

HOUSE BILL 480

Introduced by Harper, et al.

2/05	Introduced
2/05	Referred to Appropriations
2/05	First Reading
2/05	Fiscal Note Requested
2/09	Hearing
2/09	Fiscal Note Received
2/11	Fiscal Note Printed
2/18	Committee Report--Bill Passed as Amended
2/22	2nd Reading Do Pass Motion Failed
2/23	Motion Failed to Reconsider Previous Action and Place Back on 2nd Reading

1 House BILL NO. 480  
 2 INTRODUCED BY Harper Barbara Schmitt  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING A PORTION  
 5 OF RESOURCE INDEMNITY TRUST FUND REVENUE, ONCE THE \$100  
 6 MILLION FUND BALANCE IS REACHED, FOR ACQUISITION AND  
 7 MAINTENANCE OF STATE PARKS; ESTABLISHING THE STATE PARKS  
 8 MAINTENANCE TRUST FUND; STATUTORILY APPROPRIATING TRUST FUND  
 9 INTEREST INCOME TO THE DEPARTMENT OF FISH, WILDLIFE, AND  
 10 PARKS FOR STATE PARKS ACQUISITION AND MAINTENANCE, SUBJECT  
 11 TO APPROVAL OF A LONG-RANGE COMPREHENSIVE PLAN FOR MONTANA  
 12 STATE PARKS; AMENDING SECTIONS 15-38-202 AND 17-7-502, MCA;  
 13 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

16 **Section 1.** Section 15-38-202, MCA, is amended to read:

17 "15-38-202. Investment of resource indemnity trust fund  
 18 -- expenditure -- minimum balance. (1) (a) All money paid  
 19 into the resource indemnity trust fund, including money  
 20 payable into the fund under the provisions of 15-37-117,  
 21 shall must be invested at the discretion of the board of  
 22 investments. All the net earnings accruing to the resource  
 23 indemnity trust fund shall must annually be added to the  
 24 trust fund until it has reached the sum of \$10 million.  
 25 Thereafter, only the net earnings may be appropriated and

1 expended until the fund reaches \$100 million. Thereafter,  
 2 all net earnings and all receipts shall be appropriated by  
 3 the legislature and expended, provided that the balance in  
 4 the fund may never be less than \$100 million.

5 (b) In accordance with the legislative appropriative  
 6 authority set out in subsection (1)(a), after the fund  
 7 balance reaches \$100 million, 25% of all receipts are  
 8 allocated to the state parks maintenance trust fund  
 9 established in [section 2], to be used for state parks  
 10 acquisition and maintenance as provided in [section 3].

11 (2) (a) At the beginning of each biennium, there is  
 12 allocated from the interest income of the resource indemnity  
 13 trust fund:

14 (i) an amount not to exceed \$175,000 to the  
 15 environmental contingency account pursuant to the conditions  
 16 of 75-1-1101; and

17 (ii) ~~beginning--in--fiscal--year--1992,~~ an amount not to  
 18 exceed \$50,000 to the oil and gas production damage  
 19 mitigation account pursuant to the conditions of 82-11-161.

20 (b) The remainder of the interest income is allocated  
 21 as follows:

22 (i) ~~Beginning--in--fiscal--year--1982,~~ provided the--amount  
 23 ~~in--the--resource--indemnity--trust--fund--is--greater--than--\$10~~  
 24 ~~million,~~ An amount equal to 30% of the interest income of  
 25 the resource indemnity trust fund must be allocated to the



water development state special revenue account created by  
85-1-604.

(ii) Beginning--in--fiscal-year-1988, An amount equal to  
12% of the interest income of the resource indemnity trust  
fund must be allocated to the hazardous waste/CERCLA special  
revenue account provided for in 75-10-621.

(iii) Beginning--in--fiscal-year-1990, An amount equal to  
8% of the interest income from the resource indemnity trust  
fund must be allocated to the renewable resource development  
account provided for in Title 90, chapter 2.

(iv) Beginning--in--fiscal-year-1990, An amount equal to  
46% of the interest income from the resource indemnity trust  
fund must be allocated to the reclamation and development  
grants account provided for in 90-2-1104.

(v) Beginning--in--fiscal-year-1990, An amount equal to  
4% of the interest income of the resource indemnity trust  
fund must be allocated to the environmental quality  
protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the  
legislature or the executive branch that proposes to  
appropriate funds from the resource indemnity trust interest  
account other than as provided for by the allocations in  
subsection (2) must specify the amount of money from each  
allocation that is proposed to be diverted and the proposed  
use of the diverted funds. A formal budget document includes

a printed and publicly distributed budget proposal or  
recommendation, an introduced bill, or a bill developed  
during the legislative appropriation process or otherwise  
during a legislative session."

NEW SECTION. Section 2. Creation of state parks  
maintenance trust fund. There is a state parks maintenance  
trust fund in the nonexpendable trust fund type. The state  
parks maintenance trust fund must be credited with all money  
received under 15-38-202(1)(b).

NEW SECTION. Section 3. Expenditure of state parks  
maintenance trust fund interest -- comprehensive plan  
required. (1) All money paid into the state parks  
maintenance trust fund must be invested at the discretion of  
the board of investments. Interest income from the state  
parks maintenance trust fund is statutorily appropriated, as  
provided in 17-7-502, to the department of fish, wildlife,  
and parks for expenditure as provided in subsection (2).

(2) The department of fish, wildlife, and parks shall  
develop a long-range comprehensive plan for Montana's state  
park system after soliciting statewide input and comments  
from interested park users, sporting groups, and the general  
public. The comprehensive plan is subject to approval by the  
fish, wildlife, and parks commission. Funds from the state  
parks maintenance trust fund may not be expended until a  
long-range comprehensive plan is developed and approved.

Once a comprehensive plan is approved, the department may expend the earnings from the state parks maintenance trust fund as follows:

(a) An amount necessary to address urgent state parks acquisition and maintenance may be expended.

(b) The remainder is to be expended in a timely and appropriate manner in accordance with the long-range comprehensive plan.

**Section 4.** Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-9-202; 2-17-105; 2-18-812; 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111;

15-23-706; 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-65-121; 15-70-101; 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424; 17-5-704; 17-5-804; 17-6-409; 17-7-304; 19-5-404; 19-6-709; 19-8-504; 19-9-702; 19-9-1007; 19-10-205; 19-10-305; 19-10-506; 19-11-512; 19-11-513; 19-11-606; 19-12-301; 19-13-604; 19-15-101; 20-4-109; 20-6-406; 20-8-111; 20-9-361; 20-26-1503; 22-3-811; section 3; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 27-12-206; 37-43-204; 37-51-501; 39-71-2504; 44-12-206; 44-13-102; 53-6-150; 53-24-206; 61-5-121; 67-3-205; 75-1-1101; 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808; 80-2-103; 80-11-310; 82-11-136; 82-11-161; 85-1-220; 90-3-301; 90-4-215; 90-6-331; 90-7-220; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 7, Ch.

1 567, L. 1991, the inclusion of 19-6-709 terminates upon  
2 death of last recipient eligible for supplemental benefit;  
3 and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of  
4 22-3-811 terminates June 30, 1993.)"

5 NEW SECTION. **Section 5.** Codification instruction.  
6 [Sections 2 and 3] are intended to be codified as an  
7 integral part of Title 23, chapter 1, and the provisions of  
8 Title 23, chapter 1, apply to [sections 2 and 3].

9 NEW SECTION. **Section 6.** Effective date. [This act] is  
10 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 HB0480, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act appropriating a portion of Resource Indemnity Trust Fund revenue, once the \$100 million fund balance is reached, for acquisition and maintenance of state parks; establishing the state parks maintenance trust fund; statutorily appropriating trust fund interest income to the Department of Fish, Wildlife, and Parks for state parks acquisition and maintenance, subject to approval of a long-range comprehensive plan for Montana state parks; and providing an immediate effective date.

ASSUMPTIONS:

1. The Resource Indemnity Trust Fund balance is \$90,604,00 at FYE94 and \$94,602,000 at FYE95 (OBPP).
2. The Department of Fish, Wildlife & Parks will develop a long-range comprehensive plan for Montana's state park system during the FY 94-95 biennium.

FISCAL IMPACT:

Because the Resource Indemnity Trust Fund will not reach the \$100 million balance during the FY94/FY95 biennium, there is no impact in the biennium.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Given recent R.I.T.T. collections, approximately \$1.25 million per year would be deposited in the state parks acquisition and maintenance trust fund after the trust fund balance reaches \$100 million.

 2-8-93

DAVID LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

 2-11-93

HAL HARPER, PRIMARY SPONSOR DATE

Fiscal Note for HB0480, as introduced

HB 480

APPROVED BY COMMITTEE  
ON APPROPRIATIONS

## HOUSE BILL NO. 480

INTRODUCED BY HARPER, BARDANOUVE, SCHWINDEN

A BILL FOR AN ACT ENTITLED: "AN ACT ~~APPROPRIATING~~  
ALLOCATING A PORTION OF RESOURCE INDEMNITY TRUST FUND  
REVENUE, ONCE THE \$100 MILLION FUND BALANCE IS REACHED, FOR  
ACQUISITION AND MAINTENANCE OF STATE PARKS; ESTABLISHING THE  
STATE PARKS MAINTENANCE TRUST FUND; ~~STATUTORILY~~  
APPROPRIATING ALLOWING EXPENDITURE OF TRUST FUND INTEREST  
INCOME TO BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR  
STATE PARKS ACQUISITION AND MAINTENANCE, SUBJECT TO APPROVAL  
OF A LONG-RANGE COMPREHENSIVE PLAN FOR MONTANA STATE PARKS  
AND TO LEGISLATIVE APPROPRIATION; AMENDING SECTIONS SECTION  
15-38-202 ~~AND 17-7-502~~, MCA; AND PROVIDING AN IMMEDIATE  
EFFECTIVE DATE."

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

**Section 1.** Section 15-38-202, MCA, is amended to read:

"15-38-202. Investment of resource indemnity trust fund  
-- expenditure -- minimum balance. (1) (a) All money paid  
into the resource indemnity trust fund, including money  
payable into the fund under the provisions of 15-37-117,  
~~shall must~~ be invested at the discretion of the board of  
investments. All the net earnings accruing to the resource  
indemnity trust fund ~~shall must~~ annually be added to the

trust fund until it has reached the sum of \$10 million.  
Thereafter, only the net earnings may be appropriated and  
expended until the fund reaches \$100 million. Thereafter,  
all net earnings and all receipts shall be appropriated by  
the legislature and expended, provided that the balance in  
the fund may never be less than \$100 million.

(b) In accordance with the legislative appropriative  
authority set out in subsection (1)(a), after the fund  
balance reaches \$100 million, 25% of all receipts are  
allocated to the state parks maintenance trust fund  
established in [section 2], to be used for state parks  
acquisition and maintenance as provided in [section 3].

(2) (a) At the beginning of each biennium, there is  
allocated from the interest income of the resource indemnity  
trust fund:

(i) an amount not to exceed \$175,000 to the  
environmental contingency account pursuant to the conditions  
of 75-1-1101; and

(ii) ~~beginning--in--fiscal--year--1992~~, an amount not to  
exceed \$50,000 to the oil and gas production damage  
mitigation account pursuant to the conditions of 82-11-161.

(b) The remainder of the interest income is allocated  
as follows:

~~(i) Beginning in fiscal year 1982, provided the amount  
in the resource indemnity trust fund is greater than \$10~~

million; An amount equal to 30% of the interest income of  
the resource indemnity trust fund must be allocated to the  
water development state special revenue account created by  
85-1-604.

(ii) Beginning--in--fiscal-year-1988; An amount equal to  
12% of the interest income of the resource indemnity trust  
fund must be allocated to the hazardous waste/CERCLA special  
revenue account provided for in 75-10-621.

(iii) Beginning--in--fiscal-year-1990; An amount equal to  
8% of the interest income from the resource indemnity trust  
fund must be allocated to the renewable resource development  
account provided for in Title 90, chapter 2.

(iv) Beginning--in--fiscal-year-1990; An amount equal to  
46% of the interest income from the resource indemnity trust  
fund must be allocated to the reclamation and development  
grants account provided for in 90-2-1104.

(v) Beginning--in--fiscal-year-1990; An amount equal to  
4% of the interest income of the resource indemnity trust  
fund must be allocated to the environmental quality  
protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the  
legislature or the executive branch that proposes to  
appropriate funds from the resource indemnity trust interest  
account other than as provided for by the allocations in  
subsection (2) must specify the amount of money from each

allocation that is proposed to be diverted and the proposed  
use of the diverted funds. A formal budget document includes  
a printed and publicly distributed budget proposal or  
recommendation, an introduced bill, or a bill developed  
during the legislative appropriation process or otherwise  
during a legislative session."

NEW SECTION. Section 2. Creation of state parks  
maintenance trust fund. There is a state parks maintenance  
trust fund in the nonexpendable trust fund type. The state  
parks maintenance trust fund must be credited with all money  
received under 15-38-202(1)(b).

NEW SECTION. Section 3. Expenditure of state parks  
maintenance trust fund interest -- comprehensive plan  
required. (1) All money paid into the state parks  
maintenance trust fund must be invested at the discretion of  
the board of investments. Interest income from the state  
parks maintenance trust fund ~~is statutorily appropriated, as~~  
~~provided--in--17-7-582,--to~~ MUST BE USED, SUBJECT TO  
LEGISLATIVE APPROPRIATION, BY the department of fish,  
wildlife, and parks for expenditure as provided in  
subsection (2).

(2) The department of fish, wildlife, and parks shall  
develop a long-range comprehensive plan for Montana's state  
park system after soliciting statewide input and comments  
from interested park users, sporting groups, and the general



public. The comprehensive plan is subject to approval by the fish, wildlife, and parks commission. Funds from the state parks maintenance trust fund may not be expended until a long-range comprehensive plan is developed and approved. Once a comprehensive plan is approved, the department may expend the earnings from the state parks maintenance trust fund, SUBJECT TO LEGISLATIVE APPROPRIATION, as follows:

(a) An amount necessary to address urgent state parks acquisition and maintenance may be expended.

(b) The remainder is to be expended in a timely and appropriate manner in accordance with the long-range comprehensive plan.

**Section 4.** ~~Section 17-7-502, MCA, is amended to read:--~~

~~"17-7-502. Statutory appropriations-----definition-----~~  
~~requisites-for-validity.-(1)-A-statutory-appropriation-is-an~~  
~~appropriation-made-by-permanent-law-that-authorizes-spending~~  
~~by---a---state---agency---without---the---need---for---a---biennial~~  
~~legislative-appropriation-or-budget-amendment;~~

~~(2)--Except--as--provided--in--subsection--(4),--to--be~~  
~~effective,--a--statutory-appropriation-must-comply-with-both~~  
~~of-the-following-provisions:~~

~~(a)--The-law-containing-the-statutory-authority-must--be~~  
~~listed-in-subsection-(3);~~

~~(b)--The--law--or--portion-of-the-law-making-a-statutory~~  
~~appropriation--must--specifically--state--that--a--statutory~~

~~appropriation-is-made-as-provided-in-this-section;~~

~~(3)--The-following-laws-are--the--only--laws--containing~~  
~~statutory---appropriations:---2-9-202,--2-17-105,--2-10-012,~~  
~~10-3-203,--10-3-312,--10-3-314,--10-4-301,--13-37-304,--15-1-111,~~  
~~15-23-706,--15-25-123,--15-31-702,--15-36-112,--15-37-117,~~  
~~15-65-121,--15-70-101,--16-1-404,--16-1-410,--16-1-411,~~  
~~17-3-212,--17-5-404,--17-5-424,--17-5-704,--17-5-804,--17-6-409,~~  
~~17-7-304,--19-5-404,--19-6-709,--19-8-504,--19-9-702,--19-9-1007,~~  
~~19-10-205,--19-10-305,--19-10-506,--19-11-512,--19-11-513,~~  
~~19-11-606,--19-12-301,--19-13-604,--19-15-101,--20-4-109,~~  
~~20-6-406,--20-8-111,--20-9-361,--20-26-1503,--22-3-011; [section~~  
~~3]; 23-5-136,--23-5-306,--23-5-409,--23-5-610,--23-5-612,~~  
~~23-5-631,--23-7-301,--23-7-402,--27-12-206,--37-43-204,~~  
~~37-51-501,--39-71-2504,--44-12-206,--44-13-102,--53-6-150,~~  
~~53-24-206,--61-5-121,--67-3-205,--75-1-1101,--75-5-507,~~  
~~75-5-1100,--75-11-313,--76-12-123,--77-1-808,--80-2-103,~~  
~~80-11-310,--82-11-136,--82-11-161,--85-1-220,--90-3-301,~~  
~~90-4-215,--90-6-331,--90-7-220,--and--90-9-306;~~

~~(4)--There--is--a--statutory--appropriation--to--pay--the~~  
~~principal, interest, premiums, and costs of issuing, paying,~~  
~~and securing all bonds, notes, or other obligations, as due,~~  
~~that have been authorized and issued pursuant to the laws of~~  
~~Montana. Agencies that have entered into agreements~~  
~~authorized by the laws of Montana to pay the state~~  
~~treasury for deposit in accordance with 17-2-101 through~~

1 17-2-187,--as--determined--by--the--state--treasurer,--an--amount  
 2 sufficient--to--pay--the--principal--and--interest--as--due--on--the  
 3 bonds--or--notes--have--statutory--appropriation--authority--for  
 4 the--payments--{in--subsection--(3)--pursuant--to--sec.--7,--Ch.  
 5 567,--b,--1991,--the--inclusion--of--19-6-789--terminates--upon  
 6 death--of--last--recipient--eligible--for--supplemental--benefit,  
 7 and--pursuant--to--sec.--18,--Ch.--748,--b,--1991,--the--inclusion--of  
 8 22-3-811--terminates--June--30,--1993.}"

9 NEW SECTION. **Section 4.** Codification instruction.  
 10 [Sections 2 and 3] are intended to be codified as an  
 11 integral part of Title 23, chapter 1, and the provisions of  
 12 Title 23, chapter 1, apply to [sections 2 and 3].

13 NEW SECTION. **Section 5.** Effective date. [This act] is  
 14 effective on passage and approval.

-End-