trespassing on such
8 lands;

9 (7) the principal of all moneys arising from the sale
10 of lands and other property which have been and may be
11 hereafter granted to the state for the support of common
12 schools;

13 (8) the amount earmarked for deposit in this fund under
14 the provisions of 20-9-341; and

15 (9) such other moneys as may be provided by the
16 legislature."

17 **NEW SECTION. Section 4. Effective date.** [This act] is
18 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0003, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act accepting an amendment to the enabling act in order to allow certain timber to be treated as a crop, treating timber harvested from school trust lands as a crop. This bill will redistribute timber revenues from the permanent trust accounts to the interest and income accounts.

ASSUMPTIONS:

1. Timber sales will sell and be harvested in a regular and timely fashion, consistent with previous bienniums.
2. Purchasers have up to 3 years to complete the harvest of timber on state sales.
3. Since gross sale area may include tracts or sections from more than one trust, assume the final cutting will be in proportion to gross area by tract.
4. Purchasers who currently hold contracts for timber will harvest the uncut volume as follows: 1/3 in FY92; 1/3 in FY93; and 1/3 in FY94.
5. Purchasers of FY92 timber sales will harvest 2/3 of the volume in FY93 and the remainder in FY94 or later.
6. No volume sold in FY93 will be harvested in FY93.
7. The department will receive the same average price for timber in FY93-93 that it received in FY91.
8. 2 1/2% of total revenue will be distributed to the Resource Development Account.
9. For the Common Schools Account, 95% of the remainder will be distributed to the School Equalization Account and 5% to the Permanent Account.
10. For the other trust accounts, 100% of the remainder will be distributed to the various state special revenue accounts.
11. Because of the small amount of planned volume from all trust grants except common schools, Public Buildings and Montana State University, it is not possible to accurately estimate revenue by trust account. Therefore, the other 6 trust accounts have been included together.

FISCAL IMPACT:

(see next page)



STEVE VRAKEL, BUDGET DIRECTOR
Office of Budget and Program Planning

1/8/92

DATE



BOB THOFT, PRIMARY SPONSOR

1-8-92

DATE

Fiscal Note for HB0003, as introduced

HB 3

FISCAL IMPACT:

REVENUE:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Resource Development	0	59,375	59,375	0	118,750	118,750
Common Schools Trust	1,657,051	80,781	(1,576,270)	3,314,123	161,562	(3,152,561)
School Equalization	0	1,534,844	1,534,844	0	3,069,688	3,069,688
Public Buildings	205,129	200,000	(5,129)	410,250	400,000	(10,250)
MSU Permanent Trust	341,538	0	(341,538)	684,093	0	(684,093)
MSU Interest & Income	0	333,000	333,000	0	667,000	667,000
7 Other Permanent Trusts	171,282	0	(171,282)	341,534	0	(341,534)
7 Other Int. & Inc. Accts.	0	167,000	167,000	0	333,000	333,000
Total Revenue	2,375,000	2,375,000	0	4,750,000	4,750,000	0

Fund Information:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Earmarked Special Revenue	205,129	2,294,219	2,089,090	410,250	4,588,438	4,178,188
Permanent Trust Accounts	2,169,871	80,781	(2,089,090)	4,339,750	161,562	(4,178,188)

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The long term implications of this bill are best illustrated on the attached table entitled "Analysis of Proposed Change in Timber Revenue Distribution to the Common School Fund". Based upon the conservative assumption, as stated on the table, the proposed distribution change would result in a net increase in funding for the common school fund for the first 25 years. Between the 25th and 30th year the current distribution method would provide more funding for the fund. However, the table does not include an estimate of the secondary benefits of the proposed distribution change such as: 1. increased Resource Development funds available to increase timber management; and 2. the releasing of \$4.5 million of general fund which would have had to be made available in a supplemental to the school equalization account in the 1992-93 biennium.

Analysis of Proposed Change in Timber Revenue Distribution to the Common School Fund

Year	Timber Sales Revenues	CURRENT		PROPOSED	
		Funds Available	Funds Available	Additional Resource Development Funds	
1	\$3,306,000	\$219,450	\$3,056,625	\$82,500	
2	5,496,000	452,835	3,250,721	87,450	
3	7,707,880	700,994	3,456,462	92,697	
4	9,930,353	964,816	3,674,548	98,259	
5	12,166,174	1,245,243	3,905,719	104,154	
6	14,416,144	1,543,275	4,150,760	110,404	
7	16,681,113	1,859,971	4,410,504	117,028	
8	18,961,980	2,196,452	4,685,833	124,049	
9	21,259,699	2,553,910	4,977,681	131,492	
10	23,575,281	2,933,605	5,287,040	139,382	
15	31,660,983	5,215,345	7,135,559	186,525	
20	40,684,478	8,291,553	9,609,294	249,612	
25	50,661,484	12,431,338	12,919,709	334,037	
30	61,680,690	17,994,838	17,349,792	447,017	
35	73,828,883	25,464,005	23,278,242	598,210	
40	87,021,575	35,483,804	31,211,846	800,539	
45	101,352,080	48,917,354	41,828,798	1,071,302	
50	116,845,263	66,919,712	56,036,673	1,433,644	
75	246,120,602	302,015,014	241,089,109	6,153,015	
100	1,056,317,807	1,312,364,922	1,035,310,237	26,407,945	

ASSUMPTIONS

1. The timber on state trust lands will be managed on an 80 year sustainable harvest program.
2. Stumpage value increases 1% per year
3. Inflation is 4% per year.
4. An annual interest rate of 7%.

SECONDARY BENEFITS OF TIMBER SALE PROPOSAL

1. Release of the other state funds for investment or operations.
2. Increase Resource Development funds for state trust land improvements

HB 3

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ON APPROPRIATIONS

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WHEREAS, the Legislature recognizes that timber on school trust lands is a FINITE renewable resource TO BE managed on a sustainable yield basis by the Department of State Lands.

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

NEW SECTION. **Section 1.** Acceptance of amendment. The State of Montana hereby accepts the amendment to section 11 of the Act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of

North Dakota, South Dakota, Montana, and Washington, approved by the President of the United States, June 30, 1967, (Public Law 90-41), which amendment reads as follows:

BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That the second sentence of the fourth paragraph of section 11 of the Act entitled "An Act to provide for the division of Dakota into two States and to enable the people of North Dakota, South Dakota, Montana, and Washington to form constitutions and State governments and to be admitted into the Union on an equal footing with the original States, and to make donations of public lands to such States", approved February 22, 1889 (25 Stat. 676), as amended, is amended to read as follows: "Rentals on leased land, proceeds from the sale of timber and other crops, interest on deferred payments on land sold, interest on funds arising from these lands, and all other actual income, shall be available for the acquisition and construction of facilities, including the retirement of bonds authorized by law for such purposes, and for the maintenance and support of such schools and institutions." Approved June 30, 1967.

SECTION 2. SECTION 17-3-1003, MCA, IS AMENDED TO READ:

"17-3-1003. Support of state institutions. (1) For the support and endowment of each state institution, there is annually and perpetually appropriated the income from all



1 permanent endowments therefor and from all land grants as
 2 provided by law. All moneys received or collected in
 3 connection with such endowments by all higher educational
 4 institutions, reformatory, custodial and penal institutions,
 5 state hospitals, and sanitariums, for any purpose whatever,
 6 except revenues pledged to secure the payment of principal
 7 and interest of obligations incurred for the purchase,
 8 construction, equipment, or improvement of facilities at
 9 units of the Montana university system and for the refunding
 10 of such obligations or moneys which may constitute temporary
 11 deposits, all or part of which may be subject to withdrawal
 12 or repayment, shall be paid over to the state treasurer who
 13 shall deposit the same to the credit of the proper fund.

14 (2) ~~All moneys~~ Except as provided in subsection (3),
 15 all money received from the investment of grants of a state
 16 institution and all money received from the leasing of lands
 17 granted to a state institution shall be deposited with the
 18 state treasurer of Montana for each of such institutions, to
 19 the credit of the state special revenue fund.

20 (3) All money received from the sale of timber from
 21 lands granted to a state institution must be deposited to
 22 the credit of the permanent trust fund for the support of
 23 the institution."

24 **Section 3.** Section 20-9-341, MCA, is amended to read:

25 "20-9-341. Definition of interest and income moneys.

1 (1) As used in this title, the term "interest and income
 2 moneys" means the total of the following revenues, as
 3 provided for by Article X, section 5, of the 1972 Montana
 4 constitution:

5 (a) 95% of the interest received from the investment of
 6 the public school fund;

7 (b) 95% of the interest received from the investment of
 8 any other school funds held in trust by the state board of
 9 land commissioners;

10 (c) 95% of the income received from the leasing of or
 11 sale of timber from state school lands after any deductions
 12 that may be made under the provisions of Title 77, chapter
 13 1, part 6; and

14 (d) 95% of any other income derived from any other
 15 covenant affecting the use of state school lands.

16 (2) The remaining 5% of such revenues shall be annually
 17 credited to the public school fund."

18 **Section 4.** Section 20-9-601, MCA, is amended to read:

19 "20-9-601. Public school fund. The public school fund
 20 shall be maintained by the state treasurer as a fund in the
 21 nonexpendable trust fund type, and the principal amount of
 22 such fund shall be irreducible and permanent. The following
 23 moneys shall be credited to such fund as an addition to the
 24 irreducible and permanent principal amount:

25 (1) appropriations and donations by the state;

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2 or schools;

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4 revert to the state by escheat and forfeiture;

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6 when the purpose of the grant is not specified or is
7 uncertain;

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9 the disbursement of which provision has not been made by
10 law;

11 (6) the proceeds of the sale of timber, stone,
12 materials, or other property from school lands other than
13 those granted for specific purposes and all moneys other
14 than rental recovered from persons trespassing on such
15 lands;

16 (7) the principal of all moneys arising from the sale
17 of lands and other property which have been and may be
18 hereafter granted to the state for the support of common
19 schools;

20 (8) the amount earmarked for deposit in this fund under
21 the provisions of 20-9-341; and

22 (9) such other moneys as may be provided by the
23 legislature."

24 NEW SECTION. Section 5. Effective date -- TERMINATION.
25 [This act] is effective on passage and approval, AND

1 [SECTIONS 3 AND 4] TERMINATE JUNE 30, 1993.

-End-

1 HOUSE BILL NO. 3

2 INTRODUCED BY THOFT

3 BY REQUEST OF THE OFFICE OF BUDGET

4 AND PROGRAM PLANNING

5
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9 TRUST LANDS AS A CROP; RETAINING TIMBER SALE REVENUE FROM
10 TIMBER HARVESTED FROM OTHER TRUST LANDS IN THE TRUST FUND
11 SUPPORTING THE INSTITUTION TO WHICH THE LAND IS GRANTED;
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14 DATE."

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16 WHEREAS, the Legislature recognizes that timber on
17 school trust lands is a FINITE renewable resource TO BE
18 managed on a sustainable yield basis by the Department of
19 State Lands.

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

22 NEW SECTION. Section 1. Acceptance of amendment. The
23 State of Montana hereby accepts the amendment to section 11
24 of the Act approved February 22, 1889 (25 Stat. 676),
25 relating to the admission into the Union of the States of

1 North Dakota, South Dakota, Montana, and Washington,
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1 permanent endowments therefor and from all land grants as
 2 provided by law. All moneys received or collected in
 3 connection with such endowments by all higher educational
 4 institutions, reformatory, custodial and penal institutions,
 5 state hospitals, and sanitariums, for any purpose whatever,
 6 except revenues pledged to secure the payment of principal
 7 and interest of obligations incurred for the purchase,
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 9 units of the Montana university system and for the refunding
 10 of such obligations or moneys which may constitute temporary
 11 deposits, all or part of which may be subject to withdrawal
 12 or repayment, shall be paid over to the state treasurer who
 13 shall deposit the same to the credit of the proper fund.

14 (2) All--moneys Except as provided in subsection (3),
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 6 the public school fund;

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 8 any other school funds held in trust by the state board of
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 11 sale of timber from state school lands after any deductions
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 23 moneys shall be credited to such fund as an addition to the
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21 the provisions of 20-9-341; and

22 (9) such other moneys as may be provided by the
23 legislature."

24 NEW SECTION. **Section 5.** Effective date -- TERMINATION.

25 [This act] is effective on passage and approval, AND

1 [SECTIONS 3 AND 4] TERMINATE JUNE 30, 1993.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 15, 1992

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 3 (third reading copy -- blue), respectfully report that House Bill No. 3 be amended and as so amended be concurred in:

1. Title, line 12.

Following: line 11

Insert: "EXCLUDING TIMBER SALE REVENUE FROM THE DEFINITION OF INCOME TO BE DEPOSITED IN THE RESOURCE DEVELOPMENT ACCOUNT;"

Following: "20-9-341,"

Strike: "AND"

Following: "20-9-601,"

Insert: "AND 77-1-602,"

2. Page 5, line 24.

Following: line 23

Insert: "Section 5. Section 77-1-602, MCA, is amended to read:

"77-1-602. Definition of terms. Unless the context requires otherwise, in this part the following definitions apply:

(1) "Account" means the resource development account in the state special revenue fund.

(2) "Income" means all proceeds received for the use of state land except ~~revenues~~ revenue required by law to be placed in the Montana nonexpendable trust fund type and revenue from the sale of timber."

Renumber: subsequent section

3. Page 6, line 1.

Strike: "AND 4"

Insert: "through 5"

Signed: Judy H. Jacobson
Judy H. Jacobson, Chair

JA 1-15-92
Ad. Coord.

SB 1-15-92
Sec. of Senate

SENATE

HB 3

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3 North Dakota, South Dakota, Montana, and Washington,
4 approved by the President of the United States, June 30,
5 1967, (Public Law 90-41), which amendment reads as follows:

6 BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES
7 OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That
8 the second sentence of the fourth paragraph of section 11 of
9 the Act entitled "An Act to provide for the division of
10 Dakota into two States and to enable the people of North
11 Dakota, South Dakota, Montana, and Washington to form
12 constitutions and State governments and to be admitted into
13 the Union on an equal footing with the original States, and
14 to make donations of public lands to such States", approved
15 February 22, 1889 (25 Stat. 676), as amended, is amended to
16 read as follows: "Rentals on leased land, proceeds from the
17 sale of timber and other crops, interest on deferred
18 payments on land sold, interest on funds arising from these
19 lands, and all other actual income, shall be available for
20 the acquisition and construction of facilities, including
21 the retirement of bonds authorized by law for such purposes,
22 and for the maintenance and support of such schools and
23 institutions." Approved June 30, 1967.

24 SECTION 2. SECTION 17-3-1003, MCA, IS AMENDED TO READ:
25 "17-3-1003. Support of state institutions. (1) For the

1 support and endowment of each state institution, there is
 2 annually and perpetually appropriated the income from all
 3 permanent endowments therefor and from all land grants as
 4 provided by law. All moneys received or collected in
 5 connection with such endowments by all higher educational
 6 institutions, reformatory, custodial and penal institutions,
 7 state hospitals, and sanitariums, for any purpose whatever,
 8 except revenues pledged to secure the payment of principal
 9 and interest of obligations incurred for the purchase,
 10 construction, equipment, or improvement of facilities at
 11 units of the Montana university system and for the refunding
 12 of such obligations or moneys which may constitute temporary
 13 deposits, all or part of which may be subject to withdrawal
 14 or repayment, shall be paid over to the state treasurer who
 15 shall deposit the same to the credit of the proper fund.

16 (2) ~~All moneys~~ Except as provided in subsection (3),
 17 all money received from the investment of grants of a state
 18 institution and all money received from the leasing of lands
 19 granted to a state institution shall be deposited with the
 20 state treasurer of Montana for each of such institutions, to
 21 the credit of the state special revenue fund.

22 (3) All money received from the sale of timber from
 23 lands granted to a state institution must be deposited to
 24 the credit of the permanent trust fund for the support of
 25 the institution."

1 **Section 3.** Section 20-9-341, MCA, is amended to read:

2 **"20-9-341. Definition of interest and income moneys.**

3 (1) As used in this title, the term "interest and income
 4 moneys" means the total of the following revenues, as
 5 provided for by Article X, section 5, of the 1972 Montana
 6 constitution:

7 (a) 95% of the interest received from the investment of
 8 the public school fund;

9 (b) 95% of the interest received from the investment of
 10 any other school funds held in trust by the state board of
 11 land commissioners;

12 (c) 95% of the income received from the leasing of or
 13 sale of timber from state school lands after any deductions
 14 that may be made under the provisions of Title 77, chapter
 15 1, part 6; and

16 (d) 95% of any other income derived from any other
 17 covenant affecting the use of state school lands.

18 (2) The remaining 5% of such revenues shall be annually
 19 credited to the public school fund."

20 **Section 4.** Section 20-9-601, MCA, is amended to read:

21 **"20-9-601. Public school fund.** The public school fund
 22 shall be maintained by the state treasurer as a fund in the
 23 nonexpendable trust fund type, and the principal amount of
 24 such fund shall be irreducible and permanent. The following
 25 moneys shall be credited to such fund as an addition to the

1 irreducible and permanent principal amount:

2 (1) appropriations and donations by the state;

3 (2) donations and bequests by individuals to the state

4 or schools;

5 (3) the proceeds of land and other property which

6 revert to the state by escheat and forfeiture;

7 (4) the proceeds of all property granted to the state,

8 when the purpose of the grant is not specified or is

9 uncertain;

10 (5) funds accumulated in the treasury of the state for

11 the disbursement of which provision has not been made by

12 law;

13 (6) the proceeds of the sale of timber, stone,

14 materials, or other property from school lands other than

15 those granted for specific purposes and all moneys other

16 than rental recovered from persons trespassing on such

17 lands;

18 (7) the principal of all moneys arising from the sale

19 of lands and other property which have been and may be

20 hereafter granted to the state for the support of common

21 schools;

22 (8) the amount earmarked for deposit in this fund under

23 the provisions of 20-9-341; and

24 (9) such other moneys as may be provided by the

25 legislature."

1 **SECTION 5. SECTION 77-1-602, MCA, IS AMENDED TO READ:**

2 **"77-1-602. Definition of terms. Unless the context**

3 **requires otherwise, in this part the following definitions**

4 **apply:**

5 (1) "Account" means the resource development account in

6 the state special revenue fund.

7 (2) "Income" means all proceeds received for the use of

8 state land except ~~revenues~~ revenue required by law to be

9 placed in the Montana nonexpendable trust fund type and

10 revenue from the sale of timber."

11 **NEW SECTION. Section 6. Effective date -- TERMINATION.**

12 **[This act] is effective on passage and approval, AND**

13 **[SECTIONS 3 AND-4 THROUGH 5] TERMINATE JUNE 30, 1993.**

-End-