

INTRODUCED BY ELLIOTT, TASH

MARCH 19, 1993

FIRST READING.

MARCH 26, 1993

MARCH 27, 1993

PRINTING REPORT.

MARCH 29, 1993

SECOND READING, DO NOT PASS.

ON MOTION, PREVIOUS ACTION RECONSIDERED.

ON MOTION, RULES SUSPENDED TO ALLOW
BILL TO BE PLACED ON 2ND & 3RD
READING ON 71ST LEGISLATIVE DAY.

MARCH 30, 1993

SECOND READING, DO PASS.

ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 66; NOES, 33.

MARCH 31, 1993

TRANSMITTED TO SENATE.

APRIL 1, 1993

INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

FIRST READING.

APRIL 6, 1993

COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 12, 1993

SECOND READING, CONCURRED IN.

APRIL 13, 1993

THIRD READING, CONCURRED IN.
AYES, 35; NOES, 14.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 15, 1993

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 16, 1993

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 687
2 INTRODUCED BY Jeff Tish
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TEMPORARILY ALLOCATING
5 A PERCENTAGE OF COAL SEVERANCE TAX INTEREST TO A SPECIAL
6 REVENUE ACCOUNT FOR USE BY THE DEPARTMENT OF FISH, WILDLIFE,
7 AND PARKS FOR THE STABILIZATION AND PRESERVATION OF HISTORIC
8 AND CULTURAL SITES WITHIN THE STATE PARK SYSTEM; PROVIDING
9 AN APPROPRIATION; AMENDING SECTION 15-35-108, MCA; AND
10 PROVIDING AN EFFECTIVE DATE AND A TERMINATION 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. (Temporary) Disposal of severance taxes.
15 Severance taxes collected under this chapter must be
16 allocated according to the provisions in effect on the date
17 the tax is due under 15-35-104. Severance taxes collected
18 under the provisions of this chapter are allocated as
19 follows:

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

25 (2) Starting July 1, 1992, and ending June 30, 1993,

1 12% of coal severance tax collections are allocated to the
2 general 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) 17 1/2% to the credit of the local impact account.
8 Unencumbered funds remaining in the local impact account at
9 the end of each biennium are allocated to the state special
10 revenue fund for state equalization aid to public schools of
11 the state.

12 (b) 30% to the state special revenue fund for state
13 equalization aid to public schools of the state;

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

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

18 (e) 0% to a nonexpendable trust fund for the purpose of
19 parks management. Income from this trust fund must be
20 appropriated for the development, operation, and maintenance
21 of any sites and areas described in 23-1-102.

22 (f) 1% to the state special revenue fund to the credit
23 of the state library commission for the purposes of
24 providing basic library services for the residents of all
25 counties through library federations and for payment of the

1 costs of participating in regional and national networking;
 2 (g) 1/2 of 1% to the state special revenue fund for
 3 conservation districts;
 4 (h) 1 1/4% to the debt service fund type to the credit
 5 of the water development debt service fund;
 6 (i) 2% to the state special revenue fund for the
 7 Montana Growth Through Agriculture Act;
 8 (j) 1 2/3% to the Montana arts council, to be allocated
 9 as follows:
 10 (i) 42 1/2% for operating costs; and
 11 (ii) 57 1/2% to a nonexpendable trust fund for the
 12 purpose of protection of works of art in the state capitol
 13 and for other cultural and aesthetic projects. Income from
 14 this trust fund shall be appropriated for protection of
 15 works of art in the state capitol and for other cultural and
 16 aesthetic projects.
 17 (k) beginning July 1, 1991, and ending June 30, 1993,
 18 3 1/3% to a special revenue account to be used by the
 19 department of fish, wildlife, and parks for the development,
 20 operation, and maintenance of state parks and the
 21 stabilization and preservation of historic sites within the
 22 state park system;
 23 (l) all other revenues from severance taxes collected
 24 under the provisions of this chapter to the credit of the
 25 general fund of the state. (Terminates June 30, 1993--sec.

1 3, Ch. 615, L. 1991, and sec. 3, Ch. 8, Sp. L. January
 2 1992.)
 3 15-35-108. (Effective July 1, 1993) Disposal of
 4 severance taxes. Severance taxes collected under this
 5 chapter must be allocated according to the provisions in
 6 effect on the date the tax is due under 15-35-104. Severance
 7 taxes collected under the provisions of this chapter are
 8 allocated as follows:
 9 (1) To the trust fund created by Article IX, section 5,
 10 of the Montana constitution, 50% of total coal severance tax
 11 collections. The trust fund money must be deposited in the
 12 fund established under 17-6-203(6) and invested by the board
 13 of investments as provided by law.
 14 (2) Starting July 1, 1987, and ending June 30, 2003,
 15 12% of coal severance tax collections are allocated to the
 16 highway reconstruction trust fund account in the state
 17 special revenue fund.
 18 (3) Coal severance tax collections remaining after
 19 allocation to the trust fund under subsection (1) are
 20 allocated in the following percentages of the remaining
 21 balance:
 22 (a) 17 1/2% to the credit of the local impact account.
 23 Unencumbered funds remaining in the local impact account at
 24 the end of each biennium are allocated to the state special
 25 revenue fund for state equalization aid to public schools of

1 the state.

2 (b) 30% to the state special revenue fund for state
3 equalization aid to public schools of the state;

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

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

8 (e) ~~3-1/3%~~ 0% to a nonexpendable trust fund for the
9 purpose of parks acquisition or management. Income from this
10 trust fund must be appropriated for the acquisition,
11 development, operation, and maintenance of any sites and
12 areas described in 23-1-102.

13 (f) 1% to the state special revenue fund to the credit
14 of the state library commission for the purposes of
15 providing basic library services for the residents of all
16 counties through library federations and for payment of the
17 costs of participating in regional and national networking;

18 (g) 1/2 of 1% to the state special revenue fund for
19 conservation districts;

20 (h) 1 1/4% to the debt service fund type to the credit
21 of the water development debt service fund;

22 (i) 2% to the state special revenue fund for the
23 Montana Growth Through Agriculture Act;

24 (j) 1 2/3% to a nonexpendable trust fund for the
25 purpose of protection of works of art in the state capitol

1 and for other cultural and aesthetic projects. Income from
2 this trust fund shall be appropriated for protection of
3 works of art in the state capitol and other cultural and
4 aesthetic projects.

5 (k) beginning July 1, 1993, and ending June 30, 1995,
6 3 1/3% to a special revenue account to be used by the
7 department of fish, wildlife, and parks for the
8 stabilization and preservation of historic and cultural
9 sites within the state park system;

10 (l) all other revenues from severance taxes collected
11 under the provisions of this chapter to the credit of the
12 general fund of the state. (Terminates July 1, 2003--sec. 4,
13 Ch. 191, L. 1991.)

14 15-35-108. (Effective July 1, 2003) Disposal of
15 severance taxes. Severance taxes collected under this
16 chapter must be allocated according to the provisions in
17 effect on the date the tax is due under 15-35-104. Severance
18 taxes collected under the provisions of this chapter are
19 allocated as follows:

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21 of the Montana constitution, 50% of total coal severance tax
22 collections. The trust fund money must be deposited in the
23 fund established under 17-6-203(6) and invested by the board
24 of investments as provided by law.

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1 allocation to the trust fund under subsection (1) are
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6 the end of each biennium are allocated to the state special
7 revenue fund for state equalization aid to public schools of
8 the state.

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

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12 of the county land planning account;

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14 development bond fund;

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1 conservation districts;

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5 Montana Growth Through Agriculture Act;

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7 purpose of protection of works of art in the state capitol
8 and for other cultural and aesthetic projects. Income from
9 this trust fund shall be appropriated for protection of
10 works of art in the state capitol and other cultural and
11 aesthetic projects.

12 (k) all other revenues from severance taxes collected
13 under the provisions of this chapter to the credit of the
14 general fund of the state."

15 **NEW SECTION. Section 2. Appropriation -- contingent**
16 **applicability.** (1) The amount of \$1,042,000 is appropriated
17 from the special revenue account established in
18 15-35-108(3)(k) for the biennium ending June 30, 1995, to
19 the department of fish, wildlife, and parks for the purposes
20 of stabilization and preservation of historic and cultural
21 sites within the state park system.

22 (2) The appropriation in subsection (1) constitutes
23 legislative consent, within the meaning of 18-2-102, for the
24 capital projects contained in subsection (1).

25 (3) The appropriation in subsection (1) is subject to

LC 1533/01

1 the terms and conditions of [sections 1 through 9] of House
2 Bill No. 5 if that bill is passed and approved by the 53rd
3 legislature.

4 NEW SECTION. **Section 3.** Effective date. [This act] is
5 effective July 1, 1993.

6 NEW SECTION. **Section 4.** Termination. [This act]
7 terminates June 30, 1995.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0687, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act temporarily allocating a percentage of coal severance tax interest to a special revenue account for use by the Department of Fish, Wildlife, and Parks for the stabilization and preservation of historic and cultural sites within the state park system; providing an appropriation; and providing an effective date and a termination date.

ASSUMPTIONS:

1. Coal severance tax collections are \$40,396,000 in FY94 and \$40,286,000 in FY95 (ROC).

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Coal Severance Tax	\$40,396,000	\$40,396,000	\$0	\$40,286,000	\$40,286,000	\$0
Permanent trust	20,198,000	20,198,000	0	20,143,000	20,143,000	0
Highway trust	4,848,000	4,848,000	0	4,834,000	4,834,000	0
Local impact account	2,686,000	2,686,000	0	2,679,000	2,679,000	0
School equalization	4,605,000	4,605,000	0	4,593,000	4,593,000	0
County land planning	154,000	154,000	0	153,000	153,000	0
Renewable resources fund	192,000	192,000	0	191,000	191,000	0
State parks trust	512,000	0	(512,000)	510,000	0	(510,000)
Parks historic preservation	0	512,000	512,000	0	510,000	510,000
State library	154,000	154,000	0	153,000	153,000	0
Conservation districts	77,000	77,000	0	77,000	77,000	0
Water development	192,000	192,000	0	191,000	191,000	0
MT Growth through AG	307,000	307,000	0	306,000	306,000	0
Art/Capitol preservation	256,000	256,000	0	255,000	255,000	0
<u>General Fund</u>	<u>6,215,000</u>	<u>6,215,000</u>	<u>0</u>	<u>6,201,000</u>	<u>6,201,000</u>	<u>0</u>
Total	\$40,396,000	\$40,396,000	\$0	\$40,286,000	\$40,286,000	\$0

The temporary diversion from the state parks trust would decrease interest earnings by \$15,000 in FY94 and \$50,000 in FY95.

TECHNICAL NOTE:

The title of the bill indicates the proposed legislation allocates coal severance tax interest, when in reality the bill allocates coal severance tax collections.

David Lewis 3-23-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Jim Elliott 3-23-93
JIM ELLIOTT, PRIMARY SPONSOR DATE

Fiscal Note for HB0687, as introduced

HB 687

APPROVED BY COMMITTEE
ON TAXATION

1 House Bill NO. 687
2 INTRODUCED BY Jeff Tash
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TEMPORARILY ALLOCATING
5 A PERCENTAGE OF COAL SEVERANCE TAX INTEREST TO A SPECIAL
6 REVENUE ACCOUNT FOR USE BY THE DEPARTMENT OF FISH, WILDLIFE,
7 AND PARKS FOR THE STABILIZATION AND PRESERVATION OF HISTORIC
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9 AN APPROPRIATION; AMENDING SECTION 15-35-108, MCA; AND
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19 follows:

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21 of the Montana constitution, 50% of total coal severance tax
22 collections. The trust fund money must be deposited in the
23 fund established under 17-6-203(6) and invested by the board
24 of investments as provided by law.

25 (2) Starting July 1, 1992, and ending June 30, 1993,

1 12% of coal severance tax collections are allocated to the
2 general 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) 17 1/2% to the credit of the local impact account.
8 Unencumbered funds remaining in the local impact account at
9 the end of each biennium are allocated to the state special
10 revenue fund for state equalization aid to public schools of
11 the state.

12 (b) 30% to the state special revenue fund for state
13 equalization aid to public schools of the state;

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

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

18 (e) 0% to a nonexpendable trust fund for the purpose of
19 parks management. Income from this trust fund must be
20 appropriated for the development, operation, and maintenance
21 of any sites and areas described in 23-1-102.

22 (f) 1% to the state special revenue fund to the credit
23 of the state library commission for the purposes of
24 providing basic library services for the residents of all
25 counties through library federations and for payment of the

costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 1/4% to the debt service fund type to the credit of the water development debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) 1 2/3% to the Montana arts council, to be allocated as follows:

(i) 42 1/2% for operating costs; and

(ii) 57 1/2% to a nonexpendable trust fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Income from this trust fund shall be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(k) beginning July 1, 1991, and ending June 30, 1993, 3 1/3% to a special revenue account to be used by the department of fish, wildlife, and parks for the development, operation, and maintenance of state parks and the stabilization and preservation of historic sites within the state park system;

(l) all other revenues from severance taxes collected under the provisions of this chapter to the credit of the general fund of the state. (Terminates June 30, 1993--sec.

3, Ch. 615, L. 1991, and sec. 3, Ch. 8, Sp. L. January 1992.)

15-35-108. (Effective July 1, 1993) Disposal of severance taxes. Severance taxes collected under this chapter must be allocated according to the provisions in effect on the date the tax is due under 15-35-104. Severance taxes collected under the provisions of this chapter are allocated as follows:

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

(2) Starting July 1, 1987, and ending June 30, 2003, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of

1 the state.

2 (b) 30% to the state special revenue fund for state
3 equalization aid to public schools of the state;

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

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22 (i) 2% to the state special revenue fund for the
23 Montana Growth Through Agriculture Act;

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6 3 1/3% to a special revenue account to be used by the
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24 of investments as provided by law.

25 (2) Coal severance tax collections remaining after

1 allocation to the trust fund under subsection (1) are
2 allocated in the following percentages of the remaining
3 balance:

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12 (k) all other revenues from severance taxes collected
13 under the provisions of this chapter to the credit of the
14 general fund of the state."

15 NEW SECTION. Section 2. Appropriation -- contingent
16 applicability. (1) The amount of \$1,042,000 is appropriated
17 from the special revenue account established in
18 15-35-108(3)(k) for the biennium ending June 30, 1995, to
19 the department of fish, wildlife, and parks for the purposes
20 of stabilization and preservation of historic and cultural
21 sites within the state park system.

22 (2) The appropriation in subsection (1) constitutes
23 legislative consent, within the meaning of 18-2-102, for the
24 capital projects contained in subsection (1).

25 (3) The appropriation in subsection (1) is subject to

LC 1533/01

1 the terms and conditions of [sections 1 through 9] of House
2 Bill No. 5 if that bill is passed and approved by the 53rd
3 legislature.

4 NEW SECTION. Section 3. Effective date. [This act] is
5 effective July 1, 1993.

6 NEW SECTION. Section 4. Termination. [This act]
7 terminates June 30, 1995.

-End-

1 House BILL NO. 687
2 INTRODUCED BY Jeff Tuck
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4 A BILL FOR AN ACT ENTITLED: "AN ACT TEMPORARILY ALLOCATING
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3, Ch. 615, L. 1991, and sec. 3, Ch. 8, Sp. L. January 1992.)

15-35-108. (Effective July 1, 1993) Disposal of severance taxes. Severance taxes collected under this chapter must be allocated according to the provisions in effect on the date the tax is due under 15-35-104. Severance taxes collected under the provisions of this chapter are allocated as follows:

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

(2) Starting July 1, 1987, and ending June 30, 2003, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after allocation to the trust fund under subsection (1) are allocated in the following percentages of the remaining balance:

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of

1 the state.

2 (b) 30% to the state special revenue fund for state
3 equalization aid to public schools of the state;

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

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

8 (e) 3-2/3% 0% to a nonexpendable trust fund for the
9 purpose of parks acquisition or management. Income from this
10 trust fund must be appropriated for the acquisition,
11 development, operation, and maintenance of any sites and
12 areas described in 23-1-102.

13 (f) 1% to the state special revenue fund to the credit
14 of the state library commission for the purposes of
15 providing basic library services for the residents of all
16 counties through library federations and for payment of the
17 costs of participating in regional and national networking;

18 (g) 1/2 of 1% to the state special revenue fund for
19 conservation districts;

20 (h) 1 1/4% to the debt service fund type to the credit
21 of the water development debt service fund;

22 (i) 2% to the state special revenue fund for the
23 Montana Growth Through Agriculture Act;

24 (j) 1 2/3% to a nonexpendable trust fund for the
25 purpose of protection of works of art in the state capitol

1 and for other cultural and aesthetic projects. Income from
2 this trust fund shall be appropriated for protection of
3 works of art in the state capitol and other cultural and
4 aesthetic projects.

5 (k) beginning July 1, 1993, and ending June 30, 1995,
6 3 1/3% to a special revenue account to be used by the
7 department of fish, wildlife, and parks for the
8 stabilization and preservation of historic and cultural
9 sites within the state park system;

10 (1) all other revenues from severance taxes collected
11 under the provisions of this chapter to the credit of the
12 general fund of the state. (Terminates July 1, 2003--sec. 4,
13 Ch. 191, L. 1991.)

14 15-35-108. (Effective July 1, 2003) Disposal of
15 severance taxes. Severance taxes collected under this
16 chapter must be allocated according to the provisions in
17 effect on the date the tax is due under 15-35-104. Severance
18 taxes collected under the provisions of this chapter are
19 allocated as follows:

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

25 (2) Coal severance tax collections remaining after

1 allocation to the trust fund under subsection (1) are
2 allocated in the following percentages of the remaining
3 balance:

4 (a) 17 1/2% to the credit of the local impact account.
5 Unencumbered funds remaining in the local impact account at
6 the end of each biennium are allocated to the state special
7 revenue fund for state equalization aid to public schools of
8 the state.

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

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

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

15 (e) 3 1/3% to a nonexpendable trust fund for the
16 purpose of parks acquisition or management. Income from this
17 trust fund must be appropriated for the acquisition,
18 development, operation, and maintenance of any sites and
19 areas described in 23-1-102.

20 (f) 1% to the state special revenue fund to the credit
21 of the state library commission for the purposes of
22 providing basic library services for the residents of all
23 counties through library federations and for payment of the
24 costs of participating in regional and national networking;

25 (g) 1/2 of 1% to the state special revenue fund for

1 conservation districts;

2 (h) 1 1/4% to the debt service fund type to the credit
3 of the water development debt service fund;

4 (i) 2% to the state special revenue fund for the
5 Montana Growth Through Agriculture Act;

6 (j) 1 2/3% to a nonexpendable trust fund for the
7 purpose of protection of works of art in the state capitol
8 and for other cultural and aesthetic projects. Income from
9 this trust fund shall be appropriated for protection of
10 works of art in the state capitol and other cultural and
11 aesthetic projects.

12 (k) all other revenues from severance taxes collected
13 under the provisions of this chapter to the credit of the
14 general fund of the state."

15 NEW SECTION. Section 2. Appropriation -- contingent
16 applicability. (1) The amount of \$1,042,000 is appropriated
17 from the special revenue account established in
18 15-35-108(3)(k) for the biennium ending June 30, 1995, to
19 the department of fish, wildlife, and parks for the purposes
20 of stabilization and preservation of historic and cultural
21 sites within the state park system.

22 (2) The appropriation in subsection (1) constitutes
23 legislative consent, within the meaning of 18-2-102, for the
24 capital projects contained in subsection (1).

25 (3) The appropriation in subsection (1) is subject to

LC 1533/01

1 the terms and conditions of [sections 1 through 9] of House
2 Bill No. 5 if that bill is passed and approved by the 53rd
3 legislature.

4 NEW SECTION. Section 3. Effective date. [This act] is
5 effective July 1, 1993.

6 NEW SECTION. Section 4. Termination. [This act]
7 terminates June 30, 1995.


-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 8, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 687 (third reading copy -- blue), respectfully report that House Bill No. 687 be amended as follows and as so amended be concurred in.

Signed: 

Senator Mike Halligan, Chair

That such amendments read:

1. Title, line 5.
Following: "OF"
Insert: "THE"
Strike: "INTEREST"

-END-

SENATE

HB 687

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 Amd. Coord.

Sec. of Senate

Towe

Senator Carrying Bill

HOUSE BILL NO. 687

INTRODUCED BY ELLIOTT, TASH

A BILL FOR AN ACT ENTITLED: "AN ACT TEMPORARILY ALLOCATING A PERCENTAGE OF THE COAL SEVERANCE TAX ~~INTEREST~~ TO A SPECIAL REVENUE ACCOUNT FOR USE BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR THE STABILIZATION AND PRESERVATION OF HISTORIC AND CULTURAL SITES WITHIN THE STATE PARK SYSTEM; PROVIDING AN APPROPRIATION; AMENDING SECTION 15-35-108, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

Section 1. Section 15-35-108, MCA, is amended to read:**"15-35-108. (Temporary) Disposal of severance taxes.**

Severance taxes collected under this chapter must be allocated according to the provisions in effect on the date the tax is due under 15-35-104. Severance taxes collected under the provisions of this chapter are allocated as follows:

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

(2) Starting July 1, 1992, and ending June 30, 1993,

12% of coal severance tax collections are allocated to the general fund.

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

(a) 17 1/2% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the state special revenue fund for state equalization aid to public schools of the state.

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

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

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

(e) 0% to a nonexpendable trust fund for the purpose of parks management. Income from this trust fund must be appropriated for the development, operation, and maintenance of any sites and areas described in 23-1-102.

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the

1 costs of participating in regional and national networking;
 2 (g) 1/2 of 1% to the state special revenue fund for
 3 conservation districts;
 4 (h) 1 1/4% to the debt service fund type to the credit
 5 of the water development debt service fund;
 6 (i) 2% to the state special revenue fund for the
 7 Montana Growth Through Agriculture Act;
 8 (j) 1 2/3% to the Montana arts council, to be allocated
 9 as follows:
 10 (i) 42 1/2% for operating costs; and
 11 (ii) 57 1/2% to a nonexpendable trust fund for the
 12 purpose of protection of works of art in the state capitol
 13 and for other cultural and aesthetic projects. Income from
 14 this trust fund shall be appropriated for protection of
 15 works of art in the state capitol and for other cultural and
 16 aesthetic projects.
 17 (k) beginning July 1, 1991, and ending June 30, 1993,
 18 3 1/3% to a special revenue account to be used by the
 19 department of fish, wildlife, and parks for the development,
 20 operation, and maintenance of state parks and the
 21 stabilization and preservation of historic sites within the
 22 state park system;
 23 (l) all other revenues from severance taxes collected
 24 under the provisions of this chapter to the credit of the
 25 general fund of the state. (Terminates June 30, 1993--sec.

1 3, Ch. 615, L. 1991, and sec. 3, Ch. 8, Sp. L. January
 2 1992.)
 3 15-35-108. (Effective July 1, 1993) Disposal of
 4 severance taxes. Severance taxes collected under this
 5 chapter must be allocated according to the provisions in
 6 effect on the date the tax is due under 15-35-104. Severance
 7 taxes collected under the provisions of this chapter are
 8 allocated as follows:
 9 (1) To the trust fund created by Article IX, section 5,
 10 of the Montana constitution, 50% of total coal severance tax
 11 collections. The trust fund money must be deposited in the
 12 fund established under 17-6-203(6) and invested by the board
 13 of investments as provided by law.
 14 (2) Starting July 1, 1987, and ending June 30, 2003,
 15 12% of coal severance tax collections are allocated to the
 16 highway reconstruction trust fund account in the state
 17 special revenue fund.
 18 (3) Coal severance tax collections remaining after
 19 allocation to the trust fund under subsection (1) are
 20 allocated in the following percentages of the remaining
 21 balance:
 22 (a) 17 1/2% to the credit of the local impact account.
 23 Unencumbered funds remaining in the local impact account at
 24 the end of each biennium are allocated to the state special
 25 revenue fund for state equalization aid to public schools of

1 the state.

2 (b) 30% to the state special revenue fund for state
3 equalization aid to public schools of the state;

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

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

8 (e) ~~3-1/3%~~ 0% to a nonexpendable trust fund for the
9 purpose of parks acquisition or management. Income from this
10 trust fund must be appropriated for the acquisition,
11 development, operation, and maintenance of any sites and
12 areas described in 23-1-102.

13 (f) 1% to the state special revenue fund to the credit
14 of the state library commission for the purposes of
15 providing basic library services for the residents of all
16 counties through library federations and for payment of the
17 costs of participating in regional and national networking;

18 (g) 1/2 of 1% to the state special revenue fund for
19 conservation districts;

20 (h) 1 1/4% to the debt service fund type to the credit
21 of the water development debt service fund;

22 (i) 2% to the state special revenue fund for the
23 Montana Growth Through Agriculture Act;

24 (j) 1 2/3% to a nonexpendable trust fund for the
25 purpose of protection of works of art in the state capitol

1 and for other cultural and aesthetic projects. Income from
2 this trust fund shall be appropriated for protection of
3 works of art in the state capitol and other cultural and
4 aesthetic projects.

5 (k) beginning July 1, 1993, and ending June 30, 1995,
6 3 1/3% to a special revenue account to be used by the
7 department of fish, wildlife, and parks for the
8 stabilization and preservation of historic and cultural
9 sites within the state park system;

10 (l) all other revenues from severance taxes collected
11 under the provisions of this chapter to the credit of the
12 general fund of the state. (Terminates July 1, 2003--sec. 4,
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2 allocated in the following percentages of the remaining
3 balance:

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5 Unencumbered funds remaining in the local impact account at
6 the end of each biennium are allocated to the state special
7 revenue fund for state equalization aid to public schools of
8 the state.

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

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

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

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16 purpose of parks acquisition or management. Income from this
17 trust fund must be appropriated for the acquisition,
18 development, operation, and maintenance of any sites and
19 areas described in 23-1-102.

20 (f) 1% to the state special revenue fund to the credit
21 of the state library commission for the purposes of
22 providing basic library services for the residents of all
23 counties through library federations and for payment of the
24 costs of participating in regional and national networking;

25 (g) 1/2 of 1% to the state special revenue fund for

1 conservation districts;

2 (h) 1 1/4% to the debt service fund type to the credit
3 of the water development debt service fund;

4 (i) 2% to the state special revenue fund for the
5 Montana Growth Through Agriculture Act;

6 (j) 1 2/3% to a nonexpendable trust fund for the
7 purpose of protection of works of art in the state capitol
8 and for other cultural and aesthetic projects. Income from
9 this trust fund shall be appropriated for protection of
10 works of art in the state capitol and other cultural and
11 aesthetic projects.

12 (k) all other revenues from severance taxes collected
13 under the provisions of this chapter to the credit of the
14 general fund of the state."

15 **NEW SECTION. Section 2. Appropriation -- contingent**
16 **applicability.** (1) The amount of \$1,042,000 is appropriated
17 from the special revenue account established in
18 15-35-108(3)(k) for the biennium ending June 30, 1995, to
19 the department of fish, wildlife, and parks for the purposes
20 of stabilization and preservation of historic and cultural
21 sites within the state park system.

22 (2) The appropriation in subsection (1) constitutes
23 legislative consent, within the meaning of 18-2-102, for the
24 capital projects contained in subsection (1).

25 (3) The appropriation in subsection (1) is subject to

1 the terms and conditions of [sections 1 through 9] of House
2 Bill No. 5 if that bill is passed and approved by the 53rd
3 legislature.

4 NEW SECTION. **Section 3. Effective date.** [This act] is
5 effective July 1, 1993.

6 NEW SECTION. **Section 4. Termination.** [This act]
7 terminates June 30, 1995.

-End-