

SENATE BILL NO. 378

INTRODUCED BY GROSFIELD, BARDANOUVE, BERGSAGEL, KEATING,
DRISCOLL, PECK, WANZENRIED, GAGE, NATHE, JACOBSON, COBB,
FRITZ, GRINDE, STANG, TOEWS, AKLESTAD, SWIFT, TOOLE,
ZOOK, CRIPPEN

IN THE SENATE

FEBRUARY 12, 1993

INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

FIRST READING.

MARCH 27, 1993

COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 29, 1993

PRINTING REPORT.

SECOND READING, DO PASS AS AMENDED.

MARCH 30, 1993

ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 47; NOES, 3.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 31, 1993

INTRODUCED AND REFERRED TO COMMITTEE
ON APPROPRIATIONS.

FIRST READING.

APRIL 7, 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, 91; NOES, 9.

APRIL 14, 1993

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 16, 1993

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 17, 1993

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senators* BILL NO. *378*
2 INTRODUCED BY *Griffith* *Brundage* *Beck*
3 *Driscoll* *Beck* *unmarked* *NATHAN* *Beck*
4 *Stang* *Beck* *unmarked* *Beck* *unmarked* *Beck*
5 *Beck* *unmarked* *Beck* *unmarked* *Beck* *unmarked*
6 BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING CERTAIN
7 SPECIAL REVENUE ACCOUNTS; PROVIDING FOR THE REVIEW AND
8 FUTURE ELIMINATION OF OTHER SPECIAL REVENUE ACCOUNTS;
9 PROVIDING THAT APPROPRIATIONS FROM FORMER SPECIAL REVENUE
10 ACCOUNTS ARE FROM THE GENERAL FUND; AMENDING SECTIONS
11 1-11-301, 2-4-313, 2-15-212, 2-17-105, 2-18-403, 5-11-209,
12 5-13-403, 7-21-2105, 15-1-501, 15-25-122, 15-35-108,
13 16-1-404, 16-1-411, 17-7-502, 18-2-103, 20-4-109, 20-7-201,
14 20-7-457, 20-9-331, 20-9-333, 20-9-343, 20-10-203, 22-2-301,
15 22-2-304, 22-2-321, 23-1-108, 31-1-221, 31-1-602, 32-1-213,
16 32-1-215, 32-2-102, 32-2-110, 32-3-201, 32-5-201, 32-7-110,
17 40-8-110, 44-3-302, 44-12-206, 44-13-103, 46-18-248,
18 46-18-250, 49-2-510, 50-1-202, 50-2-108, 50-15-111,
19 50-50-205, 50-50-305, 50-51-204, 50-51-303, 50-52-202,
20 50-52-302, 50-53-203, 50-53-218, 50-60-508, 50-71-325,
21 53-2-813, 53-9-104, 53-9-109, 53-24-108, 60-11-123,
22 61-4-517, 61-5-121, 75-2-211, 75-2-212, 75-2-508, 75-2-514,
23 75-3-502, 75-6-104, 75-6-108, 75-6-109, 75-6-114, 75-10-447,
24 75-10-954, 75-11-213, 75-11-227, 75-20-112, 75-20-215,
25 75-20-408, 76-4-1108, 76-4-1212, 76-4-1213, 76-13-209,
76-15-530, 80-7-704, 80-7-810, 80-7-814, 80-7-1105,
80-8-116, 80-10-207, 80-10-208, 80-10-509, 80-15-302,

1 81-3-231, 81-7-105, 81-7-122, 81-8-216, 81-8-279, 81-8-304,
2 81-23-204, 81-23-403, 82-4-311, 85-2-123, 85-2-124,
3 85-3-213, 90-3-305, AND 90-3-525, MCA; REPEALING SECTIONS
4 15-25-121, 15-25-123, 20-3-108, 50-50-216, 50-51-110,
5 50-52-210, 60-11-122, 75-6-115, AND 81-7-119, MCA; AND
6 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 NEW SECTION. **Section 1. Legislative findings.** (1) The
10 legislature finds that provisions for dedicating state
11 revenue have increased in number, reduce legislative control
12 over state spending, complicate the state funding structure,
13 and increase the effort required to budget, appropriate, and
14 monitor public funds. The dedication of funds results in the
15 inability of the legislature to practically and
16 systematically conduct reasoned prioritization of programs
17 or funds.

18 (2) It is the intent of the legislature, by
19 establishing a system for the review and evaluation of
20 revenue dedication provisions, to ensure that provisions for
21 revenue dedication:

22 (a) are based on sound principles of revenue
23 dedication;

24 (b) reflect present circumstances and legislative
25 priorities for state spending; and

(c) are terminated when they no longer are necessary or appropriate.

NEW SECTION. Section 2. Definitions. As used in [sections 1 through 8], unless the context requires otherwise, the following definitions apply:

(1) "Dedicated revenue provision" means an administrative or legislative action that allocates the revenue from a tax, fee, assessment, or other source to an account in the state special revenue fund.

(2) "State special revenue fund" means a fund in the state treasury consisting of money from state sources that is earmarked for the purposes of defraying particular costs of an agency, program, or function of state government, as provided in 17-2-102.

NEW SECTION. Section 3. Transfer of fund balances to general fund. On [the effective date of this act], the balance remaining in each special revenue account designated in [sections 9 through 114] must be deposited in the general fund.

NEW SECTION. Section 4. Effect of termination. (1) If the legislature has appropriated the revenue from an account provided for in [sections 9 through 114], the appropriation is considered to have been made from the general fund.

(2) All assets, liabilities, and fund balances of accounts terminated by [sections 9 through 114] accrue to

the general fund.

NEW SECTION. Section 5. termination of other dedicated revenue provisions. (1) A dedicated revenue provision established by administrative or legislative action before July 1, 1993, and not listed in [sections 9 through 114] terminates July 1, 1995.

(2) A dedicated revenue provision established by administrative or legislative action after July 1, 1993, terminates on July 1 of the 4th year after its effective date.

(3) All assets, liabilities, and fund balances of accounts terminated by this section accrue to the general fund.

(4) Wherever the term "state special revenue fund" appears in code sections that establish a dedicated revenue provision terminated by this section, it is changed to "general fund".

NEW SECTION. Section 6. Reestablishment. A dedicated revenue provision scheduled for termination under [section 5] may be reestablished by the legislature for a period of time not to exceed 4 years. At the end of that period, the legislature shall review the provision, as provided in [section 7], and may terminate, reestablish, or modify the provision.

NEW SECTION. Section 7. Legislative review and report.

1 (1) The legislative finance committee shall review each
 2 dedicated revenue provision scheduled for termination under
 3 [section 5]. The review must be completed at least 6 months
 4 before the date set for termination.

5 (2) The review conducted by the committee must include
 6 an evaluation of the dedicated revenue provision, based on
 7 whether it:

8 (a) provides direct benefits for those who pay the
 9 dedicated tax, fee, or assessment;

10 (b) provides special information or other advantages
 11 that could not be obtained if the revenue were allocated to
 12 the general fund;

13 (c) provides program funding at a level equivalent to
 14 the expenditures established by the legislature;

15 (d) involves collection and allocation formulas that
 16 are appropriate to the present circumstances in state
 17 government;

18 (e) impairs the legislature's ability to scrutinize
 19 budgets, control expenditures, and establish priorities for
 20 state spending;

21 (f) results in an inappropriate ending fund balance;

22 (g) fulfills a continuing, legislatively recognized
 23 need; and

24 (h) results in accounting or auditing inefficiency.

25 (3) The committee shall establish procedures to

1 facilitate the review and evaluation required by this
 2 section. Each interim, the committee shall attempt to
 3 propose measures that will reduce dedicated revenue to an
 4 amount that is less than one-third of all state revenue. If
 5 the review determines that the revenue dedication is
 6 constitutionally mandated, is for debt service, or funds
 7 emergency services, the review dedication does not need a
 8 future review.

9 (4) Upon completion of the review, the committee shall
 10 report a summary of its findings to the legislature,
 11 including its recommendation of termination or
 12 reestablishment, with or without modification, of the
 13 dedicated revenue provision. The summary must include the
 14 purpose of the revenue dedication, the source of funding,
 15 the activity funded, the number of personnel associated with
 16 the activity, and any balance in the dedicated revenue fund.
 17 The summary must state whether the revenue dedication is
 18 constitutionally mandated, is for debt service, or funds
 19 emergency services.

20 **NEW SECTION. Section 8. Review of legislation.** The
 21 office of budget and program planning shall, consistent with
 22 the review provisions in [section 7], review each piece of
 23 legislation that proposes to dedicate revenue. The office
 24 shall submit its findings concerning the dedication of
 25 revenue on the fiscal notes accompanying that legislation.

Section 9. Section 1-11-301, MCA, is amended to read:

"1-11-301. Publication and sale of Montana Code Annotated -- free distribution. (1) The legislative council with the advice of the code commissioner shall decide on the quantity, quality, style, format, and grade of all publications prior to having the code commissioner call for bids for the printing and binding and contract for their publication. The code commissioner shall follow the requirements of state law relating to contracts and bids, except as herein provided in this section.

(2) The methods of sale to the public of the Montana Code Annotated and supplements or other subsequent and ancillary publications thereto may be included as an alternative specification and bid and as a part of a contract to be let by bids by the code commissioner.

(3) The sales price to the public shall be fixed by the legislative council but may not exceed the cost price plus 20%. All revenues generated from the sale of the Montana Code Annotated or ancillary publications ~~shall must~~ be deposited in the ~~state-special-revenue~~ general fund, ~~and from which fund appropriations may~~ Appropriations must be made for the use of the office and facilities of the legislative council under this chapter.

(4) Sets of the Montana Code Annotated purchased by the state or Montana local governmental agencies that are

supported by public funds ~~shall~~ must be for the cost price of the sets.

(5) (a) The Montana Code Annotated and supplements and other subsequent and ancillary publications except annotations ~~shall~~ must be provided at no cost to the following:

(i) each library designated as a depository library under 22-1-214, one copy;

(ii) each library designated as a federation headquarters library under 22-1-402, one copy.

(b) The state law library in Helena shall be provided with four copies of the Montana Code Annotated and supplements including annotations and other subsequent and ancillary publications.

(c) The legislative council shall include in the cost price of the code the cost of providing the copies under this subsection."

Section 10. Section 2-4-313, MCA, is amended to read:

"2-4-313. (Temporary) Distribution, costs, and maintenance. (1) The secretary of state shall distribute copies of ARM and supplements or revisions thereto to ARM to the following:

(a) attorney general, one copy;

(b) clerk of United States district court for the district of Montana, one copy;

(c) clerk of United States court of appeals for the ninth circuit, one copy;

(d) county commissioners or governing body of each county of this state, for use of county officials and the public, at least one but not more than two copies, which may be maintained in a public library in the county seat or in the county offices as the county commissioners or governing body of the county may determine;

(e) state law library, one copy;

(f) state historical society, one copy;

(g) each unit of the Montana university system, one copy;

(h) law library of the university of Montana, one copy;

(i) legislative council, two copies;

(j) library of congress, one copy;

(k) state library, one copy.

(2) The secretary of state, each county in the state, and the librarians for the state law library and the university of Montana law library shall maintain a complete, current set of ARM, including supplements or revisions thereto to ARM. Such The enumerated persons shall also maintain the register issues published during the preceding 2 years. The secretary of state shall also maintain a permanent set of the registers.

(3) The secretary of state shall make copies of and

subscriptions to ARM and supplements or revisions thereto to ARM and the register available to any person at prices fixed in accordance with subsection (4).

(4) The secretary of state, in consultation with the administrative code committee, shall determine the cost of supplying copies of ARM and supplements or revisions thereto to ARM and the register to persons not listed in subsection (1). The cost shall be the approximate cost of publication of such copies, including indexing, printing or duplicating, and mailing. However, a uniform price per page or group of pages may be established without regard to differences in cost of printing different parts of ARM and supplements or revisions thereto to ARM and the register.

(5) The secretary of state shall deposit fees he ~~collects--in--the--amount-of--\$20,000--for--fiscal--year--1993~~ in the general fund ~~on--or--before--June--30,--1993,--and--shall~~ deposit ~~all--other--fees--in--an--account--within--the--state~~ special-revenue-fund-created for paying the expenses of publication of ARM and the register.

(6) The secretary of state may charge agencies a filing fee for all material to be published in ARM or the register. ~~He~~ The secretary of state shall fix, in consultation with the administrative code committee, the fee to cover the costs of supplying copies of ARM and supplements or revisions thereto to ARM and the register to the persons

1 listed in subsection (1). The cost shall be the approximate
 2 cost of publication of such copies, including indexing,
 3 printing or duplicating, and mailing. However, a uniform
 4 price per page or group of pages may be established without
 5 regard to differences in cost of printing different parts of
 6 ARM and supplements or revisions thereto to ARM and the
 7 register. (Terminates July 1, 1993--sec. 3, Ch. 6, Sp. L.
 8 January 1992.)

9 2-4-313. (Effective July 1, 1993) Distribution, costs,
 10 and maintenance. (1) The secretary of state shall distribute
 11 copies of ARM and supplements or revisions thereto to ARM to
 12 the following:

13 (a) attorney general, one copy;

14 (b) clerk of United States district court for the
 15 district of Montana, one copy;

16 (c) clerk of United States court of appeals for the
 17 ninth circuit, one copy;

18 (d) county commissioners or governing body of each
 19 county of this state, for use of county officials and the
 20 public, at least one but not more than two copies, which may
 21 be maintained in a public library in the county seat or in
 22 the county offices as the county commissioners or governing
 23 body of the county may determine;

24 (e) state law library, one copy;

25 (f) state historical society, one copy;

1 (g) each unit of the Montana university system, one
 2 copy;

3 (h) law library of the university of Montana, one copy;

4 (i) legislative council, two copies;

5 (j) library of congress, one copy;

6 (k) state library, one copy.

7 (2) The secretary of state, each county in the state,
 8 and the librarians for the state law library and the
 9 university of Montana law library shall maintain a complete,
 10 current set of ARM, including supplements or revisions
 11 thereto to ARM. Such The enumerated persons shall also
 12 maintain the register issues published during the preceding
 13 2 years. The secretary of state shall also maintain a
 14 permanent set of the registers.

15 (3) The secretary of state shall make copies of and
 16 subscriptions to ARM and supplements or revisions thereto to
 17 ARM and the register available to any person at prices fixed
 18 in accordance with subsection (4).

19 (4) The secretary of state, in consultation with the
 20 administrative code committee, shall determine the cost of
 21 supplying copies of ARM and supplements or revisions thereto
 22 to ARM and the register to persons not listed in subsection
 23 (1). The cost shall be the approximate cost of publication
 24 of such copies, including indexing, printing or duplicating,
 25 and mailing. However, a uniform price per page or group of

pages may be established without regard to differences in cost of printing different parts of ARM and supplements or revisions thereto to ARM and the register.

(5) The secretary of state shall deposit all fees he collects in an account--within the state special--revenue general fund created for paying the expenses of publication of ARM and the register.

(6) The secretary of state may charge agencies a filing fee for all material to be published in ARM or the register. ~~He~~ The secretary of state shall fix, in consultation with the administrative code committee, the fee to cover the costs of supplying copies of ARM and supplements or revisions thereto to ARM and the register to the persons listed in subsection (1). The cost shall be the approximate cost of publication of such copies, including indexing, printing or duplicating, and mailing. However, a uniform price per page or group of pages may be established without regard to differences in cost of printing different parts of ARM and supplements or revisions thereto to ARM and the register."

Section 11. Section 2-15-212, MCA, is amended to read:

"2-15-212. Reserved water rights compact commission.

(1) There is created a reserved water rights compact commission.

(2) Commissioners are appointed as follows:

(a) two members of the house of representatives appointed by the speaker, each from a different political party;

(b) two members of the senate appointed by the president, each from a different political party;

(c) four members designated by the governor; and

(d) one member designated by the attorney general.

(3) Legislative members of the commission are entitled to receive compensation and expenses as provided in 5-2-301 for each day actually spent on commission business. Other members are entitled to salary and expenses as state employees.

(4) The commission is attached to the governor's office for administrative purposes only. The costs of the commission shall be paid from funds appropriated for that purpose from the ~~water---right---adjudication---account established-in-85-2-241~~ general fund.

(5) Members are appointed for 4-year terms and may be reappointed. A legislative member position is vacant if the person no longer serves in the legislature. The position of a member appointed by the governor or attorney general is vacant if that person is elected to the legislature. A vacancy must be filled in the manner of the original appointment."

Section 12. Section 2-17-105, MCA, is amended to read:

"2-17-105. Insurance on state buildings -- use of proceeds -- building replacement. (1) Moneys Money received by the state as indemnification for damage to state buildings, except buildings procured by the department of transportation by purchase or condemnation for right-of-way purposes, shall must be deposited in the state special revenue general fund.

(2) ~~These moneys are statutorily appropriated as provided in 17-7-502 and~~ The money may only be:

(a) used to repair the damaged property;

(b) used to replace the damaged property, subject to the limitations in subsection (3) ~~of this section~~; or

(c) transferred by the legislature to the fund and account from which the premiums were paid on the policy covering the building. Moneys Money transferred in this manner may not be spent by the institution or agency having custody of the damaged property but ~~shall be~~ is available for future legislative appropriation. ~~if the moneys are not spent or committed within 2 years from the time they are received, they shall automatically revert to the fund and account from which the premiums were paid.~~

(3) If an insured building is totally destroyed or so badly damaged that repair is impractical, ~~the governing board or officer responsible for the building may~~ authorize any moneys money received by the state as indemnification

for property damage to may be used to replace the building only if the proposed replacement is designed to be used for the same general purposes as the damaged or destroyed building, ~~and for this purpose the amounts available therefor are statutorily appropriated as provided in 17-7-502.~~ If the governing board or officer determines that the building should not be replaced, any moneys money received by the state as indemnification for property damage over and above any outstanding debt on the building shall may be transferred as provided in subsection (2)(c) ~~of this section.~~

Section 13. Section 2-18-403, MCA, is amended to read:

"2-18-403. Service charges. The state auditor may provide for a system of charges for services rendered by the state central payroll system to any department or agency of the state. Funds collected under this section shall must be deposited to the credit of ~~a state special revenue~~ the general fund account and expended for the purpose of paying the expenses incurred by the state central payroll system."

Section 14. Section 5-11-209, MCA, is amended to read:

"5-11-209. Codes -- availability to legislators -- reserved for use by legislative committees. (1) Immediately after the Montana Code Annotated statute text and histories are bound following each legislative session, the legislative council shall make available one set of these

volumes to each member of the legislature at a charge of \$10.

(2) The legislative council shall reserve 50 sets of the Montana Code Annotated statute text and histories for the use of the standing and select committees of the legislature.

(3) Costs associated with providing code sets as required by this section shall be paid out of the state special-revenue general fund account-established--under, as provided in 1-11-301."

Section 15. Section 5-13-403, MCA, is amended to read:

"5-13-403. Audit-----account-----appropriation---and expenditures Money for audits. All money for audits transferred to the legislative auditor as provided in 5-13-402 must be deposited in the state-special-revenue general fund in-the-state-treasury--to--the--credit--of--the office-of-the-legislative-auditor. The-money-so-deposited-is hereby--appropriated--and-may-be-expended-by-the-legislative auditor-to-pay-expenses-incurred-in-auditing-state--agencies pursuant--to-an-operational-plan-approved-by-the-legislative audit-committee."

Section 16. Section 7-21-2105, MCA, is amended to read:

"7-21-2105. Disbursement of license fees. (1) Unless the disposition is otherwise provided for, all money collected by the county treasurer for licenses issued by the

county under this chapter must be paid into the treasury of the county.

(2) Unless otherwise provided, the county treasurer shall retain 50% thereof of the money for the use of the county, and pay over ~~45%-thereof~~ 50% of the money to the state treasurer for the use of the general fund of the state,--and--pay--over-5%-thereof-to-the-state-treasurer-for deposit-in-the-state-special-revenue-fund-to-be-used-by--the board-of-livestock-for-predatory-animal-control."

Section 17. Section 15-1-501, MCA, is amended to read:

"15-1-501. (Temporary) Disposition of money from certain designated license and other taxes. (1) The state treasurer shall deposit to the credit of the state general fund all money received by-him from the collection of:

(a) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as provided in 61-5-121;

(b) electrical energy producer's license taxes under chapter 51;

(c) severance taxes allocated to the general fund under chapter 36;

(d) liquor license taxes under Title 16;

(e) telephone company license taxes under chapter 53; and

(f) inheritance and estate taxes under Title 72,

1 chapter 16.

2 (2) All money received from the collection of income
3 taxes under chapter 30 of this title must be deposited as
4 follows:

5 (a) ~~62.8%~~ 91.3% of the taxes to the credit of the state
6 general fund;

7 (b) 8.7% of the taxes to the credit of the debt service
8 account for long-range building program bonds as described
9 in 17-5-408; and

10 (c) ~~28.5%-of-the-taxes--to--the--credit--of--the--state~~
11 ~~special--revenue--fund--for--state--equalization--aid-to-the~~
12 ~~public-schools-of-Montana-as-described-in-20-9-343;-and~~

13 ~~(d)~~ all interest and penalties to the credit of the
14 state general fund.

15 (3) All money received from the collection of
16 corporation license and income taxes under chapter 31 of
17 this title, except as provided in 15-31-702, must be
18 deposited as follows:

19 (a) ~~61%~~ 89.5% of the taxes to the credit of the state
20 general fund;

21 (b) 10.5% of the taxes to the credit of the debt
22 service account for long-range building program bonds as
23 described in 17-5-408; and

24 (c) ~~28.5%-of-the-taxes--to--the--credit--of--the--state~~
25 ~~special--revenue--fund--for--state--equalization--aid-to-the~~

1 ~~public-schools-of-Montana-as-described-in-20-9-343;-and~~

2 ~~(d)~~ all interest and penalties to the credit of the
3 state general fund.

4 (4) The state treasurer shall also deposit to the
5 credit of the state general fund all money received ~~by--him~~
6 from the collection of license taxes, fees, and all net
7 revenues and receipts from all other sources under the
8 operation of the Montana Alcoholic Beverage Code.

9 (5) After the distribution provided for in 15-36-112,
10 the remainder of the oil severance tax collections must be
11 deposited in the general fund.

12 (6) All refunds of taxes must be attributed to the
13 funds in which the taxes are deposited. All refunds of
14 interest and penalties must be attributed to the funds in
15 which the interest and penalties are deposited.

16 15-1-501. (Effective July 1, 1993) Disposition of money
17 from certain designated license and other taxes. (1) The
18 state treasurer shall deposit to the credit of the state
19 general fund all money received ~~by-him~~ from the collection
20 of:

21 (a) fees from driver's licenses, motorcycle
22 endorsements, and duplicate driver's licenses as provided in
23 61-5-121;

24 (b) electrical energy producer's license taxes under
25 chapter 51;

(c) severance taxes allocated to the general fund under chapter 36;

(d) liquor license taxes under Title 16;

(e) telephone company license taxes under chapter 53; and

(f) inheritance and estate taxes under Title 72, chapter 16.

(2) All money received from the collection of income taxes under chapter 30 of this title must be deposited as follows:

(a) ~~59.5%~~ 91.3% of the taxes to the credit of the state general fund;

(b) 8.7% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

~~(c) 31.8% of the taxes to the credit of the state special-revenue-fund-for-state-equalization-aid-to-the public-schools-of-Montana-as-described-in-20-9-343; and~~

~~(d) all interest and penalties to the credit of the state general fund.~~

(3) All money received from the collection of corporation license and income taxes under chapter 31 of this title, except as provided in 15-31-702, must be deposited as follows:

(a) ~~61%~~ 89.5% of the taxes to the credit of the state

general fund;

(b) 10.5% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

~~(c) 20.5% of the taxes to the credit of the state special-revenue-fund-for-state-equalization-aid-to-the public-schools-of-Montana-as-described-in-20-9-343; and~~

~~(d) all interest and penalties to the credit of the state general fund.~~

(4) The state treasurer shall also deposit to the credit of the state general fund all money received by him from the collection of license taxes, fees, and all net revenues and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

(5) After the distribution provided for in 15-36-112, the remainder of the oil severance tax collections must be deposited in the general fund.

(6) All refunds of taxes must be attributed to the funds in which the taxes are deposited. All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are deposited."

Section 18. Section 15-25-122, MCA, is amended to read:

"15-25-122. **Disposition of proceeds.** (1) The department shall transfer all taxes collected pursuant to this chapter, less the administrative fee authorized in 15-25-111(1), to

the state treasurer on a monthly basis.

(2) The Except as provided in subsection (3), the state treasurer shall deposit one-third of the tax to the credit of the department of family services to be used for the youth evaluation program and chemical abuse aftercare programs in the general fund.

(3) The treasurer shall credit the remaining two-thirds of the tax proceeds as follows:

(a) one-half to the department of justice to be used:

(i) for grants to youth courts to fund chemical abuse assessments; and

(ii) for grants to counties to fund services for the detention of juvenile offenders in facilities separate from adult jails, as authorized in 44-5-1002; and

(b) one-half to the account created by 44-12-206(3) if a state government law enforcement agency seized the drugs. If a local government law enforcement agency seized the drugs, then that amount one-half of the tax must be credited to the treasurer or finance officer of the local government, and must be deposited in its general fund, and be used to enforce drug laws."

Section 19. 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 general 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)(c) 1 1/4% to the credit of the renewable resource

1 development bond fund;

2 {e}--0%--to--a--nonexpendable--trust--fund--for--the--purpose--of
3 parks--management;--income--from--this--trust--fund--must--be
4 appropriated--for--the--development,--operation,--and--maintenance
5 of--any--sites--and--areas--described--in--23-1-102;

6 {f}--1%--to--the--state--special--revenue--fund--to--the--credit
7 of--the--state--library--commission--for--the--purposes--of
8 providing--basic--library--services--for--the--residents--of--all
9 counties--through--library--federations--and--for--payment--of--the
10 costs--of--participating--in--regional--and--national--networking;

11 {g}--1/2--of--1%--to--the--state--special--revenue--fund--for
12 conservation--districts;

13 {h}{d} 1 1/4% to the debt service fund type to the
14 credit of the water development debt service fund; and

15 {i}--2%--to--the--state--special--revenue--fund--for--the
16 Montana--Growth--Through--Agriculture--Act;

17 {j}--1-2/3%--to--the--Montana--arts--council;--to--be--allocated
18 as--follows:

19 {i}--42-1/2%--for--operating--costs;--and

20 {ii}--57-1/2%--to--a--nonexpendable--trust--fund--for--the
21 purpose--of--protection--of--works--of--art--in--the--state--capitol
22 and--for--other--cultural--and--aesthetic--projects;--income--from
23 this--trust--fund--shall--be--appropriated--for--protection--of
24 works--of--art--in--the--state--capitol--and--for--other--cultural--and
25 aesthetic--projects;

1 {k}--beginning--July--1,--1991,--and--ending--June--30,--1993,
2 3-1/3%--to--a--special--revenue--account--to--be--used--by--the
3 department--of--fish,--wildlife,--and--parks--for--the--development,
4 operation,--and--maintenance--of--state--parks--and--the
5 stabilization--and--preservation--of--historic--sites--within--the
6 state--park--system;

7 {i}{e} all other revenues from severance taxes
8 collected under the provisions of this chapter to the credit
9 of the general fund of the state. (Terminates June 30,
10 1993--sec. 3, Ch. 615, L. 1991, and sec. 3, Ch. 8, Sp. L.
11 January 1992.)

12 15-35-108. (Effective July 1, 1993) Disposal of
13 severance taxes. Severance taxes collected under this
14 chapter must be allocated according to the provisions in
15 effect on the date the tax is due under 15-35-104. Severance
16 taxes collected under the provisions of this chapter are
17 allocated as follows:

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

23 (2) Starting July 1, 1987 1993, and ending June 30,
24 2003, 12% of coal severance tax collections are allocated to
25 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 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 general 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) 3 1/3% to a nonexpendable trust fund for the purpose of parks acquisition or management; income from this trust fund must be appropriated for the acquisition, 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

costs of participating in regional and national networking;

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

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

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

(j) 1 2/3% 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 other cultural and aesthetic projects.

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

15-35-108. (Effective July 1, 2003) 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

1 collections. The trust fund money must be deposited in the
2 fund established under 17-6-203(6) and invested by the board
3 of investments as provided by law.

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

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

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

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

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

19 (e) 3 1/3% to a nonexpendable trust fund for the
20 purpose of parks acquisition or management; income from this
21 trust fund must be appropriated for the acquisition,
22 development, operation, and maintenance of any sites and
23 areas described in 23-1-102;

24 (f) 1% to the state special revenue fund to the credit
25 of the state library commission for the purposes of

1 providing basic library services for the residents of all
2 counties through library federations and for payment of the
3 costs of participating in regional and national networking;
4 (g) 1/2 of 1% to the state special revenue fund for
5 conservation districts;

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

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

10 (j) 1/3% to a nonexpendable trust fund for the
11 purpose of protection of works of art in the state capitol
12 and for other cultural and aesthetic projects; income from
13 this trust fund shall be appropriated for protection of
14 works of art in the state capitol and other cultural and
15 aesthetic projects;

16 (k) (e) all other revenues from severance taxes
17 collected under the provisions of this chapter to the credit
18 of the general fund of the state."

19 **Section 20.** Section 16-1-404, MCA, is amended to read:

20 "16-1-404. License tax on liquor -- amount --
21 distribution of proceeds. (1) The department is hereby
22 authorized and directed to charge, receive, and shall
23 collect at the time of sale and delivery of any liquor under
24 any provisions of the laws of the state of Montana a license
25 tax of:

(a) 10% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed, and sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section;

(b) 8.6% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed, and sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section.

(2) The license tax shall be charged and collected on all liquor brought into the state and taxed by the department. The retail selling price shall be computed by adding to the cost of ~~said~~ the liquor the state markup as designated by the department. The license tax ~~shall~~ must be figured in the same manner as the state excise tax and ~~shall~~ be is in addition to ~~said~~ the state excise tax. The department shall retain the license tax in a separate account ~~the amount of the license tax so received~~. Thirty percent of these revenues are statutorily appropriated, as provided in 17-7-502, to the department and shall be allocated to the counties according to the amount of liquor purchased in each county to be distributed to the

incorporated cities and towns, as provided in subsection (3). Four and one-half percent of these revenues are statutorily appropriated, as provided in 17-7-502, and shall be allocated to the counties according to the amount of liquor purchased in each county, and this money may be used for county purposes. ~~The remaining revenues shall be deposited in the state special revenue fund to the credit of the department of corrections and human services for the treatment, rehabilitation, and prevention of alcoholism. Provided, however~~ However, in the case of purchases of liquor by a retail liquor licensee for use in ~~his~~ the licensee's business, the department shall ~~make such regulations as are necessary~~ adopt rules to apportion that proportion of license tax ~~so generated~~ to the county where the licensed establishment is located, for use as provided in 16-1-405. That proportion of the license tax is statutorily appropriated, as provided in 17-7-502, to the department, which shall pay quarterly to each county treasurer the proportion of the license tax due each county to be allocated to the incorporated cities and towns of the county.

(3) The license tax proceeds allocated to the county under subsection (2) for use by cities and towns shall be distributed by the county treasurer to the incorporated cities and towns within 30 days of receipt from the

1 department. The distribution of funds to the cities and
2 towns ~~shall~~ must be based on the proportion that the gross
3 sale of liquor in each city or town is to the gross sale of
4 liquor in all of the cities and towns of the county.

5 (4) ~~The--license-tax-proceeds-that-are-allocated-to-the~~
6 ~~department--of--corrections--and--human--services--for--the~~
7 ~~treatment--rehabilitation--and--prevention--of--alcoholism~~
8 ~~shall-be-credited-quarterly-to-the-department-of-corrections~~
9 ~~and--human--services-~~ The legislature may appropriate a
10 portion of the license tax proceeds to support alcohol
11 programs. The remainder ~~shall~~ must be distributed as
12 provided in 53-24-206."

13 **Section 21.** Section 16-1-411, MCA, is amended to read:

14 "16-1-411. (Temporary) Tax on wine. (1) A tax of 27
15 cents per liter is ~~hereby-revied-and~~ imposed on table wine
16 imported by any table wine distributor or the department.

17 (2) (a) The tax on table wine imported by a table wine
18 distributor ~~shall~~ must be paid by the table wine distributor
19 by the 15th day of the month following sale of the table
20 wine from the table wine distributor's warehouse. Failure to
21 file a table wine tax return or failure to pay the tax
22 required by this section subjects the table wine distributor
23 to the penalties and interest provided for in 16-1-409.

24 (b) The tax on table wine imported by the department
25 ~~shall~~ must be collected at the time of sale.

1 (3) The tax paid by a table wine distributor in
2 accordance with subsection (2)(a) and the tax collected by
3 the department in accordance with subsection (2)(b) ~~shall~~
4 must be distributed as follows:

5 (a) ~~16~~ 24.34 cents to the state general fund; and

6 (b) of the remaining ~~11~~ 2 2/3 cents:

7 (i) ~~8.34-cents-to-the-state-special-revenue-fund-to-the~~
8 ~~credit--of--the-department-of-corrections-and-human-services~~
9 ~~for--the--treatment--rehabilitation--and--prevention--of~~
10 ~~alcoholism;~~

11 ~~1 1/3~~ 1 1/3 cents is statutorily appropriated, as
12 provided in 17-7-502, to the department, for allocation to
13 the counties, based on population, for the purpose
14 established in 16-1-404; and

15 ~~1 1/3~~ 1 1/3 cents is statutorily appropriated, as
16 provided in 17-7-502, to the department, for allocation to
17 the cities and towns, based on population, for the purpose
18 established in 16-1-405.

19 (4) The taxes computed and paid in accordance with
20 16-1-423, 16-2-301, and this section ~~shall-be~~ are the only
21 taxes imposed by the state or any of its subdivisions,
22 including cities and towns.

23 (5) The proceeds of the surtax imposed by 16-1-423 must
24 be deposited in the state general fund.

25 16-1-411. (Effective on receipt of taxes or fees for

September 1993) Tax on wine. (1) A tax of 27 cents per liter is hereby ~~levied and~~ imposed on table wine imported by any table wine distributor or the department.

(2) (a) The tax on table wine imported by a table wine distributor ~~shall~~ must be paid by the table wine distributor by the 15th day of the month following sale of the table wine from the table wine distributor's warehouse. Failure to file a table wine tax return or failure to pay the tax required by this section subjects the table wine distributor to the penalties and interest provided for in 16-1-409.

(b) The tax on table wine imported by the department ~~shall~~ must be collected at the time of sale.

(3) The tax paid by a table wine distributor in accordance with subsection (2)(a) and the tax collected by the department in accordance with subsection (2)(b) ~~shall~~ must be distributed as follows:

(a) ~~16~~ 24.34 cents to the state general fund; and

(b) of the remaining ~~11~~ 2 2/3 cents:

(i) ~~8-34-cents-to-the-state-special-revenue-fund-to-the credit-of-the-department-of-corrections-and-human-services for---the---treatment,---rehabilitation,---and---prevention---of alcoholism;~~

~~11 1/3~~ 1 1/3 cents is statutorily appropriated, as provided in 17-7-502, to the department, for allocation to the counties, based on population, for the purpose

established in 16-1-404; and

~~11 1/3~~ 1 1/3 cents is statutorily appropriated, as provided in 17-7-502, to the department, for allocation to the cities and towns, based on population, for the purpose established in 16-1-405.

(4) The ~~tax~~ taxes computed and paid in accordance with 16-1-423, 16-2-301, and this section ~~shall-be~~ are the only tax taxes imposed by the state or any of its subdivisions, including cities and towns."

Section 22. 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;

1 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111;
 2 15-23-706; ~~15-25-123~~; 15-31-702; 15-36-112; 15-37-117;
 3 15-65-121; 15-70-101; 16-1-404; 16-1-410; 16-1-411;
 4 17-3-212; 17-5-404; 17-5-424; 17-5-704; 17-5-804; 17-6-409;
 5 17-7-304; 19-5-404; 19-6-709; 19-8-504; 19-9-702; 19-9-1007;
 6 19-10-205; 19-10-305; 19-10-506; 19-11-512; 19-11-513;
 7 19-11-606; 19-12-301; 19-13-604; 19-15-101; ~~20-4-109~~;
 8 20-6-406; 20-8-111; 20-9-361; 20-26-1503; 22-3-811;
 9 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631;
 10 23-7-301; 23-7-402; 27-12-206; 37-43-204; 37-51-501;
 11 39-71-2504; ~~44-12-206~~; 44-13-102; 53-6-150; 53-24-206;
 12 ~~61-5-121~~; 67-3-205; 75-1-1101; 75-5-507; 75-5-1108;
 13 75-11-313; 76-12-123; 77-1-808; 80-2-103; 80-11-310;
 14 82-11-136; 82-11-161; 85-1-220; 90-3-301; 90-4-215;
 15 90-6-331; 90-7-220; and 90-9-306.

16 (4) There is a statutory appropriation to pay the
 17 principal, interest, premiums, and costs of issuing, paying,
 18 and securing all bonds, notes, or other obligations, as due,
 19 that have been authorized and issued pursuant to the laws of
 20 Montana. Agencies that have entered into agreements
 21 authorized by the laws of Montana to pay the state
 22 treasurer, for deposit in accordance with 17-2-101 through
 23 17-2-107, as determined by the state treasurer, an amount
 24 sufficient to pay the principal and interest as due on the
 25 bonds or notes have statutory appropriation authority for

1 the payments. (In subsection (3): pursuant to sec. 7, Ch.
 2 567, L. 1991, the inclusion of 19-6-709 terminates upon
 3 death of last recipient eligible for supplemental benefit;
 4 and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of
 5 22-3-811 terminates June 30, 1993.)"

6 **Section 23.** Section 18-2-103, MCA, is amended to read:

7 "18-2-103. Supervision of construction of buildings.

8 (1) For the construction of a building costing more than
 9 \$25,000, the department of administration shall:

10 (a) review and accept all plans, specifications, and
 11 cost estimates prepared by architects or consulting
 12 engineers;

13 (b) approve all bond issues or other financial
 14 arrangements and supervise and approve the expenditure of
 15 all moneys money;

16 (c) solicit, accept, and reject bids and award all
 17 contracts to the lowest qualified bidder considering
 18 conformity with specifications and terms and reasonableness
 19 of bid amount. However, any contract award that is protested
 20 or any contract that is awarded to a bidder other than the
 21 lowest bidder is subject to approval by the board of
 22 examiners.

23 (d) review and approve all change orders up to \$25,000.
 24 Any change order over \$25,000 must be with the consent of
 25 the board of examiners. The department may refer change

orders under \$25,000 that affect the project scope or other unusual change orders to the board of examiners for consideration. The board of examiners shall act within 14 working days after processing completion by the department.

(e) accept the building when completed according to accepted plans and specifications.

(2) The department may delegate on a project-by-project basis any powers and duties under subsection (1) to other state agencies, including units of the Montana university system, upon terms and conditions specified by the department. However, any powers and duties subject to the approval of the board of examiners may not be delegated.

(3) For repair and maintenance projects, the supervision, approval, and consent of the board of examiners are not required.

(4) Before any contract under subsection (1) is awarded, two formal bids must have been received, if reasonably available.

(5) The department need not require the provisions of Montana law relating to advertising, bidding, or supervision where proposed construction costs are \$25,000 or less. However, with respect to a project having a proposed cost of \$25,000 or less but more than \$5,000, the agency awarding the contract must procure at least three informal bids from contractors licensed in Montana, if reasonably available.

(6) For the construction of buildings owned or to be owned by a school district, the department of administration shall, upon request, provide inspection to insure compliance with the plans and specifications for the construction of such buildings. "Construction" ~~shall--include~~ includes construction, repair, alteration, equipping, and furnishing during construction, repair, or alteration. These services ~~shall~~ must be provided at a cost to be contracted for between the department of administration and the school district, with the receipts to be deposited in the ~~department---of---administration's--construction--regulation~~ account-in-a-state-special-revenue general fund.

(7) It is the intent of the legislature that student housing and other facilities constructed under the authority of the regents of the university system are subject to the provisions of subsections (1) through (4) of this section.

(8) The department of military affairs may act as contracting agency for buildings constructed under the authority of 18-2-102(2)(d); however, the department of administration may agree to act as contracting agency on behalf of the department of military affairs. Montana law applies to any controversy involving such-a the contract."

Section 24. Section 20-4-109, MCA, is amended to read:

"20-4-109. Fees for teacher and specialist certificates. (1) A person applying for the issuance or

1 renewal of a teacher or specialist certificate shall pay a
 2 fee not to exceed \$6 for each school fiscal year that the
 3 certificate is valid. In addition to this fee, a person who
 4 has never held any class of Montana teacher or specialist
 5 certificate or for whom an emergency authorization of
 6 employment has never been issued shall pay a filing fee of
 7 \$6. The fees must be paid to the superintendent of public
 8 instruction who shall deposit the fees with the state
 9 treasurer to the credit of the state special-revenue general
 10 fund, account, created in subsection (2), to be used in the
 11 following manner:

12 (a) ~~--\$3 for expenses of the certification standards and~~
 13 ~~practices advisory council created in 2-15-1522;~~

14 (b) ~~--\$3--to--the board of public education to be used by~~
 15 ~~the certification standards and practices advisory council~~
 16 ~~for research in accordance with the duties of the council~~
 17 ~~provided for in 20-4-133;~~

18 (2) ~~There is an account in the state special revenue~~
 19 ~~fund. Money from fees for teacher or specialist certificates~~
 20 ~~required in subsection (1) must may be deposited in the~~
 21 ~~account. The money in the account to be used for the~~
 22 ~~purposes of subsection (1)(b) is statutorily appropriated,~~
 23 ~~as provided in 17-7-502, to the board of public education~~
 24 ~~for use by the certification standards and practices~~
 25 ~~advisory council."~~

1 **Section 25.** Section 20-7-201, MCA, is amended to read:

2 "20-7-201. State visual, aural, and other educational
 3 media library. A library of visual, aural, and other
 4 educational media ~~shall~~ must be established and maintained
 5 by the superintendent of public instruction. The media ~~shall~~
 6 must be selected by the superintendent of public instruction
 7 on the basis of their usefulness as teaching aids and
 8 resources for schools and other educational groups within
 9 the state and ~~shall~~ must be made available to such schools
 10 and groups on a rental fee basis. The rental fees for the
 11 use of the materials in the library ~~shall~~ must be set by the
 12 superintendent of public instruction and ~~shall~~ must be
 13 deposited in the ~~audiovisual and media library account in~~
 14 ~~the state special revenue general~~ fund. The superintendent
 15 of public instruction may use ~~these funds, as well as any~~
 16 ~~other funds~~ advanced by a legislative appropriation ~~to the~~
 17 ~~audiovisual and media library account,~~ for the operation,
 18 maintenance, enlargement, and other related costs of the
 19 library."

20 **Section 26.** Section 20-7-457, MCA, is amended to read:

21 "20-7-457. Funding provisions for special education
 22 purposes of cooperatives or joint boards. (1) The
 23 superintendent of public instruction shall pay directly to a
 24 cooperative or to a joint board formed under 20-3-361 for
 25 special education purposes the approved allowable costs for

1 contracted special education services ~~from the state special~~
 2 ~~revenue fund for state equalization aid as provided in~~
 3 ~~20-9-343~~. The total of the payments must be within the limit
 4 set by the legislature for approved special education
 5 budgets.

6 (2) A school district that elects to participate in a
 7 cooperative for special education purposes shall agree in
 8 the cooperative contract to participate for a period of at
 9 least 3 years.

10 (3) A school district that elects to participate in a
 11 joint board formed under 20-3-361 for special education
 12 purposes shall confirm in writing to the joint board by
 13 October 1 of the current school fiscal year the district's
 14 intention to participate or to not participate in a joint
 15 board agreement for the next school fiscal year.

16 (4) ~~After June 30, 1998, a~~ A cooperative that has not
 17 met the requirements of 20-7-453 and 20-7-454 may not be
 18 funded under the provisions of this section except by
 19 approval of the superintendent of public instruction. The
 20 superintendent shall adopt rules for approval of full
 21 service education cooperatives ~~formed after June 30, 1998~~.

22 (5) A full service education cooperative may establish
 23 a retirement fund, a miscellaneous programs fund, and a
 24 transportation fund, as provided for in 20-9-201, for the
 25 purposes of a full service education cooperative contract

1 and the purposes allowed by law."

2 **Section 27.** Section 20-9-331, MCA, is amended to read:

3 "20-9-331. Basic county tax and other revenues for
 4 county equalization of the elementary district foundation
 5 program. (1) The county commissioners of each county shall
 6 levy an annual basic tax of 33 mills on the dollar of the
 7 taxable value of all taxable property within the county,
 8 except for property subject to a tax or fee under 23-2-517,
 9 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204, for
 10 the purposes of local and state foundation program support.
 11 The revenue collected from this levy must be apportioned to
 12 the support of the elementary foundation programs of the
 13 school districts in the county and to the state ~~special~~
 14 ~~revenue general fund, state equalization aid account,~~ in the
 15 following manner:

16 (a) In order to determine the amount of revenue raised
 17 by this levy which is retained by the county, the sum of the
 18 estimated revenue identified in subsection (2) must be
 19 subtracted from the total of the foundation programs of all
 20 elementary districts of the county.

21 (b) If the basic levy and other revenue prescribed by
 22 this section produce more revenue than is required to repay
 23 a state advance for county equalization, the county
 24 treasurer shall remit the surplus funds to the state
 25 treasurer for deposit to in the state ~~special revenue~~

~~general fund, state equalization aid account~~, immediately upon occurrence of a surplus balance and each subsequent month thereafter, with any final remittance due no later than June 20 of the fiscal year for which the levy has been set.

(2) The revenue realized from the county's portion of the levy prescribed by this section and the revenue from the following sources must be used for the equalization of the elementary foundation program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer in accordance with 20-9-212(1):

(a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for the common school fund under the provisions of 17-3-222;

(b) the portion of the federal flood control act funds distributed to a county and designated for expenditure for the benefit of the county common schools under the provisions of 17-3-232;

(c) all money paid into the county treasury as a result of fines for violations of law, except money paid to a justice's court, and the use of which is not otherwise specified by law;

(d) any money remaining at the end of the immediately preceding school fiscal year in the county treasurer's

accounts for the various sources of revenue established or referred to in this section;

(e) any federal or state money distributed to the county as payment in lieu of property taxation, including federal forest reserve funds allocated under the provisions of 17-3-213;

(f) gross proceeds taxes from coal under 15-23-703;

(g) net proceeds taxes for new production, as defined in 15-23-601, and local government severance taxes on any other production occurring after December 31, 1988; and

(h) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204."

Section 28. Section 20-9-333, MCA, is amended to read:

"20-9-333. Basic special levy and other revenues for county equalization of high school district foundation program. (1) The county commissioners of each county shall levy an annual basic special tax for high schools of 22 mills on the dollar of the taxable value of all taxable property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204, for the purposes of local and state foundation program support. The revenue collected from this levy must be apportioned to the support of the foundation programs of high school districts in the county and to the

1 state special-revenue general fund;--state--equalization--aid
2 account; in the following manner:

3 (a) In order to determine the amount of revenue raised
4 by this levy which is retained by the county, the sum of the
5 estimated revenue identified in subsection (2) must be
6 subtracted from the sum of the county's high school tuition
7 obligation and the total of the foundation programs of all
8 high school districts of the county.

9 (b) If the basic levy and other revenue prescribed by
10 this section produce more revenue than is required to repay
11 a state advance for county equalization, the county
12 treasurer shall remit the surplus funds to the state
13 treasurer for deposit to in the state special--revenue
14 general fund;--state--equalization-aid-account; immediately
15 upon occurrence of a surplus balance and each subsequent
16 month thereafter, with any final remittance due no later
17 than June 20 of the fiscal year for which the levy has been
18 set.

19 (2) The revenue realized from the county's portion of
20 the levy prescribed in this section and the revenue from the
21 following sources must be used for the equalization of the
22 high school foundation program of the county as prescribed
23 in 20-9-335, and a separate accounting must be kept of the
24 revenue by the county treasurer in accordance with
25 20-9-212(1):

1 (a) any money remaining at the end of the immediately
2 preceding school fiscal year in the county treasurer's
3 accounts for the various sources of revenue established in
4 this section;

5 (b) any federal or state money distributed to the
6 county as payment in lieu of property taxation, including
7 federal forest reserve funds allocated under the provisions
8 of 17-3-213;

9 (c) gross proceeds taxes from coal under 15-23-703;

10 (d) net proceeds taxes for new production, as defined
11 in 15-23-601, and local government severance taxes on-any
12 other-production-occurring-after-December-31-1988; and

13 (e) anticipated revenue from property taxes and fees
14 imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521,
15 61-3-537, and 67-3-204."

16 **Section 29.** Section 20-9-343, MCA, is amended to read:

17 "20-9-343. (Temporary) Definition of and revenue for
18 state equalization aid. (1) As used in this title, the term
19 "state equalization aid" means the money deposited in the
20 state special revenue fund as required in this section plus
21 any legislative appropriation of money from other sources
22 for:

23 (a) distribution to the public schools for the payment
24 of guaranteed tax base aid and for equalization of the
25 foundation program;

1 (b) the Montana educational telecommunications network
2 as provided in 20-32-101; and

3 (c) filing fees for school district audits as required
4 by 2-7-514(2).

5 (2) The superintendent of public instruction may spend
6 funds appropriated for state equalization aid, as required
7 by subsections (1)(a) and (1)(b), throughout the biennium.

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

11 (a) ~~money received from the collection of income taxes~~
12 ~~under chapter 30 of Title 15, as provided by 15-1-501;~~

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

16 ~~(c) money allocated to state equalization from the~~
17 ~~collection of the severance tax on coal;~~

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

22 ~~(e)(b) interest and income money described in 20-9-341~~
23 ~~and 20-9-342;~~

24 ~~(f)(c) money received from the state equalization aid~~
25 ~~levy under 20-9-360;~~

1 ~~(g)(d) income from the lottery, as provided in~~
2 ~~23-7-402;~~

3 ~~(h)(e) the surplus revenues collected by the counties~~
4 ~~for foundation program support according to 20-9-331 and~~
5 ~~20-9-333; and~~

6 ~~(i)(f) investment income earned by investing money in~~
7 ~~the state equalization aid account in the state special~~
8 ~~revenue fund; and~~

9 ~~(j) 15% of the income and earnings of all coal~~
10 ~~severance tax funds as provided in 17-5-704.~~

11 (4) The superintendent of public instruction shall
12 request the board of investments to invest the money in the
13 state equalization aid account to maximize investment
14 earnings to the account.

15 (5) Any surplus revenue in the state equalization aid
16 account in the second year of a biennium may be used to
17 reduce any appropriation required for the next succeeding
18 biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L.
19 1991.)

20 20-9-343. (Effective July 1, 1993) Definition of and
21 revenue for state equalization aid. (1) As used in this
22 title, the term "state equalization aid" means the money
23 deposited in the state special revenue fund as required in
24 this section plus any legislative appropriation of money
25 from other sources for distribution to the public schools

for the purposes of payment of guaranteed tax base aid and equalization of the foundation program and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid as required for the purposes of guaranteed tax base aid, the foundation program, and the Montana educational telecommunications network, throughout the biennium.

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

(a) ~~money received from the collection of income taxes under chapter 30 of Title 15, as provided by 15-1-501;~~

~~{b}--except--as--provided--in--15-31-702, money received from the collection of corporation license and income taxes under chapter 31 of Title 15, as provided by 15-1-501;~~

~~{c}--money--allocated--to--state--equalization--from the collection of the severance tax on coal;~~

~~{d} money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;~~

~~{e}{b} interest and income money described in 20-9-341 and 20-9-342;~~

~~{f}{c}~~ money received from the state equalization aid levy under 20-9-360;

~~{g}{d}~~ income from the lottery, as provided in 23-7-402;

~~{h}{e}~~ the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333; and

~~{i}{f}~~ investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

~~{j}--15%--of--the--income--and--earnings--of--all--coal severance tax funds as provided in 17-5-704.~~

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

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

Section 30. Section 20-10-203, MCA, is amended to read:

"20-10-203. School food commodities. The superintendent of public instruction ~~is--authorized--to~~ may accept food commodities from the federal government and ~~to~~ distribute the food commodities to any district or nonpublic school

that contracts for such distribution. The superintendent of public instruction may use for the shipping, handling, and other related costs of distributing the food commodities any funds advanced by legislative appropriation for--the commodity-state-special-revenue-account. Such--distribution Distribution costs ~~shall~~ must be reimbursed by the participating districts and nonpublic schools. Those reimbursements ~~shall~~ must be returned to the general fund ~~from-which-payments-for-the-distribution-costs-were-made.~~"

Section 31. Section 22-2-301, MCA, is amended to read:

"22-2-301. Cultural and aesthetic projects grants. (1) Any person, association, or representative of a governing unit seeking a grant for a cultural or aesthetic project ~~from--the-income-of-the-trust-fund-created-in-15-35-100-must~~ shall submit a grant proposal to the cultural and aesthetic projects advisory committee, in care of the Montana arts council, by August 1 of the year preceding the convening of a regular legislative session.

(2) Grant proposals must be for the purpose of protecting works of art in the state capitol or other cultural and aesthetic projects."

Section 32. Section 22-2-304, MCA, is amended to read:

"22-2-304. Cultural and aesthetic project appropriations -- administration. (1) The legislature must shall appropriate funds ~~from-the-income-of-the-trust-fund~~

~~created-in-15-35-100-for--cultural--and--aesthetic--projects~~ before any grant for a cultural or aesthetic project is awarded.

(2) Costs incurred by the Montana arts council for accounting, correspondence, project visits, and solicitation of proposals related to cultural and aesthetic project grants and the costs of the advisory committee established in 2-15-1521 ~~shall~~ must be paid from appropriations ~~from-the income-of-the-trust-fund.~~

(3) Grant proposals are heard by a legislative appropriations subcommittee.

(4) Grant proposals approved by the legislature are administered by the Montana arts council."

Section 33. Section 22-2-321, MCA, is amended to read:

"22-2-321. Reversion of granted funds. At the end of a grant period, any unexpended balance of the grant ~~shall~~ must revert to the ~~cultural--and--aesthetic--projects--account~~ provided-for-in-15-35-100 general fund."

Section 34. Section 23-1-108, MCA, is amended to read:

"23-1-108. Acquisition of certain state parks, monuments, or historical sites. (1) Any person, association, or representative of a governing unit may submit a proposal for the acquisition of a site or area described in 23-1-102 ~~from--the--income--of-the-trust-fund-created-in-15-35-100~~ to the department of fish, wildlife, and parks by July 1 of the

year preceding the convening of a legislative session.

(2) The fish, wildlife, and parks commission shall present to the legislature by the 15th day of any legislative session a list of areas, sites, or objects that were proposed for purchase for use as state parks, state recreational areas, state monuments, or state historical sites ~~with the money contained in the parks account.~~

(3) The legislature must appropriate funds ~~from this account~~ before any park, area, monument, or site may be purchased."

Section 35. Section 31-1-221, MCA, is amended to read:

"31-1-221. Licensing of sales finance companies required. (1) ~~No~~ A person ~~shall~~ may not engage in the business of a sales finance company in this state without a license therefor as provided in this part, except that no a bank, trust company, or savings and loan association authorized to do business in this state ~~shall be~~ is not required to obtain a license under this part but shall comply with all of the other provisions of this part.

(2) The application for such a license ~~shall~~ must be in writing, under oath, and in the form prescribed by the department. The application ~~shall~~ must contain:

- (a) the name of the applicant;
- (b) date of incorporation, if incorporated;
- (c) the address where the business is or is to be

conducted and similar information as to any branch office of the applicant;

(d) the name and resident address of the owner or partners or, if a corporation or association, of the directors, trustees, and principal officers; and

(e) such other pertinent information as the department may require.

(3) The license fee for each calendar year or part thereof ~~shall be the sum of~~ is \$100 for each place of business of the licensee in this state.

(4) Each license ~~shall~~ must specify the location of the office or branch and must be conspicuously displayed there. ~~in case such~~ If a location ~~be~~ is changed, the department shall endorse the change of location of the license without charge.

(5) Upon the filing of such an application and the payment of ~~said the~~ the fee, the department shall issue a license to the applicant to engage in the business of a sales finance company under and in accordance with the provisions of this part for a period which shall expire December 31 next following the date of its issuance. Such A license ~~shall~~ is not be transferable or assignable. No A licensee ~~shall~~ may not transact any business provided for by this part under any other name.

(6) Fees collected under this chapter ~~shall~~ must be

deposited in the state special-revenue general fund for--the use-of-the-department-in-its-supervision-function."

Section 36. Section 31-1-602, MCA, is amended to read:

"31-1-602. State-sponsored credit card -- distribution of proceeds. (1) The department of revenue is authorized to participate in a financial institution credit card program for the benefit of the state. ~~Within 180 days of April 28, 1989, the~~ The department shall ~~contact each financial institution to~~ determine if:

(a) the a financial institution or its holding company or affiliate currently administers a credit card program;

(b) the credit card program provides a fee or commission on retail sales to the sponsoring entity for the issuance and use of the credit card; and

(c) the credit card program would accept the state as a sponsoring entity.

(2) If the department determines that the state may be a sponsoring entity for a financial institution credit card, the department shall negotiate the most favorable rate for the state's fee by a credit card issuer. The state may not offer a more favorable rate to any credit card issuer. The rate must be expressed as a percentage of the gross sales from the use of the credit card. The proceeds of the fee must be deposited ~~one-half~~ in the general fund ~~and one-half~~ in-the-state-special-revenue-fund-for-state-equalization-aid

to-public-schools."

Section 37. Section 32-1-213, MCA, is amended to read:

"32-1-213. Payments to be made by banks, investment companies, and trust companies. (1) On or before January 31 and July 31 of each year, each bank, trust company, or investment company under the supervision of the department shall pay to the department a semiannual assessment fee. The fees ~~shall~~ must be set to recover all of the costs of administering the program for the supervision of banks, trust companies, and investment companies. The department shall establish ~~such~~ the assessment fee by rule on or before June 1 of each year. The funds ~~so~~ collected ~~shall~~ must be deposited in the state special-revenue general fund for-the use-of-the-department-in-its-examination-function.

(2) In addition to the ~~above~~ assessment, trust companies shall pay to the department an examination fee of \$200 per day for each examiner involved in examining the trust assets under the control, safekeeping, or fiduciary responsibility of the trust company. ~~Such~~ The fees ~~shall~~ must be deposited ~~by--the-department~~ in the state special-revenue general fund for-the-use-of-the--department--in-its examination-function."

Section 38. Section 32-1-215, MCA, is amended to read:

"32-1-215. Special examinations and fees -- report within 120 days. Special examinations may be made of a bank,

1 trust company, investment company, building and loan
 2 association, or credit union when in the judgment of the
 3 department it is considered necessary, and the special
 4 examination shall be charged for at a rate that equals the
 5 department's actual costs for examiner wages and travel
 6 expenses. All special examination fees or charges ~~shall~~ must
 7 be paid at the conclusion of the examination, ~~and the moneys~~
 8 ~~collected by the department shall be paid to the state~~
 9 ~~treasurer for the credit of~~ deposited in the state special
 10 revenue general fund for the use of the department in its
 11 examination function. The department shall submit in writing
 12 to the examined bank a report of the examination's findings
 13 no later than 120 days after the completion of the
 14 examination."

15 **Section 39.** Section 32-2-102, MCA, is amended to read:

16 "32-2-102. Fees paid into state treasury. All fees
 17 provided for in this chapter and paid to the department or
 18 secretary of state ~~shall~~ must be ~~by them~~ turned in to the
 19 state treasury for to the credit of the state special
 20 revenue general fund for the use of the department in its
 21 examination function."

22 **Section 40.** Section 32-2-110, MCA, is amended to read:

23 "32-2-110. Payments to be made by building and loan
 24 associations. ~~For the credit of the state special revenue~~
 25 ~~fund for the use of the department in its examination~~

1 ~~function; each~~ A building and loan association under the
 2 supervision of the department shall pay to the state
 3 treasurer, on or before July 1 each year, a fee established
 4 by the department by rule on or before June 1 of each year.
 5 The fees must be set to recover all of the costs of the
 6 program of supervision of building and loan associations.
 7 The fees must be deposited in the general fund."

8 **Section 41.** Section 32-3-201, MCA, is amended to read:

9 "32-3-201. Director of the department of commerce. (1)
 10 The director shall administer the laws of this state
 11 relating to credit unions. ~~He~~ The director may appoint or
 12 employ such special assistants, deputies, examiners, or
 13 other employees as are necessary for the purpose of
 14 administering or enforcing this chapter.

15 (2) The director may prescribe rules for the
 16 administration of this chapter and may establish chartering,
 17 supervisory, and examination fees. Fees ~~so collected~~ must be
 18 deposited in the state special-revenue general fund ~~for the~~
 19 ~~use of the department in its supervision function.~~

20 (3) The director shall, from time to time, issue rules
 21 prescribing the minimum amount of surety bond coverage and
 22 casualty, liability, and fire insurance required of credit
 23 unions in relation to their assets or to the money and other
 24 personal property involved or their exposure to risk."

25 **Section 42.** Section 32-5-201, MCA, is amended to read:

*32-5-201. License application and fees -- supplementary license. (1) (a) A place of business operated under this chapter shall properly display on the premises a nontransferable and nonassignable license. The same person may obtain additional licenses upon compliance with this chapter as to each license.

(b) Application for a license ~~shall~~ must be on a form prescribed and furnished by the department.

(c) A licensee may move ~~his~~ the place of business from one place to another within a county without obtaining a new license, ~~provided--he--obtains~~ if written permission ~~is~~ obtained from the department.

(d) With each application the applicant shall submit \$50 as an investigation fee and \$125 as a license fee. The license fee ~~shall~~ must be returned to the applicant if the application is denied. The license year is the calendar year, and the license fee for any period less than 6 months is \$62.50. A license remains in force until surrendered, suspended, or revoked.

(2) ~~No~~ A licensee under the provisions of this chapter ~~shall~~ may not lend money in a total sum greater than \$1,000 to any borrower or to any borrower and spouse except under the following circumstances:

(a) When any person holding a license provided for in subsection (1) desires to make loans for any amount in

excess of \$1,000, the holder of such the license may apply to the department for a supplementary license and pay therefor an additional license fee of \$75 per calendar year or ~~one-half-of-said-sum~~ \$37.50 for any period less than 6 months.

(b) The department shall grant, on application, a supplementary license to a holder of a license provided for in subsection (1).

(c) Section 32-5-204 ~~shall-be~~ is applicable as to time of payment of supplementary license fee and penalty for failure to pay the ~~same~~ supplementary license fee.

(d) Provisions of 32-5-301 relating to refunds, fees, and charges and the other provisions of this chapter not inconsistent with this section ~~shall-be~~ are applicable to loans made under authority of a supplementary license.

(3) All moneys money collected under the authority of this chapter ~~shall~~ must be paid by the department into the state ~~special--revenue~~ general fund ~~for--the--use-of-the~~ department-in-its-supervision-function.

(4) The amount of \$1,000 in subsection (2) is subject to change pursuant to the provisions of 32-5-104."

Section 43. Section 32-7-110, MCA, is amended to read:

*32-7-110. Fees. (1) (a) An applicant for licensure shall pay a license fee set by the director, commensurate with the costs of licensing the applicant.

(b) A licensee may be charged an examination fee based on the actual costs of the examination.

(2) All fees collected by the department for the licensure and examination of escrow businesses must be paid to the state treasurer to the credit of the state special revenue general fund ~~for--use--by--the--department--in--its licensure-and-examination-functions-under-this-part."~~

Section 44. Section 40-8-110, MCA, is amended to read:

"40-8-110. Adoption services account fees. ~~There-is-an adoption-services-account-in-the-special-revenue--fund-~~ The fees collected by the department of family services under 40-8-109 must be deposited into this account and may be used by the department for adoption service in the general fund."

Section 45. Section 44-3-302, MCA, is amended to read:

"44-3-302. Fees for laboratory services. The laboratory may charge reasonable fees for its services, except that it may not charge state, county, city, or municipal law enforcement officers or coroners of this state for services rendered. Fees collected under this section shall must be deposited in an account in the state special revenue general fund ~~in--the--state--treasury--and--used--to--pay-operation expenses-of-the-laboratory."~~

Section 46. Section 44-12-206, MCA, is amended to read:

"44-12-206. Disposition of proceeds of sale. (1) Whenever property is seized, forfeited, and sold under the

provisions of this chapter, the net proceeds of the sale must be distributed as follows:

(a) to the holders of security interests who have presented proper proof of their claims, if any, up to the amount of their interests in the property;

(b) the remainder, if any, to the county treasurer of the county in which the property was seized, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(c) through (1)(e);

(c) if the property was seized within the corporate limits of a city or town by a law enforcement agency of that city or town, the remainder, if any, to the city or town treasurer, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(d) and (1)(e);

(d) if the property was seized by an employee of the state, the remainder, if any, to the account ~~established--in subsection--(3)~~ general fund, except as provided in subsection (1)(e); and

(e) if the property was seized as a result of the efforts of more than one law enforcement agency, the remainder, if any, to the accounts required by this subsection (1), pro rata in the proportions represented by

the agencies' expenses of investigation, as determined by the attorney general.

(2) All proceeds from any source that are deposited into a county, city, or town drug forfeiture account must in each fiscal year be appropriated to and remain available until expended by the confiscating agency for drug laws enforcement and education concerning drugs.

(3) Net proceeds received by the state under subsections (1)(d) and (1)(e) must be deposited in an account in the state special-revenue general fund to the credit of the department of justice. The department may expend the money in the account only for purposes of enforcement of drug laws. An amount up to \$125,000 each year is statutorily appropriated, as provided in 17-7-502, to the attorney general for enforcement of drug laws. Any expenditure in excess of \$125,000 each fiscal year requires approval through budget amendment, as provided in Title 17, chapter 77, part 4.

(4) The attorney general shall provide the legislature with a detailed, written report of the amounts and property credited to the account general fund no later than 4 months after the end of each fiscal year. The attorney general may not disclose any information that would compromise any investigation or prosecution."

Section 47. Section 44-13-103, MCA, is amended to read:

"44-13-103. Limitations on use of special law enforcement assistance account. (1) After property is credited to the account, the attorney general may:

(a) transfer the property to any local or state law enforcement agency to be used for criminal investigation purposes;

(b) sell the property by public sale;

(c) destroy any illegal or controlled substances and sell or destroy raw materials, products, and equipment used or intended for use in manufacturing, compounding, or processing a controlled substance;

(d) compromise and pay claims against the property; and

(e) make any other disposition of the property authorized by law.

(2) Money and proceeds from property credited to the account may be used by the attorney general for:

(a) the payment of any expenses necessary to seize, detain, appraise, inventory, safeguard, maintain, advertise, or sell seized, detained, or forfeited property, including but not limited to payment for contract services and reimbursement to a federal, state, or local agency for its expenses;

(b) the payment of awards for information or assistance leading to a criminal proceeding or a civil forfeiture proceeding;

1 (c) the compromise and payment of claims against
2 property;

3 (d) the payment of sums for criminal investigation
4 purposes, including but not limited to:

5 (i) payment of informants;

6 (ii) use by undercover agents to purchase unlawful
7 substances, including, without limitation, counterfeit or
8 real controlled substances, pornographic materials, stolen
9 property, or other contraband;

10 (iii) use by undercover agents as gambling front money;
11 and

12 (iv) payment of overtime to state or local law
13 enforcement officers when engaged in special criminal
14 investigations; and

15 ~~(e)--the-payment-of-funds-into-the--account--created--by~~
16 ~~53-9-109; and~~

17 ~~(f)~~(e) matching federal grants for criminal
18 investigation purposes.

19 (3) The attorney general shall, as provided in
20 5-11-210, submit to the legislature a detailed written
21 report of the amounts and property credited to the account
22 and of the disposition of money and property credited to the
23 account, but may not make any disclosure that would
24 compromise any investigation or prosecution."

25 **Section 48.** Section 46-18-248, MCA, is amended to read:

1 "46-18-248. Rights of state -- crime victims'
2 compensation account. (1) Whenever a victim is paid from the
3 ~~crime--victims--compensation-account-established as provided~~
4 in 53-9-109 for loss arising out of a criminal act, the
5 account state is subrogated, to the extent of the account's
6 payment to the victim, to the rights of the victim to any
7 restitution ordered by the court.

8 (2) The rights of the ~~crime--victims--compensation~~
9 ~~account~~ state are subordinate to the claims of multiple
10 victims who have suffered loss arising out of multiple
11 offenses by the same offender or arising from any
12 transaction which is part of the same continuous scheme of
13 criminal activity of an offender."

14 **Section 49.** Section 46-18-250, MCA, is amended to read:

15 "46-18-250. Victim's location unknown -- payments to
16 restitution fund -- use of restitution fund. (1) If the
17 location of a victim on whose behalf restitution is being
18 paid is unknown, the court may order that restitution
19 payments made on that victim's behalf be deposited in a fund
20 known as the county restitution fund. Subject to the
21 availability of money in the fund, if the whereabouts of a
22 victim whose restitution payments were deposited in the
23 county restitution fund become known, the county shall
24 refund to the victim payments that were deposited in the
25 fund.

1 (2) Money in the restitution fund may be used to
 2 provide payments on behalf of offenders who are ordered to
 3 pay restitution but, due to circumstances beyond their
 4 control, are unable to obtain employment or are unable to
 5 obtain employment sufficient to make restitution payments
 6 and sustain themselves and their dependents. The offender
 7 may perform community service, and for each hour of
 8 community service performed, the victim shall receive an
 9 amount equal to the minimum hourly wage from the county
 10 restitution fund. A judge may order an offender to perform
 11 community service work for restitution payments upon a
 12 finding that the offender would not otherwise be able to
 13 make restitution payments and that there are funds available
 14 in the county restitution fund for payments to the victim.

15 (3) ~~Moneys~~ Money in the county restitution fund that
 16 are is due to a victim under this part must be paid to the
 17 ~~crime--victims-compensation-account-as-defined-in-53-9-189,~~
 18 state general fund if payments have been made to or on
 19 behalf of the victim ~~from-the-account by the state.~~ Payment
 20 from the county restitution fund to the ~~crime--victims~~
 21 ~~compensation--account~~ state general fund may be made only
 22 from moneys money paid by the offender who caused the injury
 23 or death that resulted in the payment from the account."

24 **Section 50.** Section 49-2-510, MCA, is amended to read:

25 "49-2-510. Procedures and remedies for enforcement of

1 housing discrimination laws. (1) A complaint may be filed
 2 with the commission by or on behalf of a person claiming to
 3 be aggrieved by any discriminatory practice prohibited by
 4 49-2-305. The complaint must be in written form and must be
 5 filed with the commission within 1 year after the alleged
 6 unlawful discriminatory practice occurred or was discovered.

7 (2) (a) Except as provided in subsection (2)(b), if the
 8 commission, in a hearing under 49-2-505, finds that a
 9 person, institution, entity, or agency against whom a
 10 complaint was filed under this part has engaged in a
 11 discriminatory practice in violation of 49-2-305, the
 12 commission may, in addition to the remedies and injunctive
 13 and other equitable relief provided by 49-2-506, to
 14 vindicate the public interest, assess a civil penalty:

15 (i) in an amount not exceeding \$10,000 if the
 16 respondent has not been found to have committed any prior
 17 discriminatory housing practice in violation of 49-2-305;

18 (ii) in an amount not exceeding \$25,000 if the
 19 respondent has been found to have committed one other
 20 discriminatory housing practice in violation of 49-2-305
 21 during the 5-year period ending on the date of the filing of
 22 the complaint; and

23 (iii) in an amount not exceeding \$50,000 if the
 24 respondent has been found to have committed two or more
 25 discriminatory housing practices in violation of 49-2-305

1 during the 7-year period ending on the date of the filing of
2 the complaint.

3 (b) If the acts constituting the discriminatory housing
4 practice that is the object of the complaint are committed
5 by the same natural person who has been previously found to
6 have committed acts constituting a discriminatory housing
7 practice, the civil penalties provided in subsections
8 (2)(a)(ii) and (2)(a)(iii) may be imposed without regard to
9 the period of time within which any prior discriminatory
10 housing practice occurred.

11 (3) In the case of an order with respect to a
12 discriminatory housing practice in violation of 49-2-305
13 that occurred in the course of a business subject to
14 licensing or regulation by a governmental agency, the
15 commission shall, no later than 30 days after the date of
16 the issuance of the order or, if the order is judicially
17 reviewed, no later than 30 days after the order is in
18 substance affirmed:

19 (a) send copies of the findings of fact, the
20 conclusions of law, and the order to the licensing or
21 regulatory agency; and

22 (b) recommend to the licensing or regulatory agency
23 appropriate disciplinary action, including, where
24 appropriate, the suspension or revocation of the license of
25 the respondent.

1 (4) (a) When a complaint is filed under 49-2-305, a
2 complainant, respondent, or aggrieved person on whose behalf
3 the complaint was filed may elect to have the claims decided
4 in a civil action in lieu of a hearing under 49-2-505. The
5 election must be made no later than 20 days after receipt by
6 the electing person of service of notice of certification
7 for hearing under 49-2-505. The person making the election
8 shall give notice to the commission and to all other
9 complainants and respondents to whom the complaint relates.
10 Within 30 days after the election is made, the commission
11 shall commence a civil action in an appropriate district
12 court on behalf of the aggrieved person if the commission
13 staff has made a finding that the allegations of the
14 complaint are supported by substantial evidence. If the
15 commission staff has made a finding that the allegations of
16 the complaint are not supported by substantial evidence, the
17 complainant may commence a civil action in an appropriate
18 district court in accordance with subsection (5). An
19 aggrieved person with respect to the issues to be determined
20 in a civil action brought by the commission staff may
21 intervene in the action.

22 (b) The commission may not continue administrative
23 proceedings on a complaint after an election is made in
24 accordance with subsection (4)(a).

25 (5) (a) An aggrieved person may commence a civil action

1 in an appropriate district court within 2 years after an
2 alleged unlawful discriminatory practice under 49-2-305
3 occurred or was discovered or within 2 years of the breach
4 of a conciliation agreement entered into under 49-2-504 in a
5 case alleging a violation of 49-2-305. The computation of
6 the 2-year period does not include any time during which an
7 administrative proceeding under this title was pending with
8 respect to a complaint alleging a violation of 49-2-305. The
9 tolling of the time limit for commencing a civil action does
10 not apply to actions arising from breach of a conciliation
11 agreement.

12 (b) An aggrieved person may commence a civil action
13 under this subsection for a violation of 49-2-305 whether or
14 not a complaint has been filed under 49-2-501 and without
15 regard to the status of a complaint filed with the
16 commission except as provided in subsection (5)(d). If the
17 commission has obtained a conciliation agreement with the
18 consent of the aggrieved person, an action may not be filed
19 under this subsection by the aggrieved person regarding the
20 alleged violation of 49-2-305 that forms the basis for the
21 complaint except for the purpose of enforcing the terms of
22 the agreement.

23 (c) The commission may not continue administrative
24 proceedings on a complaint after the beginning of a trial of
25 a civil action commenced by the aggrieved party under this

1 subsection (5) seeking relief with respect to the same
2 alleged violation of 49-2-305.

3 (d) An aggrieved person may not commence a civil action
4 under this subsection (5) with respect to an alleged
5 violation of 49-2-305 if the commission has commenced a
6 hearing on the record under 49-2-505 regarding the same
7 complaint.

8 (e) Upon application by a person alleging a violation
9 of 49-2-305 in a civil action under this subsection (5) or
10 by a person against whom the violation is alleged, the court
11 may:

12 (i) appoint an attorney for the applicant; or

13 (ii) authorize the commencement or continuation of a
14 civil action without the payment of fees, costs, or security
15 if, in the opinion of the court, the applicant is
16 financially unable to bear the costs of the civil action.

17 (f) Upon timely application, the commission may
18 intervene in a civil action brought under this subsection
19 (5) if the commission certifies that the case is of general
20 public importance. Upon intervention, the commission may
21 obtain the same relief that would be available to the
22 commission under subsection (7).

23 (6) If the court finds that a person, institution,
24 entity, or agency against whom a complaint was filed under
25 this section has engaged in a discriminatory practice in

violation of 49-2-305, the court may, in addition to the other remedies and injunctive and other equitable relief provided under 49-2-506, award punitive damages. The court may also award attorney fees to the prevailing party.

(7) (a) Whenever the commission has reasonable cause to believe that a person or group of persons is engaged in a pattern or practice in violation of 49-2-305 or that a group of persons has been discriminated against in violation of 49-2-305 and the denial raises an issue of general public importance, the commission may commence a civil action in an appropriate district court. The commission may also commence a civil action in any appropriate district court for relief regarding breach of a conciliation agreement in a case regarding an alleged violation of 49-2-305 if the commission is a party to the agreement.

(b) The commission may file a civil action under this subsection (7) within 18 months after the alleged breach of the conciliation agreement or unlawful discriminatory practice occurred or was discovered.

(c) In a civil action under this subsection (7), the court may, in addition to the remedies provided under 49-2-506, assess a civil penalty against the respondent:

(i) in an amount not exceeding \$50,000 for a first violation; and

(ii) in an amount not exceeding \$100,000 for any

subsequent violation.

(d) Upon timely application, a person may intervene in a civil action under this subsection (7) that involves an alleged violation of 49-2-305 with respect to which the intervenor is an aggrieved person.

(8) Civil penalties under this section must be paid to the state treasurer to be deposited in--an--account in the state ~~special~~--revenue general fund to be used by the commission for housing discrimination enforcement."

Section 51. Section 50-1-202, MCA, is amended to read:

"50-1-202. General powers and duties. The department shall:

(1) study conditions affecting the citizens of the state by making use of birth, death, and sickness records;

(2) make investigations, disseminate information, and make recommendations for control of diseases and improvement of public health to persons, groups, or the public;

(3) at the request of the governor, administer any federal health program for which responsibilities are delegated to states;

(4) inspect and work in conjunction with custodial institutions and Montana university system units periodically as necessary and at other times on request of the governor;

(5) after each inspection made under subsection (4) of

1 this section, submit a written report on sanitary conditions
2 to the governor and to the director of corrections and human
3 services or commissioner of higher education and include
4 recommendations for improvement in conditions if necessary;

5 (6) advise state agencies on location, drainage, water
6 supply, disposal of excreta, heating, plumbing, sewer
7 systems, and ventilation of public buildings;

8 (7) organize laboratory services and provide equipment
9 and personnel for those services;

10 (8) develop and administer activities for the
11 protection and improvement of dental health and supervise
12 dentists employed by the state, local boards of health, or
13 schools;

14 (9) develop, adopt, and administer rules setting
15 standards for participation in and operation of programs to
16 protect the health of mothers and children, which rules may
17 include programs for nutrition, family planning services,
18 improved pregnancy outcome, and those authorized by Title X
19 of the federal Public Health Service Act and Title V of the
20 federal Social Security Act;

21 (10) conduct health education programs;

22 (11) provide consultation to school and local community
23 health nurses in the performance of their duties;

24 (12) consult with the superintendent of public
25 instruction on health measures for schools;

1 (13) develop, adopt, and administer rules setting
2 standards for a program to provide services to handicapped
3 children, including standards for:

4 (a) diagnosis;

5 (b) medical, surgical, and corrective treatment;

6 (c) aftercare and related services; and

7 (d) eligibility;

8 (14) provide consultation to local boards of health;

9 (15) bring actions in court for the enforcement of the
10 health laws and defend actions brought against the board or
11 department;

12 (16) accept and expend federal funds available for
13 public health services;

14 (17) have the power to use personnel of local
15 departments of health to assist in the administration of
16 laws relating to public health;

17 (18) after consultation with the board, adopt rules
18 imposing fees for the tests and services performed by the
19 laboratory of the department. Fees, established on an annual
20 basis, should reflect the actual costs of the tests or
21 services provided. The department may not establish fees
22 exceeding the costs incurred in performing tests and
23 services. All fees ~~shall~~ must be deposited in the state
24 ~~special-revenue general fund for-the-use-of--the--department~~
25 ~~in-performing-tests-and-services.~~

(19) adopt and enforce rules regarding the definition of communicable diseases and the reporting and control of communicable diseases; and

(20) adopt and enforce rules regarding the transportation of dead human bodies."

Section 52. Section 50-2-108, MCA, is amended to read:

"50-2-108. Financing of local boards -- inspection fund. (1) Local boards are financed by general fund appropriations, special levy appropriations, state and federal funds available, and contributions from school boards and other official and nonofficial agencies.

~~(2) There is within the state special revenue fund a local board inspection fund account."~~

Section 53. Section 50-15-111, MCA, is amended to read:

"50-15-111. Certified copy fee. (1) The department shall prescribe a fee of not less than \$5 for a certified copy of certificates or search of files.

(2) Fees received for a certified copy of a certificate or a search of files shall must be deposited in the state ~~special revenue~~ general fund ~~to be used by the department for the maintenance of indexes to and costs for the preservation of vital records."~~

Section 54. Section 50-50-205, MCA, is amended to read:

"50-50-205. License fee -- late fee -- preemption of local authority -- exception. (1) For each license issued,

the department shall collect a fee of \$60. It shall deposit ~~85% of the fees collected under this section into the local board inspection fund account created in 50-2-108, 7.5% of the fees~~ into the general fund, ~~and 7.5% of the fees into the account provided for in 50-50-216.~~

(2) In addition to the license fee required under subsection (1), the department shall collect a late fee from any licensee who has failed to submit a license renewal fee prior to the expiration of ~~his~~ the current license and who operates an establishment governed by this part in the next licensing year. The late fee is \$25 and must be deposited in ~~the account provided for in 50-50-216~~ general fund.

(3) A county or other local government may not impose an inspection fee or charge in addition to the fee provided for in subsection (1) unless a violation of this chapter or rule persists and is not corrected after two visits to the establishment."

Section 55. Section 50-50-305, MCA, is amended to read:

"50-50-305. Department to pay local board for inspections and enforcement. (1) Before June 30 of each year, the department shall pay to a local board of health, as established under 50-2-104, 50-2-106, or 50-2-107, an amount ~~from the local board inspection fund account created in 50-2-108~~ that must be used only for the purpose of inspecting establishments licensed under this chapter and

enforcing the provisions of this chapter; provided, however, that:

(a) there is a functioning local board of health; and

(b) the local board of health, local health officers, sanitarians-in-training, and registered sanitarians:

(i) assist in inspections and enforcement of the provisions of this chapter and the rules adopted under it; and

(ii) meet minimum program performance standards as established under rules adopted by the department.

(2) The funds received by the local board of health pursuant to subsection (1) must be deposited with the appropriate local fiscal authority and must be used to supplement, but not supplant, other funds received by the local board of health that in the absence of funding received under subsection (1) would be made available for the same purpose.

(3) Funds in--the--local-board-inspection-fund-account not paid to the local board of health as provided in subsection (1) may be used by the department, within any jurisdiction that does not qualify to receive payments from the--local--board--inspection--fund-account under subsection (1), to enforce the provisions of this chapter and the rules adopted under it."

Section 56. Section 50-51-204, MCA, is amended to read:

"50-51-204. License fee -- late fee. (1) There shall must be paid to the department with each application for such a license under 50-51-201 or for renewal of such the license an annual license fee of \$40. The department shall deposit ~~85% of the fees collected under this section into the local board inspection fund account created in 50-2-108, 11-25% of the fees into the general fund, and 3.75% of the fees into the account provided for in 50-51-110.~~

(2) In addition to the license fee required under subsection (1), the department shall collect a late fee from any licensee who has failed to submit a license renewal fee prior to the expiration of his a current license and who operates an establishment governed by this part in the next licensing year. The late fee is \$25 and must be deposited in the account provided for in 50-51-110 general fund."

Section 57. Section 50-51-303, MCA, is amended to read:

"50-51-303. Department to pay local board for inspections and enforcement. (1) Before June 30 of each year, the department shall pay to a local board of health, as established under 50-2-104, 50-2-106, or 50-2-107, an amount ~~from the local board inspection fund account created in 50-2-108~~ that must be used only for the purpose of inspecting establishments licensed under this chapter and enforcing the provisions of this chapter; provided, however, that:

1 (a) there is a functioning local board of health; and
 2 (b) the local board of health, local health officers,
 3 sanitarians-in-training, and registered sanitarians:
 4 (i) assist in inspections and enforcement of the
 5 provisions of this chapter and the rules adopted under it;
 6 and
 7 (ii) meet minimum program performance standards as
 8 established under rules adopted by the department.
 9 (2) The funds received by the local board of health
 10 pursuant to subsection (1) must be deposited with the
 11 appropriate local fiscal authority and must be used to
 12 supplement, but not supplant, other funds received by the
 13 local board of health that in the absence of funding
 14 received under subsection (1) would be available for the
 15 same purpose.
 16 (3) Funds ~~in-the-local-board--inspection--fund--account~~
 17 not paid to the local board of health as provided in
 18 subsection (1) may be used by the department, within any
 19 jurisdiction that does not qualify to receive payments from
 20 ~~the-local-board--inspection--fund--account~~ as provided in
 21 subsection (1), to enforce the provisions of this chapter
 22 and the rules adopted under it."

23 **Section 58.** Section 50-52-202, MCA, is amended to read:
 24 "50-52-202. License fee -- late fee. (1) Each
 25 application shall be accompanied by a fee of \$40.

1 (2) The department shall deposit 85% ~~of--the--fees~~
 2 ~~collected---under---subsection--(1)--into--the--local--board~~
 3 ~~inspection-fund-account-created-in-50-2-100,--11.25%--of~~ the
 4 fees into the general fund, ~~and-3.75%--of--the--fees--collected~~
 5 ~~under-subsection--(1)--into--the--account--provided--for--in~~
 6 ~~50-52-210.~~

7 (3) In addition to the license fee required under
 8 subsection (1), the department shall collect a late fee from
 9 any licensee who has failed to submit a license renewal fee
 10 prior to the expiration of ~~his~~ a current license and who
 11 operates an establishment governed by this part in the next
 12 licensing year. The late fee is \$25 and must be deposited in
 13 the ~~account-provided-for-in-50-52-210~~ general fund."

14 **Section 59.** Section 50-52-302, MCA, is amended to read:
 15 "50-52-302. Department to pay local board for
 16 inspection and enforcement. (1) Before June 30 of each year,
 17 the department shall pay to a local board of health, as
 18 established under 50-2-104, 50-2-106, or 50-2-107, an amount
 19 ~~from-the-local-board--inspection--fund--account--created--in~~
 20 ~~50-2-100~~ that must be used only for the purpose of
 21 inspecting establishments licensed under this chapter and
 22 enforcing the provisions of this chapter; provided, however,
 23 that:

24 (a) there is a functioning local board of health; and
 25 (b) the local board of health, local health officers,

1 sanitarians-in-training, and registered sanitarians:

2 (i) assist in inspections and enforcement of the
3 provisions of this chapter and the rules adopted under it;
4 and

5 (ii) meet minimum program performance standards as
6 established under rules adopted by the department.

7 (2) The funds received by the local board of health
8 pursuant to subsection (1) must be deposited with the
9 appropriate local fiscal authority and must be used to
10 supplement, but not supplant, other funds received by the
11 local board of health that in the absence of funding
12 received under subsection (1) would be made available for
13 the same purpose.

14 (3) Funds in--the--local-board-inspection-fund-account
15 not paid to the local board of health as provided in
16 subsection (1) may be used by the department, within any
17 jurisdiction that does not qualify to receive payments from
18 the--local--board--inspection-fund as provided in subsection
19 (1), to enforce the provisions of this chapter and the rules
20 adopted under it."

21 **Section 60.** Section 50-53-203, MCA, is amended to read:

22 "50-53-203. License fee and late fee -- disposition.
23 (1) (a) Except as provided in subsection (1)(b), each
24 application for an original or renewal license must be
25 accompanied by a license fee of \$75.

1 (b) The fee for an original or renewal license for a
2 public swimming pool or public bathing place operated in
3 conjunction with a public accommodation is \$50.

4 (2) An operator of a public swimming pool or public
5 bathing place who fails to renew a license by the expiration
6 date provided in 50-53-204 and who operates the public
7 swimming pool or public bathing place in the license year
8 for which no renewal fee was paid shall, upon renewal, pay
9 to the department a late renewal fee of \$25 in addition to
10 the renewal fee required by subsection (1). Payment of the
11 late renewal fee does not relieve the operator of
12 responsibility for any operation without a license.

13 (3) The department shall deposit 85%--of the fees
14 collected under subsection (1) in the state special-revenue
15 general fund to-the-credit-of--the--local--board--inspection
16 fund--account--created--by--50-2-108. Money-deposited-in-the
17 local--board--inspection--fund--account---is---subject---to
18 appropriation---by--the--legislature--for--the--purposes--of
19 50-53-218-

20 (4)--The--department--shall--deposit--15%--of--the--fees
21 collected-under-subsection-(1)-and-all--the--fees--collected
22 under--subsection--(2)--in--an--account-in-the-state-special
23 revenue-fund-to-be-appropriated-by-the--legislature--to--the
24 department---for---the---enforcement--of--50-53-101--through
25 50-53-109-and-this-part."

Section 61. Section 50-53-218, MCA, is amended to read:

"50-53-218. Department to pay board for inspections or enforcement, or both. (1) By June 30 of each year, the department shall pay to a local board of health established under 50-2-104, 50-2-106, or 50-2-107 an amount from the local-board-inspection-fund-account, created by 50-2-108, for the purpose of inspecting public swimming pools and public bathing places licensed under 50-53-101 through 50-53-109 and this part or for taking appropriate enforcement action with respect to the public swimming pools and public bathing places, or for both inspection and enforcement. The payment required by this section must be made to a board only if the board and any local health officer and sanitarian for the jurisdiction of the board meet the program performance standards established by department rules.

(2) Money received by the board pursuant to subsection (1) may be used only for the purpose of inspections and enforcement under 50-53-101 through 50-53-109 and this part and must be used to supplement and not supplant other money received by the board for the same purpose.

(3) The department may use money in the local-board inspection-fund-account appropriated to the department for the enforcement of 50-53-101 through 50-53-109, this part, and the rules of the department and for inspections to

determine compliance with those sections and rules in any local jurisdiction not receiving payment under subsection (1)."

Section 62. Section 50-60-508, MCA, is amended to read:

"50-60-508. Permit fees. (1) The department of commerce shall establish permit fees in accordance with the Montana Administrative Procedure Act, and the fees shall must be deposited to the state special revenue in the general fund of the department for use in the administration and enforcement of this part and the Montana state plumbing code.

(2) For the purpose of 50-60-505 through 50-60-513, a sanitary plumbing outlet on or to which a plumbing fixture or appliance may be set or attached shall must be construed to be a fixture. Fees for reconnection and retest of plumbing systems in relocated buildings shall must be based on the number of plumbing fixtures, gas systems, water heaters, and the like involved."

Section 63. Section 50-71-325, MCA, is amended to read:

"50-71-325. Department authorized to prohibit further use of equipment constituting violation. (1) The department, upon finding any violation of any duly adopted safety code, order, or rule involving failure to install or maintain any safety appliance, device, or safeguard required by such a safety order, code, or rule, may prohibit the further use of

1 the machine, equipment, or apparatus constituting such the
 2 violation and, when such use is prohibited, shall post
 3 notice in an appropriate place in plain view of any person
 4 likely to use the same machine, equipment, or apparatus,
 5 calling attention to the unsafe condition, defect, or lack
 6 of safeguard and the fact that the further use thereof is
 7 prohibited.

8 (2) The notice required by subsection (1) of this
 9 section shall may not be removed until the required safety
 10 appliance, device, or safeguard complies with the
 11 requirement of the safety order or safety code.

12 (3) Every A person who, after the notice required by
 13 subsection (1) of this section is posted as provided in that
 14 subsection, uses or operates any place of employment,
 15 machine, device, apparatus, or equipment referred to in
 16 subsection (1) of this section before it is made safe and
 17 the required safeguards or safety appliances or devices are
 18 provided or who defaces or destroys or removes any notice
 19 required by subsection (1) of this section without the
 20 authority of the department or who fails or refuses to file
 21 a report of accident, as required by 39-71-307(1), is guilty
 22 of a misdemeanor and, in addition to the punishment provided
 23 for misdemeanors, is subject to a civil penalty in an amount
 24 of not more than \$1,000. This civil penalty may be imposed
 25 and collected by the department in an action brought in the

1 name of the state in the county in which the employer
 2 resides or in which he the employer employs workers. Any
 3 penalty collected under this subsection shall must be paid
 4 into the department's state special revenue account general
 5 fund.

6 (4) Any A person aggrieved by an order prohibiting the
 7 use of the machine, equipment, apparatus, or place of
 8 employment as provided for in this section may request a
 9 hearing before the department within 20 days after entry of
 10 such an order. The department shall then affirm, modify, or
 11 revoke the order, and all procedures of this chapter
 12 relative to entry of orders, rehearing, and appeal shall
 13 apply."

14 **Section 64.** Section 53-2-813, MCA, is amended to read:

15 "53-2-813. Mill levy for counties transferring public
 16 assistance and protective services. (1) For the purpose of
 17 this part, 12 mills must be levied annually in those
 18 counties opting for state assumption.

19 (2) For a county electing state assumption before July
 20 1, 1986, the The proceeds of the mill levy established in
 21 subsection (1) must be deposited in the state special
 22 revenue general fund in the state treasury for the purpose
 23 of paying the expenses of the department of social and
 24 rehabilitation services. The mill levy may not exceed 12
 25 mills, notwithstanding actual expenditures made by the

1 department.

2 (3) ~~For a county electing state assumption on or after~~
 3 ~~July 1, 1986, the proceeds of the mill levy established in~~
 4 ~~subsection (1) must be deposited in the state special~~
 5 ~~revenue fund in the state treasury to the credit of the~~
 6 ~~department of social and rehabilitation services.~~ The
 7 general fund authority of the department of social and
 8 rehabilitation services ~~shall~~ must be reduced and the
 9 general fund authority of the department of family services
 10 ~~shall~~ must be increased by an amount equal to the county's
 11 expenditures for child and adult protective services in the
 12 fiscal year immediately preceding state assumption. The mill
 13 levy may not exceed 12 mills, notwithstanding actual
 14 expenditures made by the department of social and
 15 rehabilitation services and the department of family
 16 services.

17 (4) For a county retaining or reassuming operational
 18 responsibility for medical assistance or monetary payments
 19 to needy persons as provided in 53-2-812, the levy provided
 20 in subsection (1) must be reduced by the mill levy
 21 equivalent expended by that county or the department for
 22 such those purposes in the fiscal year immediately preceding
 23 the option to retain or reassume such responsibility."

24 **Section 65.** Section 53-9-104, MCA, is amended to read:

25 "53-9-104. Powers and duties of division. (1) The

1 division shall:

2 (a) adopt rules to implement this part;

3 (b) prescribe forms for applications for compensation;

4 (c) determine all matters relating to claims for
 5 compensation; and

6 (d) require any person contracting directly or
 7 indirectly with an individual formally charged with or
 8 convicted of a qualifying crime for any rendition,
 9 interview, statement, book, photograph, movie, television
 10 production, play, or article relating to such the crime to
 11 deposit any proceeds paid or owed to the individual under
 12 the terms of the contract into an escrow fund for the
 13 benefit of any victims of the qualifying crime and any
 14 dependents of a deceased victim, if the individual is
 15 convicted of the crime, to be held for such a period of time
 16 as the division may determine is reasonably necessary to
 17 perfect the claims of the victims or dependents. Deposited
 18 proceeds may also be used to pay the costs and attorney fees
 19 of court-appointed counsel for the charged person. Each
 20 victim and dependent of a deceased victim is entitled to his
 21 actual and unreimbursed damages of all kinds or \$5,000,
 22 whichever is greater. Proceeds remaining after payments to
 23 victims, dependents of deceased victims, and the county as
 24 reimbursement for any public defender or any attorney
 25 appointed for the charged person must be deposited in the

1 ~~account-established-in-53-9-109~~ general fund.

2 (2) The division may:

3 (a) request and obtain from prosecuting attorneys and
4 law enforcement officers investigations and data to enable
5 the division to determine whether and the extent to which a
6 claimant qualifies for compensation. A statute providing
7 confidentiality for a claimant's juvenile court records does
8 not apply to proceedings under this part.

9 (b) request and obtain from a health care provider
10 medical reports that are relevant to the physical condition
11 of a claimant or from an insurance carrier, agent, or claims
12 adjuster insurance payment information that is relevant to
13 expenses claimed by a claimant, provided that the division
14 has made reasonable efforts to obtain from the claimant a
15 release of the records or information. ~~No-civil~~ Civil or
16 criminal liability arises does not arise from the release of
17 information requested under this subsection (b).

18 (c) subpoena witnesses and other prospective evidence,
19 administer oaths or affirmations, conduct hearings, and
20 receive relevant, nonprivileged evidence;

21 (d) take notice of judicially cognizable facts and
22 general, technical, and scientific facts within its
23 specialized knowledge;

24 (e) require that law enforcement agencies and officials
25 take reasonable care that victims be informed about the

1 existence of this part and the procedure for applying for
2 compensation under this part; and

3 (f) establish a victims' assistance coordinating and
4 planning program."

5 **Section 66.** Section 53-9-109, MCA, is amended to read:

6 ~~"53-9-109. Crime victims~~ victims' ~~compensation account.~~
7 ~~There-is-a-crime-victims-compensation-and-assistance-account~~
8 ~~in--the-state-special-revenue-fund-~~ There shall must be paid
9 into ~~this-account~~ the general fund 18% of the fines assessed
10 and bails forfeited, except those paid to a justice's court,
11 on all offenses involving a violation of chapter 3, part 1
12 of chapter 4, or chapters 5 through 10 of Title 61 that are
13 a result of citations or tickets issued by the highway
14 patrol. The money ~~in-the-account-is-to~~ may be used ~~solely~~
15 for the purposes of this part and for victims' assistance
16 program coordination and planning provided by the division.
17 ~~No-fund-balance-in-the-account-at-the-end-of-a--fiscal--year~~
18 ~~may-be-deposited-in-the-general-fund-~~"

19 **Section 67.** Section 53-24-108, MCA, is amended to read:

20 ~~"53-24-108. Utilization of funds generated by taxation~~
21 ~~on alcoholic beverages. (1) Revenue generated by 16-1-404,~~
22 ~~16-1-406, 16-1-408, and 16-1-411 to state-approved private~~
23 ~~nonprofit or public programs whose function is the~~
24 ~~treatment, rehabilitation, and prevention of alcoholism may~~
25 ~~be distributed in either of the following manners:~~

(a) as payment of fees for alcoholism services provided by state-approved private nonprofit or public alcoholism programs and licensed hospitals for detoxification services; or

(b) as grants to state-approved private nonprofit or public alcoholism programs.

(2) State-approved private chemical programs organized for profit are not eligible for revenue generated by 16-1-404, 16-1-406, 16-1-408, and 16-1-411.

(3) No A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1) of ~~this section~~.

(4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.

(5) No A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

(6) A grant made under this section is subject to the following conditions:

(a) The grant application must contain an estimate of all program income, including income from earned fees, gifts, bequests, donations, and grants from other than state sources during the period for which grant support is sought.

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess shall must be reported to the grantor.

(c) The excess shall must be used by the grantee under the terms of the grant in accordance with one or a combination of the following options:

(i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or

(ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.

(7) Revenue generated by 16-1-404, 16-1-406, 16-1-408, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism which that has not been encumbered for those purposes by the counties of Montana or the department shall must be returned to the state special revenue general fund ~~for-the-treatment,-rehabilitation,-and prevention--of--alcoholism~~ within 30 days after the close of each fiscal year and ~~will-be-distributed-by--the--department the-following-year-as-provided-in-53-24-206(3)(b).~~"

Section 68. Section 60-11-123, MCA, is amended to read:

"60-11-123. Disposition of revenue from state-owned railroads -- use of money. (1) Unless otherwise required by law, revenue from the lease or sale of assets of or revenue paid to the state of Montana by an operator of a railroad owned by the state of Montana must be deposited in the ~~special--railroad--facilities--account--created-in-60-11-122~~ general fund.

(2) The department of transportation is authorized to ~~administer,--as-provided-in-60-11-121-through-60-11-123,--the~~ ~~special-railroad-facilities-account-created-in-60-11-122--to~~ provide--for-improvement improvements of railroad tracks and associated facilities of any state-owned railroad in Montana."

Section 69. Section 61-4-517, MCA, is amended to read:

"61-4-517. Implementation of arbitration. (1) A consumer may initiate a request for arbitration by filing a notice with the department of commerce. The consumer shall file, on a form prescribed by the department of commerce, any information considered relevant to the resolution of the dispute and shall return the form, along with a \$50 filing fee, within 5 days after receiving it. The complaint form must offer the consumer the choice of presenting any subsequent testimony orally or in writing, but not both.

(2) The department of commerce shall determine whether

the complaint alleges the violation of any applicable warranty under this part. If the department of commerce determines that a complaint does not allege a warranty violation, it must refund the filing fee.

(3) Upon acceptance of a complaint, the department of commerce shall notify the manufacturer of the filing of a request for arbitration and shall obtain from the manufacturer, on a form prescribed by the department of commerce, any information considered relevant to the resolution of the dispute. The manufacturer must return the form within 15 days of receipt, with a filing fee of \$250.

(4) Fees collected under this section ~~shall~~ must be deposited in ~~a-special-revenue~~ the general fund ~~for-the--use~~ of-the-department-of-commerce-in-administering-this-part.

(5) The manufacturer's fee provided in subsection (3) is due only if the department of commerce arbitration procedures are utilized."

Section 70. Section 61-5-121, MCA, is amended to read:

"61-5-121. (Temporary) Disposition of fees. (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial vehicle operator's endorsements provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:

(a) The amount of 25% of each driver's license fee and

1 of each duplicate driver's license fee must be deposited
 2 into an account in the state special revenue fund. The
 3 department shall transfer the funds from this account to the
 4 Montana highway patrol officers' retirement pension trust
 5 fund as provided in 19-6-404. ~~Funds transferred from the~~
 6 ~~account--are--statutorily--appropriated,--as---provided---in~~
 7 ~~17-7-502,--to--the--pension--trust--fund.~~

8 (b) (i) If the fees are collected by a county treasurer
 9 or other agent of the department, the amount of 3.75% of
 10 each driver's license fee and of each duplicate driver's
 11 license fee must be deposited into the county general fund.

12 (ii) ~~Except--as--provided--in--subsection-(3),--if~~ If the
 13 fees are collected by the department, the amount provided
 14 for in subsection (1)(b)(i) must be deposited into the state
 15 ~~special--revenue~~ general fund ~~for use by the department to~~
 16 ~~defray the costs of issuing licenses or duplicate licenses.~~

17 (c) (i) If the fee is collected by a county treasurer
 18 or other agent of the department, the amount of 5% of each
 19 motorcycle endorsement must be deposited into the county
 20 general fund.

21 (ii) ~~Except as provided in subsection-(3),--if~~ If the fee
 22 is collected by the department, the amount provided for in
 23 subsection (1)(c)(i) must be deposited into the state
 24 ~~special-revenue~~ general fund ~~for use by--the--department--to~~
 25 ~~defray the costs of issuing motorcycle endorsements.~~

1 (d) ~~The--amount--of--17.5%--of--each--driver's--license--fee~~
 2 ~~and--of--each--duplicate--driver's--license--fee--must--be--deposited~~
 3 ~~into--the--state--traffic--education--account.~~

4 (e) ~~The~~ In addition to the amounts provided for in
 5 subsections (1)(b)(ii) and (1)(c)(ii), the amount of 53.75%
 6 of each driver's license fee and of each duplicate driver's
 7 license fee must be deposited into the state general fund.

8 (f) (e) If the fee is collected by the county treasurer
 9 or other agent of the department, the amount of 3.75% of
 10 each commercial vehicle operator's endorsement fee must be
 11 deposited into the county general fund, otherwise all of the
 12 fee must be deposited in the state general fund.

13 (g) ~~The--amount--of--95%--of--each--motorcycle--endorsement~~
 14 ~~fee--must--be--deposited--into--the--state--traffic--education~~
 15 ~~account--in--the--state--special--revenue--fund.~~

16 (2) (a) If fees from driver's licenses, commercial
 17 vehicle operator's endorsements, motorcycle endorsements,
 18 and duplicate driver's licenses are collected by a county
 19 treasurer or other agent of the department, ~~he shall deposit~~
 20 the amounts provided for in subsections (1)(b)(i) and
 21 (1)(c)(i) must be deposited into the county general fund. He
 22 ~~shall then remit to the state treasurer--all~~ All remaining
 23 fees must be remitted to the state treasurer, together with
 24 a statement indicating what portion of each fee is to be
 25 deposited into the account in the state special revenue

1 fund, as provided in subsection (1)(a), the--state--traffic
 2 education--account, and the state general fund. The state
 3 treasurer, upon receipt of the fees and statement, shall
 4 deposit the fees as provided in subsections (1)(a), and
 5 (1)(d), through-(f)(g) and (1)(e).

6 (b) If fees from driver's licenses, commercial vehicle
 7 operator's endorsements, motorcycle endorsements, and
 8 duplicate driver's licenses are collected by the department,
 9 it shall remit all fees to the state treasurer, together
 10 with a statement indicating what portion of each fee is to
 11 be deposited into the account in the state special revenue
 12 fund, as provided in subsection (1)(a), the-state-special
 13 revenue-fund, the-state-traffic-education-account, and the
 14 state general fund. The state treasurer, upon receipt of the
 15 fees and statement, shall deposit the fees as provided in
 16 subsections (1)(a), (1)(b)(ii), (1)(c)(ii), and (1)(d),
 17 through-(f)(g) and (1)(e).

18 (3) On or before June 30, 1993, the balance in the
 19 driver's license collections account in the state special
 20 revenue fund collected pursuant to subsections (1)(b)(ii)
 21 and (1)(c)(ii) must be transferred to the general fund.
 22 (Terminates July 1, 1993--sec. 7(1), Ch. 5, Sp. L. January
 23 1992.)

24 61-5-121. (Effective July 1, 1993) Disposition of fees.
 25 (1) The disposition of the fees from driver's licenses

1 provided for in 61-5-111(7)(a), motorcycle endorsements
 2 provided for in 61-5-111(7)(b), commercial vehicle
 3 operator's endorsements provided for in 61-5-111(7)(c), and
 4 duplicate driver's licenses provided for in 61-5-114 is as
 5 follows:

6 (a) The amount of 25% of each driver's license fee and
 7 of each duplicate driver's license fee must be deposited
 8 into an account in the state special revenue fund. The
 9 department shall transfer the funds from this account to the
 10 Montana highway patrol officers' retirement pension trust
 11 fund as provided in 19-6-404. Funds--transferred--from--the
 12 account---are---statutorily--appropriated,--as--provided--in
 13 17-7-502,--to--the--pension--trust--fund.

14 (b) (i) If the fees are collected by a county treasurer
 15 or other agent of the department, the amount of 3.75% of
 16 each driver's license fee and of each duplicate driver's
 17 license fee must be deposited into the county general fund.

18 (ii) If the fees are collected by the department, the
 19 amount provided for in subsection (1)(b)(i) must be
 20 deposited into the general fund.

21 (c) (i) If the fee is collected by a county treasurer
 22 or other agent of the department, the amount of 5% of each
 23 motorcycle endorsement must be deposited into the county
 24 general fund.

25 (ii) If the fee is collected by the department, the

amount provided for in subsection (1)(c)(i) must be deposited into the general fund.

~~(d) The amount of 17.5% of each driver's license fee and of each duplicate driver's license fee must be deposited into the state traffic education account.~~

~~(e)~~ In addition to the amounts deposited pursuant to subsections (1)(b)(ii) and (1)(c)(ii), the amount of 53.75% of each driver's license fee and of each duplicate driver's license fee must be deposited into the state general fund.

~~(f)(e)~~ If the fee is collected by the county treasurer or other agent of the department, the amount of 3.75% of each commercial vehicle operator's endorsement fee must be deposited into the county general fund, otherwise all of the fee must be deposited in the state general fund.

~~(g) The amount of 95% of each motorcycle endorsement fee must be deposited into the state traffic education account in the state special revenue fund.~~

(2) (a) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements, and duplicate driver's licenses are collected by a county treasurer or other agent of the department, ~~he shall deposit~~ the amounts provided for in subsections (1)(b)(i) and (1)(c)(i) must be deposited into the county general fund. He ~~shall then remit to the state treasurer~~ All remaining fees must be remitted to the state treasurer, together with

a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund, as provided in subsection (1)(a), ~~the state traffic education account~~, and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), and (1)(d) through (1)(g) and (1)(e).

(b) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the state treasurer, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund, as provided in subsection (1)(a), ~~the state special revenue fund, the state traffic education account~~, and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), (1)(b)(ii), (1)(c)(ii), and (1)(d), through (1)(g) and (1)(e).

Section 71. Section 75-2-211, MCA, is amended to read:

"75-2-211. Permits for construction, installation, alteration, or use. (1) The department shall provide for the issuance, suspension, revocation, and renewal of a permit issued under this part.

(2) For all sources of air contaminants that are

1 subject to the provisions of Title V of the federal Clean
2 Air Act, 42 U.S.C. 7401, et seq., as amended, the provisions
3 of this section apply in addition to the other applicable
4 provisions of this chapter.

5 (a) The board shall by rule require that permits issued
6 to sources described in subsection (2) be of limited
7 duration, but it may not limit the duration of the permits
8 beyond that required by the federal Clean Air Act, 42 U.S.C.
9 7401, et seq., as amended.

10 (b) The board shall by rule provide for the renewal of
11 permits issued to the sources.

12 (c) The board shall by rule establish a transition
13 schedule for air quality permits held by sources of air
14 contaminants subject to the provisions of subsection (2).
15 The transition schedule must specify dates for the
16 expiration of the permits, absent an application for renewal
17 by the source. The transition schedule may not specify
18 expiration dates that are earlier in time than those
19 required by Title V of the federal Clean Air Act, 42 U.S.C.
20 7401, et seq., as amended. The transition schedule
21 established by the board also applies to existing sources of
22 air contaminants that are subject to the provisions of Title
23 V of the federal Clean Air Act, 42 U.S.C. 7401, et seq., as
24 amended, and that do not hold an air quality permit from the
25 department as of November 2, 1992.

1 (3) Not later than 180 days before construction,
2 installation, or alteration begins or as a condition of use
3 of any machine, equipment, device, or facility which the
4 board finds may directly or indirectly cause or contribute
5 to air pollution or which is intended primarily to prevent
6 or control the emission of air pollutants, the owner or
7 operator shall file with the department the appropriate
8 permit application on forms available from the department.

9 (4) Concurrent with the submittal of a permit
10 application required by subsection (3) and annually for the
11 duration of the permit, the applicant shall submit to the
12 department a fee sufficient to cover the reasonable costs,
13 both direct and indirect, of developing and administering
14 the permitting requirements in this chapter, including the
15 reasonable costs of:

16 (a) reviewing and acting upon the application;

17 (b) implementing and enforcing the terms and conditions
18 of the permit if the permit is issued. However, this amount
19 does not include any court costs or other costs associated
20 with any enforcement action. If the permit is not issued,
21 the department shall return this portion of the fee to the
22 applicant.

23 (c) emissions and ambient monitoring;

24 (d) preparing generally applicable regulations or
25 guidance;

(e) modeling, analysis, and demonstrations; and

(f) preparing inventories and tracking emissions.

(5) In addition to the fee required under subsection (4), the board may order the assessment of additional fees required to fund specific activities of the department that are directed at a particular geographic area if the legislature authorizes the activities and appropriates the funds for the activities, including emissions or ambient monitoring, modeling analysis or demonstrations, or emissions inventories or tracking. Additional assessments may be levied only on those sources that are within or are believed by the department to be impacting the geographic area. Before the board may require the assessments, it shall first determine, after opportunity for hearing, that the activities to be funded are necessary for the administration or implementation of this chapter, that the assessments apportion the required funding in an equitable manner, and that the department has obtained legislative authorization for the expenditure and the necessary appropriation.

(6) As a condition of the continuing validity of permits issued by the department under this part prior to October 1, 1991, the department may require the permit holder to pay an annual fee sufficient to cover the costs identified in subsection (4).

(7) For any existing source of air contaminants that is

subject to Title V of the federal Clean Air Act, 42 U.S.C. 7401, et seq., as amended, and that is not required to hold an air quality permit from the department as of October 1, 1991, the board may, as a condition of continued operation, require by rule that the owner or operator of the source pay the annual fee provided for in subsection (4). Nothing in this subsection may be construed as allowing the department to charge any source of air contaminants more than one annual fee that is designed to cover the costs identified in subsection (4).

(8) The fees collected by the department pursuant to this section must be deposited in the state special--revenue general fund to and may be appropriated by the legislature to the department for the development and administration of the permitting requirements in this chapter.

(9) (a) The department shall give written notice of the amount of the fee to be assessed and the basis for the department's fee assessment under this section to the owner or operator of the air contaminant source. The owner or operator may appeal the department's fee assessment to the board within 20 days after receipt of the written notice.

(b) An appeal must be based upon the allegation that the fee assessment is erroneous or excessive. An appeal may not be based only on the amount of the fee schedule adopted by the board.

1 (c) If any part of the fee assessment is not appealed,
2 it must be paid to the department upon receipt of the notice
3 in subsection (9)(a).

4 (d) The contested case provisions of the Montana
5 Administrative Procedure Act provided for in Title 2,
6 chapter 4, apply to any hearing before the board under this
7 subsection (9).

8 (10) Nothing in this section shall restrict the board's
9 authority to adopt regulations providing for a single air
10 quality permit system.

11 (11) The department may, for good cause shown, waive or
12 shorten the time required for filing the appropriate
13 applications.

14 (12) The department shall require that applications for
15 permits be accompanied by any plans, specifications, and
16 other information it considers necessary.

17 (13) An application is not considered filed until the
18 applicant has submitted all fees and information and
19 completed all application forms required by subsections (3)
20 through (7) and (12). However, if the department fails to
21 notify the applicant in writing within 30 days after the
22 purported filing of an application that the application is
23 incomplete and fails to list the reasons why the application
24 is considered incomplete, the application is considered
25 filed as of the date of the purported filing.

1 (14) (a) Where an application for a permit requires the
2 compilation of an environmental impact statement under the
3 Montana Environmental Policy Act, the department shall
4 notify the applicant in writing of the approval or denial of
5 the application within:

6 (i) 180 days of the receipt of a filed application, as
7 defined in subsection (13), if the department prepares the
8 environmental impact statement; or

9 (ii) within 30 days after issuance of the final
10 environmental impact statement by the lead agency if a state
11 agency other than the department has been designated by the
12 governor as lead agency for preparation of the environmental
13 impact statement.

14 (b) However, where an application does not require the
15 compilation of an environmental impact statement, the
16 department shall notify the applicant in writing within 60
17 days of the receipt of a filed application, as defined in
18 subsection (13), of the approval or denial of the
19 application. Notification of approval or denial may be
20 served personally or by registered-or certified mail on the
21 applicant or his the applicant's agent.

22 (15) When the department approves or denies the
23 application for a permit under this section, a person who is
24 jointly or severally adversely affected by the department's
25 decision may request, within 15 days after the department

renders its decision, upon affidavit setting forth the grounds therefor, a hearing before the board. A hearing shall be held under the provisions of the Montana Administrative Procedure Act.

(16) The department's decision on the application is not final unless 15 days have elapsed and there is no request for a hearing under this section. The filing of a request for a hearing postpones the effective date of the department's decision until the conclusion of the hearing and issuance of a final decision by the board."

Section 72. Section 75-2-212, MCA, is amended to read:

"75-2-212. Variances -- renewals -- filing fees. (1) A person who owns or is in control of a plant, building, structure, process, or equipment may apply to the board for an exemption or partial exemption from rules governing the quality, nature, duration, or extent of emissions of air pollutants. The application shall must be accompanied by such information and data as the board may require. The board may grant an exemption or partial exemption if it finds that:

(a) the emissions occurring or proposed to occur do not constitute a danger to public health or safety; and

(b) compliance with the rules from which exemption is sought would produce hardship without equal or greater benefits to the public.

(2) No An exemption or partial exemption may not be granted pursuant to this section except after public hearing on due notice and until the board has considered the relative interests of the applicant, other owners or property likely to be affected by the emissions, and the general public.

(3) The exemption or partial exemption may be renewed if no complaint is made to the board because of it or if, after the complaint has been made and duly considered at a public hearing held by the board on due notice, the board finds that renewal is justified. No A renewal may not be granted except on application therefor for renewal. An application shall must be made at least 60 days before the expiration of the exemption or partial exemption. Immediately before application for renewal, the applicant shall give public notice of his the application in accordance with rules of the board. A renewal pursuant to this subsection shall must be on the same grounds and subject to the same limitations and requirements as provided in subsection (1).

(4) An exemption, partial exemption, or renewal thereof of an exemption or partial exemption is not a right of the applicant or holder thereof but shall must be granted at the discretion of the board. However, a person adversely affected by an exemption, partial exemption, or renewal

1 granted by the board may obtain judicial review thereof as
2 provided by 75-2-411.

3 (5) ~~Nothing--in--this~~ This section and ~~no an~~ exemption,
4 partial exemption, or renewal granted pursuant to this
5 section may not be construed to prevent or limit the
6 application of the emergency provisions and procedures of
7 75-2-402 to a person or his the person's property.

8 (6) A person who owns or is in control of a plant,
9 building, structure, process, or equipment (hereinafter
10 called a facility) who applies to the board for an exemption
11 or partial exemption or a renewal of an exemption or partial
12 exemption from a rule governing the quality, nature,
13 duration, or extent of emissions of air pollutants shall
14 submit with the application for variance a sum of not less
15 than \$500 or 2% of the cost of the equipment to bring the
16 facility into compliance with the rule for which a variance
17 is sought, whichever is greater, but not to exceed \$80,000.
18 The department shall prepare a statement of actual costs,
19 and funds in excess of this shall must be returned to the
20 applicant. The person requesting the variance shall describe
21 the facility in sufficient detail, with accompanying
22 estimates of cost and verifying materials, to permit the
23 department to determine with reasonable accuracy the sum of
24 the fee. For a renewal of an exemption or partial exemption,
25 if ~~no~~ a public hearing, environmental impact statement, or

1 appreciable investigation by the department is necessary
2 unnecessary, the minimum filing fee shall ~~apply~~ applies or
3 the fee may be waived by the department. The filing fee
4 shall must be deposited in the state ~~special-revenue~~ general
5 fund ~~provided--for--in--17-2-102~~. It is the intent of the
6 legislature that the revenues revenue derived from the
7 filing fees shall may be used by the department to:

8 (a) compile the information required for rendering a
9 decision on the request;

10 (b) compile the information necessary for any
11 environmental impact statements;

12 (c) offset the costs of a public hearing, printing, or
13 mailing; and

14 (d) carry out its other responsibilities under this
15 chapter."

16 **Section 73.** Section 75-2-508, MCA, is amended to read:

17 "75-2-508. Asbestos control account funds. (1) ~~There is~~
18 ~~an-asbestos-control-account-in--the--state--special--revenue~~
19 ~~fund-~~ There must be deposited in the account general fund
20 all money received from:

21 (a) fees collected under this part; and

22 (b) civil penalties collected pursuant to 75-2-514.

23 (2) Funds ~~in-the--account--are~~ collected pursuant to
24 subsection (1) may be allocated to the department for the
25 purpose of funding the costs of implementing and operating

the asbestos control program established under this part."

Section 74. Section 75-2-514, MCA, is amended to read:

"75-2-514. Criminal and civil penalties -- disposition of civil penalties. (1) The department may suspend, deny, or revoke the accreditation of or reprimand a person who:

(a) fraudulently or deceptively obtains or attempts to obtain accreditation;

(b) fails to meet the qualifications for accreditation or comply with the requirements of this part or any rule adopted by the department; or

(c) fails to meet any applicable federal or state standard for asbestos projects.

(2) Notwithstanding the provisions of any other law, a person who purposely or knowingly violates any provision of this part or an adopted rule or order issued pursuant to this part is guilty of a misdemeanor.

(3) If the department determines that a violation of this part or a rule promulgated pursuant to this part has occurred, it may issue an order compelling the person receiving the order to end the violation immediately.

(4) In addition to or instead of the remedies listed in subsections (1) through (3), an accredited person who purposely or knowingly violates this part or a rule adopted pursuant to this part that concerns the conduct of an asbestos project may be assessed a civil penalty by the

district court of not more than \$1,000 a day for an initial violation and \$5,000 a day for each subsequent violation occurring within a 3-year period from the date of the initial violation.

(5) A district court may assess a civil penalty of not more than \$25,000 a day upon a person who engages in an asbestos project without valid accreditation or a permit. In the case of a continuing violation, each day the violation continues constitutes a separate violation.

(6) Civil penalties collected under this part must be deposited into the account established in 75-2-508 in the general fund."

Section 75. Section 75-3-502, MCA, is amended to read:

"75-3-502. Administration of compact -- fees. (1) The department of health and environmental sciences, as the state radiation control agency, shall administer the provisions of the compact.

(2) The department may assess and collect fees for services rendered in inspecting and regulating low-level radioactive waste generators, transporters, and disposal facilities. Such fees must cover the department's costs for those services and must be deposited in the state special revenue general fund for use by the department. State and local government agencies, including the university system, are exempt from the payment of fees.

(3) The department may adopt rules under the authority contained in 75-3-201(3)(b) to implement the provisions of this compact."

Section 76. Section 75-6-104, MCA, is amended to read:

"75-6-104. Duties of department. The department shall:

(1) upon its own initiative or complaint to the department, to the mayor or health officer of a municipality, or to the managing board or officer of a public institution, make an investigation of alleged pollution of a water supply system and, if required, prohibit the continuance of the pollution by ordering removal of the cause of pollution;

(2) have waters examined to determine their quality and the possibility that they may endanger public health;

(3) consult and advise authorities of cities and towns and persons having or about to construct systems for water supply, drainage, wastewater, and sewage as to the most appropriate source of water supply and the best method of assuring its quality;

(4) advise persons as to the best method of treating and disposing of their drainage, sewage, or wastewater with reference to the existing and future needs of other persons and to prevent pollution;

(5) consult with persons engaged in or intending to engage in manufacturing or other business whose drainage or

sewage may tend to pollute waters as to the best method of preventing pollution;

(6) collect fees, as described in 75-6-108, for services and deposit the fees collected in the public drinking--water--special-revenue general fund established in 75-6-115;

(7) establish and maintain experiment stations and conduct experiments to study the best methods of treating water, drainage, wastewater, sewage, and industrial waste to prevent pollution, including investigation of methods used in other states;

(8) enter on premises at reasonable times to determine sources of pollution or danger to water supply systems and whether rules and standards of the board are being obeyed;

(9) enforce and administer the provisions of this part;

(10) establish a plan for the provision of safe drinking water under emergency circumstances;

(11) maintain an inventory of public water supply systems and establish a program for conducting sanitary surveys; and

(12) enter into agreements with local boards of health wherever appropriate for the performance of surveys and inspections under the provisions of this part."

Section 77. Section 75-6-108, MCA, is amended to read:

"75-6-108. Board to prescribe fees -- opportunity for

1 appeal. (1) The board shall by rule prescribe fees to be
 2 assessed annually by the department on owners of public
 3 water supply systems to recover department costs in
 4 providing services under this part. The annual fee for a
 5 public water supply system ~~is no more than \$2.25 for each~~
 6 ~~service connection to the public water supply system for the~~
 7 ~~biennium beginning July 1, 1991 and ending June 30, 1993,~~
 8 ~~and---thereafter~~ is no more than \$2 for each service
 9 connection to the public water supply system, although the
 10 minimum fee for any system is \$100, except that the fee for
 11 a transient noncommunity water system is \$50.

12 (2) Public water supply systems in a municipality may
 13 raise the rates to recover costs associated with the fees
 14 prescribed in this section without the public hearing
 15 required in 69-7-111.

16 (3) The board shall by rule prescribe fees to be
 17 assessed by the department on persons who submit plans and
 18 specifications for construction, alteration, or extension of
 19 a public water supply system or public sewage system. The
 20 fees must be commensurate with the cost to the department of
 21 reviewing the plans and specifications.

22 (4) Fees collected pursuant to this section must be
 23 deposited in the ~~public drinking water special revenue fund~~
 24 ~~established in 75-6-115, except that \$45,000 must be~~
 25 ~~deposited each fiscal year in the ground water assessment~~

1 ~~account, established by 85-2-905, within the state special~~
 2 ~~revenue fund; general fund.~~

3 (5) (a) The department shall notify the owner of a
 4 public water supply system in writing of the amount of the
 5 fee to be assessed and the basis for the assessment. The
 6 owner may appeal the fee assessment in writing to the board
 7 within 20 days after receipt of the written notice.

8 (b) An appeal must be based on the allegation that the
 9 fee is erroneous or excessive. An appeal may not be based
 10 only on the fee schedule adopted by the board.

11 (c) If any part of the fee assessment is not appealed,
 12 it must be paid to the department upon receipt of the notice
 13 provided for in subsection (5)(a). (The bracketed language
 14 in subsection (4) terminates October 1, 1993--sec. 13, ch.
 15 645, L. 1991.)"

16 **Section 78.** Section 75-6-109, MCA, is amended to read:

17 "75-6-109. **Administrative enforcement.** (1) If the
 18 department believes that a violation of this part, a rule
 19 adopted under this part, or a condition of approval issued
 20 under this part has occurred, it may serve written notice of
 21 the violation, by certified mail, on the alleged violator or
 22 his the violator's agent. The notice must specify the
 23 provision of this part, the rule, or the condition of
 24 approval alleged to have been violated and the facts alleged
 25 to constitute a violation. The notice must include an order

1 to take necessary corrective action within a reasonable
2 period of time, which must be stated in the order. Service
3 by mail is complete on the date of filing.

4 (2) If the alleged violator does not request a hearing
5 before the board within 30 days of the date of service, the
6 order becomes final. Failure to comply with a final order
7 may subject the violator to an action commenced pursuant to
8 75-6-104, 75-6-113, or 75-6-114.

9 (3) If the alleged violator requests a hearing before
10 the board within 30 days of the date of service, the board
11 shall schedule a hearing. After the hearing is held, the
12 board may:

13 (a) affirm or modify the department's order issued
14 under subsection (1) if the board finds that a violation has
15 occurred; or

16 (b) rescind the department's order if the board finds
17 that a violation has not occurred.

18 (4) An order issued by the department or the board may
19 set a date by which the violation must cease and set a time
20 limit for action to correct a violation.

21 (5) As an alternative to issuing an order pursuant to
22 subsection (1), the department may:

23 (a) require the alleged violator to appear before the
24 board for a hearing, at a time and place specified in the
25 notice, to answer the charges complained of; or

1 (b) initiate an action under 75-6-111(2), 75-6-113, or
2 75-6-114.

3 (6) An action initiated under this part may include an
4 administrative penalty not to exceed \$500 for each day of
5 violation. Administrative penalties collected under this
6 section must be deposited in the ~~public--drinking--water~~
7 ~~special-revenue~~ general fund established-in-75-6-115.

8 (7) The contested case provisions of the Montana
9 Administrative Procedure Act, provided for in Title 2,
10 chapter 4, part 6, apply to a hearing under 75-6-108 or this
11 section."

12 **Section 79.** Section 75-6-114, MCA, is amended to read:

13 "75-6-114. Civil penalty. (1) A person who violates
14 this part or a rule, order, or condition of approval issued
15 under this part is subject to a civil penalty not to exceed
16 \$10,000.

17 (2) Each day of violation constitutes a separate
18 violation.

19 (3) Action under this section does not bar enforcement
20 of this part or a rule, order, or condition of approval
21 issued under this part by injunction or other appropriate
22 remedy.

23 (4) Civil penalties collected pursuant to this section
24 must be deposited in the ~~public--drinking-water-special~~
25 ~~revenue~~ general fund established-in-75-6-115."

Section 80. Section 75-10-447, MCA, is amended to read:

"75-10-447. Underground storage tank special--revenue account funds. (1) ~~There--is--an-underground-storage-tank account-within-the-state-special-revenue-fund-established-in 17-2-102.~~ There must be paid into the account general fund:

(a) revenues revenue from underground storage tank permit and notification fees; and

(b) corrective action costs, damages, and penalties recovered under section 9003 of the federal Resource Conservation and Recovery Act of 1976, as amended.

(2) Appropriations ~~may be made from the underground storage---tank---account~~ revenue collected pursuant to subsection (1) for the following purposes only:

(a) state and local government costs of implementing the underground storage tank leak prevention program; or

(b) state and local government costs relating to the investigation of leaking underground storage tanks."

Section 81. Section 75-10-954, MCA, is amended to read:

"75-10-954. ~~Megalandfill reclamation-account~~ funds. ~~{1} There-is-a-megalandfill-reclamation--account--in--the--state special-revenue-fund-provided-for-in-17-2-102.~~

~~{2}~~ All fees, fines, penalties, forfeited bonds, and other money that have been or will be paid to the department under the provisions of 75-10-950 through 75-10-954 must be deposited in the account general fund.

~~{3}--Money-in-the-account-is-available-to-the-department for-the-reclamation,-restoration,-and-replacement-of-natural resources---damaged---or---impaired---by--the--megalandfill. Unencumbered-and-unexpended-money-remaining-in--the--account at--the--end--of--a--fiscal--year--may-not-lapse-but-must-be carried-forward-for-the-purposes-of--this--subsection--until appropriated-by-subsequent-legislative-action."~~

Section 82. Section 75-11-213, MCA, is amended to read:

"75-11-213. **Inspection of installations and closures -- fee.** (1) After being issued a permit, an owner or operator ~~may~~ obtain an inspection by the department in lieu of obtaining the services of a licensed installer. The owner or operator shall provide timely notice to the department of the date and location of the underground storage tank installation or closure and shall establish with the department the time when an inspection may be conducted.

(2) An owner or operator may conduct an installation or closure under this section only if an inspector is present.

(3) An inspection fee must be paid by the owner or operator to the department to cover the costs associated with an inspection. The inspection is not considered complete until the owner or operator pays the fee.

(4) Department officials or local government officers, such as local health officers, sanitarians, local fire chiefs, or other persons designated or hired by the

department, shall conduct inspections on behalf of the department.

(5) The department shall pay the person conducting an inspection on the department's behalf, as provided in subsection (4), ~~from the underground storage tank license and permit account established in 75-11-227~~ up to 80% of any fee collected by the department for the inspection. When an inspection is conducted by an officer of a county or city, the payment must be made by the department to the appropriate county or city treasurer. A county or city shall use payments received under this section only for costs incurred in conducting inspections under this section.

(6) A copy of an installation inspection report must be kept on file by the owner or operator for as long as the department may require by rule. A copy of a closure inspection report must be kept by the owner or operator for 3 years after the date of closure.

(7) The department may enter and inspect the premises or any appurtenant property of an owner or operator at any time to ensure compliance with laws or rules pertaining to underground storage tanks."

Section 83. Section 75-11-227, MCA, is amended to read:

"75-11-227. Underground storage tank license, and permit, and inspection funds -- account penalties. {1}-There is--an--underground--storage-tank-license-and-permit-account

~~within the state special revenue fund established in 17-2-102.~~

{2} There must be paid into the account general fund:

{a}--revenues revenue from permit, license, and inspection fees collected under this part; and

{b} revenues from penalties or damages collected under this part.

{3}--Appropriations--may--be--made--from--the--underground storage--tank--license--and--permit--account--only--for--the administration-of-the-underground-storage-tank-program."

Section 84. Section 75-20-112, MCA, is amended to read:

"75-20-112. Money to state special revenue general fund. All fees, taxes, fines, and penalties collected under this chapter, except those collected by a justice's court, shall must be deposited in the state special revenue general fund for use by the department in carrying out its functions and responsibilities under this chapter."

Section 85. Section 75-20-215, MCA, is amended to read:

"75-20-215. Filing fee -- accountability -- refund -- use. (1) (a) A filing fee shall must be deposited in the state special revenue general fund and may be used for the use costs of the department in administering this chapter. The applicant shall pay to the department a filing fee as provided in this section based upon the department's estimated costs of processing the application under this

1 chapter, but which ~~shall~~ may not exceed the following scale
2 based upon the estimated cost of the facility:

- 3 (i) 4% of any estimated cost up to \$1 million; plus
4 (ii) 1% of any estimated cost over \$1 million and up to
5 \$20 million; plus
6 (iii) 0.5% of any estimated cost over \$20 million and up
7 to \$100 million; plus
8 (iv) 0.25% of any amount of estimated cost over \$100
9 million and up to \$300 million; plus
10 (v) .125% of any amount of estimated cost over \$300
11 million and up to \$1 billion; plus
12 (vi) .05% of any amount of estimated cost over \$1
13 billion.

14 (b) The department may allow in its discretion a credit
15 against the fee payable under this section for the
16 development of information or providing of services required
17 hereunder under this chapter or required for preparation of
18 an environmental impact statement under the Montana or
19 national environmental policy acts. The applicant may submit
20 the information to the department together with an
21 accounting of the expenses incurred in preparing the
22 information. The department shall evaluate the
23 applicability, validity, and usefulness of the data and
24 determine the amount which may be credited against the
25 filing fee payable under this section. Upon 30 days' notice

1 to the applicant, this credit may at any time be reduced if
2 the department determines that it is necessary to carry out
3 its responsibilities under this chapter.

4 (2) (a) The department may contract with an applicant
5 for the development of information, provision of services
6 and payment of fees required under this chapter. The
7 contract may continue an agreement entered into pursuant to
8 75-20-106. Payments made to the department under such a
9 contract ~~shall~~ must be credited against the fee payable
10 hereunder under this section. Notwithstanding the provisions
11 of this section, the revenue derived from the filing fee
12 must be sufficient to enable the department, the department
13 of health, the board, the board of health, and the agencies
14 listed in 75-20-216(5) to carry out their responsibilities
15 under this chapter. The department may amend a contract to
16 require additional payments for necessary expenses up to the
17 limits set forth in subsection (1)(a) above upon 30 days'
18 notice to the applicant. The department and applicant may
19 enter into a contract which exceeds the scale provided in
20 subsection (1)(a).

21 (b) If a contract is not entered into, the applicant
22 shall pay the filing fee in installments in accordance with
23 a schedule of installments developed by the department,
24 provided that no one installment may exceed 20% of the total
25 filing fee provided for in subsection (1).

1 (3) The estimated cost of upgrading an existing
2 transmission substation may not be included in the estimated
3 cost of a proposed facility for the purpose of calculating a
4 filing fee.

5 (4) If an application consists of a combination of two
6 or more facilities, the filing fee ~~shall~~ must be based on
7 the total estimated cost of the combined facilities.

8 (5) The applicant is entitled to an accounting of
9 moneys money expended and to a refund with interest at the
10 rate of 6% a year of that portion of the filing fee not
11 expended by the department in carrying out its
12 responsibilities under this chapter. A refund ~~shall~~ must be
13 made after all administrative and judicial remedies have
14 been exhausted by all parties to the certification
15 proceedings.

16 (6) The ~~revenues--derived--from--filing---fees---shall~~
17 appropriations for administering this chapter must be used
18 by the department in compiling the information required for
19 rendering a decision on a certificate and for carrying out
20 its and the board's other responsibilities under this
21 chapter."

22 **Section 86.** Section 75-20-408, MCA, is amended to read:

23 "75-20-408. Penalties for violation of chapter -- civil
24 action by attorney general. (1) (a) Whoever A person is
25 liable for a civil penalty of not more than \$10,000 for each

1 violation if the person:

2 (i) commences to construct or operate a facility
3 without first obtaining a certificate required under
4 75-20-201 or a waiver thereof under 75-20-304(2); or

5 (ii) having first obtained a certificate, constructs,
6 operates, or maintains a facility other than in compliance
7 with the certificate; or

8 (iii) violates any other provision of this chapter or
9 any rule or order adopted thereunder under this chapter; or

10 (iv) knowingly submits false information in any report,
11 10-year plan, or application required by this chapter; or
12 ~~rule-or-order-adopted-thereunder~~ or

13 (v) causes any of the aforementioned acts enumerated in
14 subsections (1)(a)(i) through (1)(a)(iv) to occur is--liable
15 for--a--civil--penalty--of--not--more--than--\$10,000--for--each
16 violation.

17 (b) Each day of a continuing violation constitutes a
18 separate offense.

19 (c) The penalty is recoverable in a civil suit brought
20 by the attorney general on behalf of the state in the
21 district court of the first judicial district of Montana.

22 (2) Whoever A person who knowingly and willfully
23 violates subsection (1) shall be fined not more than \$10,000
24 for each violation or imprisoned for not more than 1 year,
25 or both. Each day of a continuing violation constitutes a

1 separate offense.

2 (3) In addition to any penalty provided in subsection
3 (1) or (2), whenever the department determines that a person
4 is violating or is about to violate any of the provisions of
5 this section, it may refer the matter to the attorney
6 general who may bring a civil action on behalf of the state
7 in the district court of the first judicial district of
8 Montana for injunctive or other appropriate relief against
9 the violation and to enforce this chapter or a certificate
10 issued hereunder under this chapter. Upon a proper showing,
11 a permanent or preliminary injunction or temporary
12 restraining order ~~shall~~ must be granted without bond.

13 (4) The department shall also enforce this chapter and
14 bring legal actions to accomplish the enforcement through
15 its own legal counsel.

16 (5) All fines and penalties collected ~~shall~~ must be
17 deposited in the state ~~special-revenue general~~ fund for-the
18 use-of-the-department-in-administering-this-chapter."

19 **Section 87.** Section 76-4-1108, MCA, is amended to read:

20 "76-4-1108. Disposition of fees and charges. (1) Fees
21 and charges provided for by this part ~~shall~~ must be paid to
22 the department and deposited by-it with the state treasurer.

23 (2) The state treasurer shall place 5%--of these fees
24 and charges in the general fund and-95%-of-these-fees-and
25 charges-in-the-state-special-revenue-fund.

1 ~~{3}--Fees-deposited-in-the-state--special--revenue--fund~~
2 ~~may--be--used--to--pay--claims--for--expense-incurred-in-the~~
3 ~~administration-of--this--part--when--the--claims--have--been~~
4 ~~approved-as-provided-by-law."~~

5 **Section 88.** Section 76-4-1212, MCA, is amended to read:

6 "76-4-1212. Disposition of fee. The application fee
7 ~~shall~~ must be paid into the state ~~special--revenue~~ general
8 fund to--the-credit-of-the-board-and-is-hereby-appropriated
9 for-the-purposes-of-carrying--out--the--provisions--of--this
10 part,--subject-to-37-i-101{6}."

11 **Section 89.** Section 76-4-1213, MCA, is amended to read:

12 "76-4-1213. Financial ~~management~~. (1) All expenditures
13 of the funds by the board under the provisions of this part
14 ~~shall~~ must be certified and approved by the board and paid
15 by the appropriate state officials. Payment ~~shall~~ must be
16 made upon warrants appropriately drawn out of the proper
17 funds.

18 (2) The department shall provide a system of accounting
19 ~~which-shall-show~~ that shows the amount of money received
20 therefor and also an itemized statement of expenses in
21 connection-there-with.

22 (3) The board may make orders concerning the
23 disbursement of the money in-the-state-special-revenue-fund,
24 including the payment of compensation and expenses of board
25 members.

(4) The board may accept grants-in-aid from any source."

Section 90. Section 76-13-209, MCA, is amended to read:

"76-13-209. Disposition of assessments. All sums collected pursuant to 76-13-207 ~~shall~~ must be promptly deposited in the state ~~special-revenue~~ general fund."

Section 91. Section 76-15-530, MCA, is amended to read:

"76-15-530. Conservation district account grants -- administration. (1) There is a conservation district ~~account~~ in--the--state--special--revenue--fund-of-the-state-treasury grant program. Money for the program is ~~paid--into--this account--under-15-35-100~~ as provided by the legislature. The state treasurer shall draw warrants ~~payable--from--this account~~ for grants on order from the department of natural resources and conservation.

(2) The department of natural resources and conservation shall administer the conservation district ~~account grant program.~~ The money--shall grants must be ~~distributed--from--the--account~~ made to the conservation districts on the basis of need. A conservation district may submit an application to the department of natural resources and conservation for a grant of funds for purposes that conservation districts are authorized to perform.

(3) A conservation district is not eligible to receive a grant unless it has exhausted its authorized mill levies.

(4) The department of natural resources and conservation may adopt rules implementing this section that provide for the form and content of applications and the criteria, terms, and conditions for making grants."

Section 92. Section 80-7-704, MCA, is amended to read:

"80-7-704. Disposition of fines and inspection fees. All fines levied as provided in 80-7-703, except fines paid to a justice's court, must be deposited in the general fund. ~~and--all~~ All fees collected from inspections ~~shall~~ must be deposited with the state treasurer to the credit of the state special revenue fund for the use of the department for the purpose of administering and enforcing 80-7-701 through 80-7-704."

Section 93. Section 80-7-810, MCA, is amended to read:

"80-7-810. Disposition of proceeds. Three percent of the proceeds from the fee imposed in 61-3-510 may be retained by the county treasurer for costs of collection. The remainder must be deposited in the ~~special-revenue state~~ general fund, and appropriations for purposes of this part must be expended as provided in 80-7-814. Twenty-five percent of the money deposited in the ~~special--revenue~~ general fund under this section must be used for research and development of nonchemical methods of weed management."

Section 94. Section 80-7-814, MCA, is amended to read:

"80-7-814. Administration and expenditure of funds. (1)

1 Money deposited in the noxious weed management trust fund
 2 may not be committed or expended until the principal reaches
 3 \$2,500,000, except as provided by 80-7-815 in case of a
 4 noxious weed emergency. Once this amount is accumulated, any
 5 interest or revenue generated by the trust fund and by other
 6 funding measures provided by this part must be deposited in
 7 the ~~special--revenue--~~ general fund and may be expended for
 8 noxious weed management projects in accordance with this
 9 section, so long as the principal of the trust fund remains
 10 at least \$2,500,000.

11 (2) The department may expend funds under this section
 12 through grants or contracts to communities, weed control
 13 districts, or other entities it considers appropriate for
 14 noxious weed management projects. A project is eligible to
 15 receive funds only if the county in which the project occurs
 16 has funded its own weed management program with a levy in an
 17 amount not less than 1.6 mills or an equivalent amount from
 18 another source or by an amount of not less than \$100,000 for
 19 first class counties, as defined in 7-1-2111.

20 (3) The department may expend funds without the
 21 restrictions specified in subsection (2) for the following:

22 (a) employment of a new and innovative noxious weed
 23 management project or the development, implementation, or
 24 demonstration of any noxious weed management project that
 25 may be proposed, implemented, or established by local,

1 state, or national organizations, whether public or private.
 2 ~~Such The~~ expenditures must be on a cost-share basis with
 3 ~~such the~~ organizations.

4 (b) cost-share noxious weed management programs with
 5 local weed control districts;

6 (c) special grants to local weed control districts to
 7 eradicate or contain significant noxious weeds newly
 8 introduced into the county. These grants may be issued
 9 without matching funds from the district.

10 (d) costs of collecting the surcharge imposed by
 11 80-7-812, not to exceed 3% of the total surcharge proceeds;

12 (e) administrative expenses incurred by the noxious
 13 weed management advisory council;

14 (f) any project recommended by the noxious weed
 15 management advisory council, if the department determines
 16 the project will significantly contribute to the management
 17 of noxious weeds within the state; and

18 (g) grants to the agricultural experiment station and
 19 the cooperative extension service for crop weed management
 20 research, evaluation, and education.

21 (4) The agricultural experiment station and cooperative
 22 extension service shall submit annual reports on current
 23 projects and future plans to the noxious weed management
 24 advisory council.

25 (5) In making expenditures under subsections (2) and

(3), the department must give preference to weed control districts and community groups.

(6) If the noxious weed management trust fund is terminated by law, the money in the fund must be divided between all counties according to rules adopted by the department for that purpose."

Section 95. Section 80-7-1105, MCA, is amended to read:

"80-7-1105. Rodenticide fund funds. ~~There is a rodenticide fund. The fund consists of money collected under 80-7-1106 and 80-7-1107 which must be deposited in the state special-revenue general fund and must be spent for the purposes set forth in this part.~~"

Section 96. Section 80-8-116, MCA, is amended to read:

"80-8-116. Pesticide--management--account-----deposit Deposit of fees and penalties ---investment. ~~{1} There is a pesticide--management--account--within--the--state--special revenue-fund-established-in-17-2-102.~~

~~{2}--{a} All licensing, permit, registration, and devices and blending plant fees collected under parts 1 and 2 of this chapter must--be--deposited--in--the--pesticide management-account-for-the--purpose--of--administering--this chapter, including but not limited to:~~

~~{i}--the--cost--of--equipment--and--facilities;~~

~~{ii}--the--cost--of--inspecting, investigating, analyzing, and examining;~~

~~{A}--pesticide-products;~~

~~{B}--applicators, operators, and other users of pesticides;~~

~~{C}--dealers and retailers selling pesticides;~~

~~{D}--pesticide---equipment, storage, disposal, and operational facilities; and~~

~~{iii}--related--pest--and--pesticide--activities--authorized by Title--80, chapter--7, part--5, and--80-7-711 through 80-7-714 and 80-7-720.~~

~~{b}--Any and all civil penalties collected under 80-8-306 must be deposited in the general fund.~~

~~{3}--The department may direct the board of investments to--invest--the--funds--collected--under--this--section, pursuant to--the--provisions--of--17-6-201, The income--from--the investments--must--be--credited--to--the--pesticide--management account--within--the--state--special--revenue--fund."~~

Section 97. Section 80-10-207, MCA, is amended to read:

"80-10-207. Fees. (1) (a) A manufacturer registering under 80-10-201(1) shall pay to the department fees on all commercial fertilizer distributed in this state, except specialty fertilizers and unmanipulated animal and vegetable manures, provided that sales to manufacturers or exchanges between them are exempt. The fees are:

(i) inspection of fertilizers other than anhydrous ammonia, 20 cents per ton. The department may by rule after

hearing adjust the inspection fee not to exceed a maximum of 25 cents per ton that may be used to maintain adequate funding for the administration of this part. Any change in fee becomes effective on the first day of a reporting period. All manufacturers ~~shall~~ must be given notice of any change in fees before the effective date.

(ii) inspection of anhydrous ammonia, 20 cents per ton. The department may by rule after hearing adjust the anhydrous ammonia inspection fee not to exceed a maximum of 65 cents per ton that may be used to maintain adequate funding for the administration and enforcement of part 5 of this chapter. Any change in fee becomes effective on the first day of a reporting period. All registrants and manufacturers of anhydrous ammonia ~~shall~~ must be given notice of any change in fees before the effective date of the fee adjustment.

(iii) assessment, the fee prescribed in 80-10-103. The assessment fee ~~shall~~ may be used to fund educational and experimental programs as provided in 80-10-103 through 80-10-106.

(b) If fertilizer or soil amendment material is added to fertilizer for which a fee has been paid under subsection (1)(a), a fee must be paid under that subsection, but only on the added fertilizer or soil amendment.

(2) There ~~shall~~ must be paid to the department on all

soil amendments distributed in this state an inspection fee of 10 cents per ton subject to the following provisions:

(a) sales to manufacturers or exchanges between them are exempt; and

(b) when less than 50 tons of registered soil amendment is sold per 6-month period, there ~~shall~~ must be paid to the department a fee of \$5 per soil amendment per 6-month period in lieu of the 10 cents per ton fee. Inspection fees ~~shall~~ may be used by the department, as appropriated, for administration of this part.

(3) (a) (i) Every licensee who distributes a soil amendment or commercial fertilizer, except specialty fertilizer and unmanipulated manures, to an unlicensed or unregistered person in this state shall file with the department on forms furnished or approved by the department a semiannual statement for the periods ending June 30 and December 31 setting forth the number of net tons of each commercial fertilizer ~~and/or~~ and soil amendment distributed in this state during the 6-month period. The report is due on or before the 30th day of the month following the close of each period.

(ii) Every manufacturer who registers a soil amendment or commercial fertilizer in this state or a person who registers on the manufacturer's behalf, except specialty fertilizer and unmanipulated manures, shall file with the

1 department on forms furnished or approved by the department
 2 a monthly statement setting forth the number of net tons of
 3 each registered commercial fertilizer and soil amendment
 4 distributed in this state during the month and to whom it
 5 was distributed. The report is due on or before the 30th day
 6 of the following month. The manufacturer or person
 7 registering on behalf of the manufacturer shall pay the fees
 8 set forth in subsection (1) at that time.

9 (b) If the tonnage report required by subsection
 10 (3)(a)(ii) is not filed and the payment of fees is not made
 11 within 30 days after the end of the period, a collection fee
 12 amounting to 10% of the amount due but not less than \$10
 13 shall must be assessed against the manufacturer and the
 14 amount of fees due shall constitute a debt and become the
 15 basis of a judgment against the manufacturer.

16 (4) ~~Except--as-provided-in-subsection-(5), all~~ All fees
 17 collected for licenses, registration, and inspection and
 18 ~~moneys~~ money collected as penalties shall must be deposited
 19 in the state treasury to the credit of the state special
 20 revenue general fund and may be used for the purpose of
 21 administering this chapter, including the cost of equipment
 22 and facilities and the cost of inspecting, analyzing, and
 23 examining commercial fertilizer and soil amendments
 24 manufactured or distributed in this state. ~~Reserve-funds-may~~
 25 ~~be--invested-by-the-department-with-interest-credited-to-the~~

1 state-special-revenue-fund-

2 {5}--All--fees--collected--under--subsection--(1)(a)(ii)
 3 shall-be-deposited-in-the-state-treasury-to--the--credit--of
 4 the--state--special-revenue-fund,-anhydrous-ammonia-account,-
 5 for-the-administration-and-enforcement-of--part--5--of--this
 6 chapter-and-the-rules-adopted-thereunder."

7 **Section 98.** Section 80-10-208, MCA, is amended to read:
 8 "80-10-208. Penalties. (1) A penalty of two times the
 9 commercial value of the deficiency, as determined by the
 10 dealer's or manufacturer's price on the date of sampling of
 11 the deficiency or deficiencies, shall must be assessed:

12 (a) if the analysis shows that a commercial fertilizer
 13 is deficient in one or more of its guaranteed primary plant
 14 foods (NPK) beyond the investigational allowance as
 15 established by regulation; or

16 (b) if the overall index value of the fertilizer is
 17 below the level established by regulation.

18 (2) When a commercial fertilizer is subject to a
 19 penalty under both (1)(a) and (1)(b), the larger penalty
 20 applies.

21 (3) Deficiencies beyond the investigational allowances
 22 as established by regulation in any other constituent
 23 covered under subsections (1)(b), (1)(c), and (1)(d) of
 24 80-10-102 which the registrant is required to or may
 25 guarantee shall must be evaluated, and penalties shall must

be assessed at two times the commercial value of the deficiency as determined by the dealer's retail price on the date of sampling.

(4) Nothing contained in this section shall prevent any person from appealing the department's decision to a court of competent jurisdiction.

(5) All penalties assessed under this section shall must be paid to the consumer of the lot, not to exceed 100 tons, of commercial fertilizer represented by the sample analyzed within 3 months after the date of notice from the department to the registrant or licensee. If at the end of the 3-month period the consumer cannot be found, receipts shall must be taken and promptly forwarded to the department for deposit in the state special-revenue general fund as provided in 80-10-207."

Section 99. Section 80-10-509, MCA, is amended to read:

"80-10-509. **Funding.** Administration and enforcement of the provisions of this part and the rules adopted under 80-10-503 must may be funded through expenditures of the anhydrous--ammonia-account-established money collected under 80-10-207{5}."

Section 100. Section 80-15-302, MCA, is amended to read:

"80-15-302. **Special funding.** (1) A fee of \$80 is assessed for the registration of pesticides in addition to

the fee imposed by 80-8-201(4).

(2) The money collected from the registration fee established by subsection (1) must be deposited in the state special-revenue general fund as follows:

{a}--Each--of--the--following--state--agencies--must--be credited--\$15,000--for--purposes--of--administering--or--assisting the--department--in--administering--this--chapter:

{i}--department--of--health--and--environmental--sciences, and

{ii}--Montana--state--university--extension--service;

{b}--The--department--must--be--credited--with--the--remainder of--the--registration--fee--money to use be used as appropriated in administering this chapter.

(3) A fee of \$10 is assessed for the registration of fertilizers in addition to the fee imposed by 80-10-201(1). The additional fee must, to the extent that fees are appropriated, be used for the ground water protection responsibilities of the department relating to fertilizers. Revenues Revenue collected from this fee must be credited to the commercial-fertilizer-agricultural-chemical-ground-water account-within-the-state-special-revenue general fund for the administration of this chapter.

{4}--The--department--may--direct--the--board--of--investments to--invest--the--portion--of--the--money--collected--under--this section--that--is--credited--to--the--department--pursuant--to--the

~~provisions of 17-6-201. The income from the investments must be deposited in the state special revenue fund and credited to the department.~~

Section 101. Section 81-3-231, MCA, is amended to read:

***81-3-231. Penalties.** (1) A person is guilty of a misdemeanor and is punishable as provided in subsection (5) ~~of this section~~ if he the person removes livestock or causes livestock to be removed from a county in this state:

(a) without having the livestock inspected before removal if an inspection is required by law;

(b) without obtaining a market consignment permit or transportation permit if the permits are required by law;

(c) and does obtain a market consignment permit for livestock but does not deliver the transported livestock ~~transported thereunder~~ to the livestock market designated in the market consignment permit;

(d) and does obtain a transportation permit for the livestock but does not deliver the transported livestock ~~transported thereunder~~ to the destination as shown on the transportation permit and fails to have the livestock so ~~transported~~ inspected at the point of destination.

(2) A person who sells livestock or offers livestock for sale at a livestock market without having the livestock inspected or removes livestock or causes livestock to be removed from a livestock market without obtaining a release

is guilty of a misdemeanor and is punishable as provided in subsection (5) ~~of this section~~.

(3) A person ~~who has~~ in his charge of livestock being removed from a county in the state for which an inspection certificate, a market consignment permit, a transportation permit, or a market release certificate has been issued and who fails to have in his possession accompanying the livestock the inspection certificate, market consignment permit, transportation permit, or market release certificate as issued for the livestock, or who, having the certificate of inspection, market consignment permit, transportation permit, or market release certificate, fails to exhibit it to a sheriff, deputy sheriff, constable, highway patrol officer, state stock inspector, or deputy state stock inspector ~~at his~~ upon request is guilty of a misdemeanor and is punishable as provided in subsection (5) ~~of this section~~.

(4) Except as specifically otherwise provided, a person violating any of the provisions of this part is guilty of a misdemeanor and is punishable as provided in subsection (5) ~~of this section~~.

(5) Upon conviction under this section, a person, firm, association, or corporation shall be fined not less than \$50 or more than \$500 or imprisoned in the county jail for a period of not more than 6 months, or both ~~fined and imprisoned~~. Of all fines assessed and collected under this

section, except those assessed and collected in a justice's court, 50% shall must be paid into the state treasury and credited to the state ~~special-revenue~~ general fund for--the use--of--the--department and 50% shall must be paid into the general fund of the county in which the conviction occurred."

Section 102. Section 81-7-105, MCA, is amended to read:

"81-7-105. Disposition of proceeds from sale of skins, hides, and specimens -- presenting to museums. Furs, skins, and specimens taken by hunters or trappers shall must be sold by the department. The proceeds from the sales shall must be credited to the state ~~special-revenue~~ general fund. The proceeds shall may be used to carry out the provisions of 81-7-101 through 81-7-105. Specimens may be presented free of charge to a state museum or institution."

Section 103. Section 81-7-122, MCA, is amended to read:

"81-7-122. Penalty for fraudulent claims. Any A person or--persons who shall-patch patches up any skin or scalp, or who-shall-present presents any punched or patched skin or scalp, or who-shall-bring brings in any skin or-skins from other states or territory with the intent to obtain the a bounty on-the-same-fraudulently or any an officer who shall sign-any signs a certificate herein--provided--for without first counting the--skins and examining the same skins to determine the kind of skins and to see that the skin from

the scalp or head is properly severed and preserved ~~as~~ hereinbefore-provided or shall--evade evades or violate violates any provision--of-any law of the state of Montana relative to bounties or-bounty-claims--shall--be--deemed is guilty of a misdemeanor and, on conviction thereof, shall be punished by a fine not exceeding \$1,000 or by imprisonment in the county jail not exceeding 1 year, or by both such fine--and--imprisonment. and--two-thirds Two-thirds of the fine, if the-same-be-collected-or-can-be it is collected, shall must be given to the informer, and the balance must be deposited in the state ~~special-revenue~~ general fund and may be used for the administration of 81-7-111 through 81-7-122."

Section 104. Section 81-8-216, MCA, is amended to read:

"81-8-216. Penalties. (1) A person who knowingly violates any provision of 81-8-214, 81-8-215, 81-8-251 through 81-8-256, and 81-8-258 through 81-8-263 or rules adopted by the department under 81-8-231 is guilty of a misdemeanor and upon conviction shall be fined not less than \$100 or more than \$600, imprisoned in the county jail not less than 30 days or more than 6 months, or both. A person convicted of a subsequent violation of 81-8-214, 81-8-215, 81-8-251 through 81-8-256, and 81-8-258 through 81-8-263 or rules adopted to implement those sections shall be fined not less than \$200 or more than \$1,000, imprisoned in the county

jail for not less than 3 months or more than 6 months, or both, and the department may cancel his the person's certificate.

(2) Of all fines assessed and collected under this section, except those assessed and collected in a justice's court, 50% shall must be paid into the state treasury and credited to the special-revenue general fund ~~for-the-use--of the--department~~ and 50% shall must be paid into the general revenue fund of the county in which the conviction occurred.

(3) A person who knowingly fails to establish and properly use a custodial account resulting in a failure to account for or to remit money belonging to others under this chapter is, upon conviction, guilty of a felony."

Section 105. Section 81-8-279, MCA, is amended to read:

"81-8-279. Penalties. (1) A person who violates any provision of 81-8-271 through 81-8-273, 81-8-276, or 81-8-278 or rules adopted by the department to implement those sections is guilty of a misdemeanor and upon conviction shall be fined not less than \$250 or more than \$1,000 or imprisoned for not more than 6 months, or both.

(2) Of all fines assessed and collected under this section, except those assessed and collected in a justice's court, 50% shall must be paid into the state treasury and credited to the special-revenue general fund ~~for-the-use--of the--department~~ and 50% shall must be paid into the general

revenue fund of the county in which the conviction occurred."

Section 106. Section 81-8-304, MCA, is amended to read:

"81-8-304. Fees. The department shall charge a fee for filing and listing the notices of security agreements for each recorded brand listed in each security agreement and for filing and listing each notice of satisfaction, renewal, or assignment of the security agreement for each recorded brand listed. The fees shall must be set by rules adopted pursuant to the Montana Administrative Procedure Act, upon the basis of actual cost to the department for each brand listed. All fees shall must be paid into the state special-revenue general fund ~~for-the-use-of-the-department~~."

Section 107. Section 81-23-204, MCA, is amended to read:

"81-23-204. Declining, suspending, and revoking licenses -- penalties in lieu of suspension or revocation. (1) The department may refuse to grant a license or may suspend or revoke a license already granted for due cause upon due notice and after hearing. The violation of any provisions of this chapter or of any lawful order or rule of the board or department, the failure or refusal to make required statements or reports, or failure to pay license or assessment fees are causes for which the department may suspend or revoke a license.

(2) In place of suspension or revocation of a license, the department may assess a civil penalty not to exceed \$500 per day for each daily failure to comply with or each daily violation of the provisions of this chapter or of any lawful order or rule of the department or board. If the person against whom a civil penalty is assessed fails to pay the civil penalty immediately, the department shall collect the civil penalty by a civil proceeding in the district court of the first judicial district. This penalty ~~shall~~ must be construed as civil and not criminal in nature. ~~Any--moneys~~ Money received by the department as a result of collection of civil penalties ~~shall~~ must be paid into the state ~~special~~ revenue general fund ~~as provided by 81-23-403.~~

Section 108. Section 81-23-403, MCA, is amended to read:

"81-23-403. Disposition of fines. (1) All fines assessed by a court other than a justice's court for violation of this chapter ~~shall~~ must be paid by the court to the department.

(2) All fines received by the department ~~shall~~ must be deposited ~~with--the--state-treasurer-and-shall-be-placed-by~~ him in the state ~~special--revenue~~ general fund. ~~Fines assessed-for-violations-of-this-chapter--are--earmarked--for the-purposes-of-this-chapter."~~

Section 109. Section 82-4-311, MCA, is amended to read:

"82-4-311. Hard-rock mining account funds. All fees, fines, penalties, and other uncleared moneys money which ~~have--been--or-will-be~~ paid to the department of state lands under the provisions of this part ~~shall~~ must be placed in the state ~~special-revenue~~ general fund ~~in-the-state-treasury and--credited--to--a-special-account-to-be-designated-as-the hard-rock-mining-and-reclamation-account. This-account~~ Funds ~~shall~~ must be available to the department by appropriation and ~~shall~~ must be expended for the research, reclamation, and revegetation of land and the rehabilitation of water affected by any mining operations. ~~Any-unencumbered-and-any unexpended-balance-of-this-account-remaining-at-the-end-of-a fiscal-year-shall-not-lapse-but-shall-be-carried-forward-for the--purposes--of--this--section--until--expended--or--until appropriated-by-subsequent-legislative-action."~~

Section 110. Section 85-2-123, MCA, is amended to read:

"85-2-123. Deposit of fees and penalties. Except as provided in 85-2-124 and 85-2-241, all fees ~~and-penalties~~ collected under this chapter ~~shall~~ must be deposited in the water right appropriation account established in 85-2-318, and penalties must be deposited in the state general fund. Except for fines collected by a district court under 85-2-122, all penalties or fines imposed by any court other than a justice's court for a violation of this chapter ~~shall~~ must be deposited in the general fund of the county where

the court presides and ~~shall~~ must be disposed of in the same manner as any other penalty or fine."

Section 111. Section 85-2-124, MCA, is amended to read:

"85-2-124. Fees for environmental impact statements.

(1) Whenever the department determines that the filing of an application (or a combination of applications) for a permit or approval under this chapter requires the preparation of an environmental impact statement as prescribed by the Montana Environmental Policy Act and the application (or combination of applications) involves the use of 4,000 or more acre-feet per year and 5.5 or more cubic feet per second of water, the applicant shall pay to the department the fee prescribed in this section. The department shall notify the applicant in writing within 90 days of receipt of a correct and complete application (or a combination of applications) if it determines that an environmental impact statement and fee is required.

(2) Upon notification by the department under subsection (1), the applicant shall pay a fee based upon the estimated cost of constructing, repairing, or changing the appropriation and diversion facilities ~~as-herein-provided~~. The maximum fee ~~that-shall-be-paid-to-the-department~~ may not exceed the fees set forth in the following declining scale: 2% of the estimated cost up to \$1 million; plus 1% of the estimated cost over \$1 million and up to \$20 million; plus

1/2 of 1% of the estimated cost over \$20 million and up to \$100 million; plus 1/4 of 1% of the estimated cost over \$100 million and up to \$300 million; plus 1/8 of 1% of the estimated cost over \$300 million. The fee ~~shall~~ must be deposited in the state ~~special-revenue~~ general fund to be used as appropriated by the legislature by the department only to comply with the Montana Environmental Policy Act in connection with the application(s). Any amounts paid by the applicant but not actually expended by the department shall be refunded to the applicant.

(3) The department and the applicant may determine by agreement the estimated cost of any facility for purposes of computing the amount of the fee to be paid to the department by the applicant. The department may contract with an applicant for:

(a) the development of information by the applicant or a third party on behalf of the department and the applicant concerning the environmental impact of any proposed activity under an application;

(b) the division of responsibility between the department and an applicant for supervision over, control of, and payment for the development of information by the applicant or a third party on behalf of the department and the applicant under any such contract or contracts;

(c) the use or nonuse of a fee or any part thereof of

1 the fee paid to the department by an applicant.

2 (4) Any payments made to the department or any third
3 party by an applicant under any such contract or contracts
4 ~~shall must~~ be credited against any fee the applicant must
5 pay hereunder under this section. The department and the
6 applicant may agree on additional credits against the fee
7 for environmental work performed by the applicant at the
8 applicant's own expense.

9 (5) No A fee as prescribed by this section may not be
10 assessed against an applicant for a permit or approval if
11 the applicant has also filed an application for a
12 certificate of environmental compatibility or public need
13 pursuant to the Montana Major Facility Siting Act and the
14 appropriation or use of water involved in the application(s)
15 for permit or approval has been or will be studied by the
16 department pursuant to that act.

17 (6) This section ~~shall---apply~~ applies to all
18 applications, ~~pending-or-hereinafter-filed,~~ for which the
19 department has not, ~~as-of-April-9, 1975,~~ commenced writing
20 an environmental impact statement. This section ~~shall~~ does
21 not apply to any application, for which the fee ~~for-which~~
22 would not exceed \$2,500.

23 (7) Failure to submit the fee as required by this
24 section ~~shall-void~~ voids the application(s).

25 (8) The department may in its discretion rely upon the

1 environmental studies, investigations, reports, and
2 assessments made by any other state agency or any person,
3 including any applicant, in the preparation of its
4 environmental impact statement."

5 **Section 112.** Section 85-3-213, MCA, is amended to read:

6 "85-3-213. State ~~special---revenue--fund~~ funds. All
7 license and permit fees and fines collected under this
8 chapter, other than those collected in a justice's court,
9 ~~shall must~~ be deposited in the state ~~special-revenue~~ general
10 ~~fund for-use-by-the-department-in-the-administration-of-this~~
11 ~~chapter-or-as-appropriated-by-the-legislature."~~

12 **Section 113.** Section 90-3-305, MCA, is amended to read:

13 "90-3-305. (Temporary) Science and technology
14 development account payback. ~~{1}--There--is-a-science-and~~
15 ~~technology-development--account--within--the--state--special~~
16 ~~revenue-fund-established-in-17-2-102.~~

17 {2} There must be paid into the science-and-technology
18 development-account general fund:

19 {a}{1} the payback of principal and earnings on a
20 research and development project loan, made from a source
21 other than the Montana permanent coal tax trust fund,
22 executed under this chapter; and

23 {b}{2} all payback of principal and earnings to the
24 board from any agreements executed by the board between July
25 1, 1985, and March 31, 1989.

~~{3}--Any-time-the-balance-of-the-science-and--technology development---account---exceeds--\$50,000,--the--board--shall transfer-the-amount-of-the-balance-in-excess-of--\$50,000--to the--general-fund- (Terminates June 30, 1993--sec. 3, Ch. 9, Sp. L. January 1992.)~~

90-3-305. (Effective July 1, 1993) Science and technology development account payback. ~~{1}--There--is-a science-and-technology-development-account-within-the--state special-revenue-fund-established-in-17-2-102-~~

~~{2} There must be paid into the science-and-technology development-account general fund:~~

~~{a}{1} the payback of principal and earnings on a research and development project loan, made from a source other than the Montana permanent coal tax trust fund, executed under this chapter; and~~

~~{b}{2} all payback of principal and earnings to the board from any agreements executed by the board between July 1, 1985, and March 31, 1989."~~

Section 114. Section 90-3-525, MCA, is amended to read:

"90-3-525. Deposit of payback. (1) The payback of principal and earnings on a research and development project loan from a source other than the Montana permanent coal tax trust fund must be deposited to the state special--revenue general fund to--the--credit-of-the-science-and-technology development-account-created-in-90-3-305.

(2) All paybacks of principal and earnings to the board from any agreements executed by the board between July 1, 1985, and March 31, 1989, must be deposited to the state special-revenue general fund to-the-credit--of--the--science and--technology--development-account-created-in-90-3-305-for use-by-the-board. The paybacks include all those received after January 1, 1989."

NEW SECTION. Section 115. Repealer. Sections 15-25-121, 15-25-123, 20-3-108, 50-50-216, 50-51-110, 50-52-210, 60-11-122, 75-6-115, and 81-7-119, MCA, are repealed.

NEW SECTION. Section 116. Effective date. [This act] is 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 SB0378, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act eliminating certain state special revenue funds; providing for the review and future elimination of other special revenue accounts; providing that appropriations from the former special revenue accounts are from the general fund.

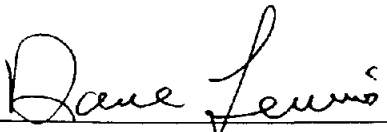
ASSUMPTIONS:

1. Fund balances of the affected accounts at FYE92 totalled \$40.061 million.
2. FY93 appropriated amounts, assumed to be fully spent, will reduce the FYE balances to \$33.495 million, which would be transferred to the general fund at FYE93.
3. Appropriations from these accounts during the 1995 biennium are assumed to be at levels recommended in the executive budget.
4. Estimates of revenues to the accounts during the 1995 biennium will be at levels estimated by the affected agencies as they prepared their budget request. HJR3 estimates were used where applicable.

FISCAL IMPACT:

The proposal will increase the FYE93 general fund ending balance by \$33.495 million. Revenues to the affected accounts are expected to exceed appropriations by \$6.486 million in FY94 and \$7.057 million in FY95 resulting in further increases in the ending fund balance of the general fund by like amounts.

The combined fund balances of the general fund and school equalization account will increase by an estimated \$1.226 in FY94 and \$1.358 million in FY95 due to the proposal.

 2-18-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/27/93
LORENTS GROSFIELD, PRIMARY SPONSOR DATE

Fiscal Note for SB0378, as introduced

SB 378

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0378, second reading.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act eliminating certain dedications of revenue; providing for the review and future elimination of special revenue accounts; providing that appropriations from the former special revenue accounts are from the general fund.

ASSUMPTIONS:

1. The fund balance in the school equalization account (SEA) will total \$2.552 million at FYE93 (LFA).
2. General fund appropriations to the school equalization account totalling approximately \$45.2 million will be necessary during the 1995 biennium under current law (LFA).
3. It is assumed the legislature will attempt to budget the SEA to leave a zero fund balance during both years of the 1995 biennium under either current or proposed law.

FISCAL IMPACT:

The proposal will increase the FYE93 general fund ending balance by \$2.552 million. However, a like increase in the general fund appropriation to the account will be required in FY94, eliminating the increase by FYE94.

The proposal will require a dramatic increase in the general fund appropriation to the SEA during the 1995 biennium to replace the redirected income tax revenues. But, the proposal will have no net effect on the 1995 ending fund balances of the general fund or SEA.

The exact amount of the general fund appropriation is dependent on the outcome of numerous pieces of pending legislation

TECHNICAL NOTE:

The effective date of the proposal needs to be changed to July 1, 1994. Otherwise, significant unnecessary accounting changes for appropriations and revenues will need to be made during FY93 rather than through the more orderly process of beginning a new fiscal year.

Section 4 is unnecessary if the effective date is changed to July 1 and the legislature appropriates general fund to replace the diverted income tax revenues. If it remains in the bill in its present form, a literal application would require a general fund appropriation for the entire cost of the foundation program when only a portion needs to be replaced because section 8 is referenced.

Dave Lewis 3-27-93

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

LORENTS GROSFIELD, PRIMARY SPONSOR DATE

Fiscal Note for SB0378, second reading 3/29/93 *SB 378 #2*

APPROVED BY COMMITTEE
ON TAXATION

SENATE BILL NO. 378

INTRODUCED BY GROSFIELD, BARDANOUVE, BERGSAGEL, KEATING,
DRISCOLL, PECK, WANZENRIED, GAGE, NATHE, JACOBSON, COBB,
FRITZ, GRINDE, STANG, TOEWS, AKLESTAD, SWIFT, TOOLE,
ZOOK, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING CERTAIN
SPECIAL--REVENUE--ACCOUNTS DEDICATIONS OF REVENUE; PROVIDING
FOR THE REVIEW AND FUTURE ELIMINATION OF OTHER SPECIAL
REVENUE ACCOUNTS; PROVIDING THAT APPROPRIATIONS FROM FORMER
SPECIAL REVENUE ACCOUNTS ARE FROM THE GENERAL FUND; AMENDING
SECTIONS 1-11-301, 2-4-313, 2-15-212, 2-17-105, 2-18-403,
5-11-209, 5-13-403, 7-21-2105, 15-1-501, 15-25-122,
15-35-100, 16-1-404, 16-1-411, 17-7-502, 18-2-103,
20-4-109, 20-7-201, 20-7-457, 20-9-331, 20-9-333, 20-9-343,
20-10-203, 22-2-301, 22-2-304, 22-2-321, 23-1-100, 31-1-221,
AND 31-1-602, 32-1-213, 32-1-215, 32-2-102, 32-2-110,
32-3-201, 32-5-201, 32-7-110, 40-8-110, 44-3-302, 44-12-206,
44-13-103, 46-10-240, 46-10-250, 49-2-510, 50-1-202,
50-2-100, 50-15-111, 50-50-205, 50-50-305, 50-51-204,
50-51-303, 50-52-202, 50-52-302, 50-53-203, 50-53-210,
50-60-500, 50-71-325, 53-2-013, 53-9-104, 53-9-109,
53-24-100, 60-11-123, 61-4-517, 61-5-121, 75-2-211,
75-2-212, 75-2-500, 75-2-514, 75-3-502, 75-6-104, 75-6-100,
75-6-109, 75-6-114, 75-10-447, 75-10-954, 75-11-213

75-11-227, 75-20-112, 75-20-215, 75-20-400, 76-4-110,
76-4-121, 76-4-123, 76-13-209, 76-15-530, 80-7-704,
80-7-810, 80-7-814, 80-7-1105, 80-8-116, 80-10-207,
80-10-200, 80-10-509, 80-15-302, 81-3-231, 81-7-105,
81-7-122, 81-8-216, 81-8-279, 81-8-304, 81-23-204,
81-23-403, 82-4-311, 85-2-123, 85-2-124, 85-3-213, 90-3-305,
AND 90-3-525, MCA; REPEALING SECTIONS 15-25-121, 15-25-123,
20-3-100, 50-50-216, 50-51-110, 50-52-210, 60-11-122,
75-6-115, AND 81-7-119, MCA, AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. Section 1. Legislative findings. (1) The
legislature finds that provisions for dedicating state
revenue have increased in number, reduce legislative control
over state spending, complicate the state funding structure,
and increase the effort required to budget, appropriate, and
monitor public funds. The dedication of funds results in the
inability of the legislature to practically and
systematically conduct reasoned prioritization of programs
or funds.

(2) It is the intent of the legislature, by
establishing a system for the review and evaluation of

revenue dedication provisions, to ensure that provisions for revenue dedication:

(a) are based on sound principles of revenue dedication;

(b) reflect present circumstances and legislative priorities for state spending; and

(c) are terminated when they no longer are necessary or appropriate.

NEW SECTION. Section 2. Definitions. As used in [sections 1 through 6], unless the context requires otherwise, the following definitions apply:

(1) "Dedicated revenue provision" means an administrative or legislative action that allocates the revenue from a tax, fee, assessment, or other source to an account in the state special revenue fund.

(2) "State special revenue fund" means a fund in the state treasury consisting of money from state sources that is earmarked for the purposes of defraying particular costs of an agency, program, or function of state government, as provided in 17-2-102.

NEW SECTION. Section 3. Transfer of fund balances to general fund. On [the effective date of this act], the balance remaining in each special revenue account designated in [sections 7 through 9] must be deposited in the general fund.

NEW SECTION. Section 4. Effect of termination. (1) If the legislature has appropriated the revenue from an account provided for in [sections 7 through 9], the appropriation is considered to have been made from the general fund.

(2) All assets, liabilities, and fund balances of accounts terminated by [sections 7 through 9] accrue to the general fund.

NEW SECTION. Section 5. Legislative review and report.

(1) Each interim, the legislative finance committee shall review each dedicated revenue provision not exempted under subsection (3).

(2) The review conducted by the committee must include an evaluation of the dedicated revenue provision, based on whether it:

(a) provides direct benefits for those who pay the dedicated tax, fee, or assessment;

(b) provides special information or other advantages that could not be obtained if the revenue were allocated to the general fund;

(c) provides program funding at a level equivalent to the expenditures established by the legislature;

(d) involves collection and allocation formulas that are appropriate to the present circumstances in state government;

(e) impairs the legislature's ability to scrutinize

1 budgets, control expenditures, and establish priorities for
2 state spending;

3 (f) results in an inappropriate ending fund balance;

4 (g) fulfills a continuing, legislatively recognized
5 need; and

6 (h) results in accounting or auditing inefficiency.

7 (3) The committee shall establish procedures to
8 facilitate the review and evaluation required by this
9 section. Each interim, the committee shall attempt to
10 propose measures that will reduce dedicated revenue to an
11 amount that is less than one-third of all state revenue. If
12 the review determines that the revenue dedication is
13 constitutionally mandated, is for debt service, funds
14 emergency services, or is a user fee that is designed to
15 provide direct benefits for those who pay the dedicated tax,
16 fee, or assessment in an amount commensurate with the
17 benefits provided, the revenue dedication does not need a
18 future review.

19 (4) Upon completion of the review, the committee shall
20 report a summary of its findings to the legislature,
21 including its recommendation of termination or extension,
22 with or without modification, of the dedicated revenue
23 provision. The summary must include the purpose of the
24 revenue dedication, the source of funding, the activity
25 funded, the number of personnel associated with the

1 activity, and any balance in the dedicated revenue fund. The
2 summary must state the reason why the revenue dedication is
3 exempt from future review.

4 NEW SECTION. **Section 6. Review of legislation.** The
5 office of budget and program planning shall, consistent with
6 the review provisions in [section 5], review each piece of
7 legislation that proposes to dedicate revenue. The office
8 shall submit its findings concerning the dedication of
9 revenue on the fiscal notes accompanying that legislation.

10 **Section 7.** Section 15-1-501, MCA, is amended to read:

11 "15-1-501. (Temporary) Disposition of money from
12 certain designated license and other taxes. (1) The state
13 treasurer shall deposit to the credit of the state general
14 fund all money received by him from the collection of:

15 (a) fees from driver's licenses, motorcycle
16 endorsements, and duplicate driver's licenses as provided in
17 61-5-121;

18 (b) electrical energy producer's license taxes under
19 chapter 51;

20 (c) severance taxes allocated to the general fund under
21 chapter 36;

22 (d) liquor license taxes under Title 16;

23 (e) telephone company license taxes under chapter 53;
24 and

25 (f) inheritance and estate taxes under Title 72,

1 chapter 16.

2 (2) All money received from the collection of income
3 taxes under chapter 30 of this title must be deposited as
4 follows:

5 (a) ~~62.8%~~ 91.3% of the taxes to the credit of the state
6 general fund;

7 (b) 8.7% of the taxes to the credit of the debt service
8 account for long-range building program bonds as described
9 in 17-5-408; and

10 (c) ~~28.5%--of--the--taxes--to--the--credit--of--the--state~~
11 ~~special-revenue-fund--for--state--equalization--aid--to--the~~
12 ~~public-schools-of-Montana-as-described-in-20-9-343; and~~

13 {d} all interest and penalties to the credit of the
14 state general fund.

15 (3) All money received from the collection of
16 corporation license and income taxes under chapter 31 of
17 this title, except as provided in 15-31-702, must be
18 deposited as follows:

19 (a) ~~61%~~ 89.5% of the taxes to the credit of the state
20 general fund;

21 (b) 10.5% of the taxes to the credit of the debt
22 service account for long-range building program bonds as
23 described in 17-5-408; and

24 (c) ~~28.5%--of--the--taxes--to--the--credit--of--the--state~~
25 ~~special-revenue-fund--for--state--equalization--aid--to--the~~

1 ~~public-schools-of-Montana-as-described-in-20-9-343; and~~

2 {d} all interest and penalties to the credit of the
3 state general fund.

4 (4) The state treasurer shall also deposit to the
5 credit of the state general fund all money received ~~by him~~
6 from the collection of license taxes, fees, and all net
7 revenues and receipts from all other sources under the
8 operation of the Montana Alcoholic Beverage Code.

9 (5) After the distribution provided for in 15-36-112,
10 the remainder of the oil severance tax collections must be
11 deposited in the general fund.

12 (6) All refunds of taxes must be attributed to the
13 funds in which the taxes are deposited. All refunds of
14 interest and penalties must be attributed to the funds in
15 which the interest and penalties are deposited.

16 15-1-501. (Effective July 1, 1993) Disposition of money
17 from certain designated license and other taxes. (1) The
18 state treasurer shall deposit to the credit of the state
19 general fund all money received ~~by him~~ from the collection
20 of:

21 (a) fees from driver's licenses, motorcycle
22 endorsements, and duplicate driver's licenses as provided in
23 61-5-121;

24 (b) electrical energy producer's license taxes under
25 chapter 51;

(c) severance taxes allocated to the general fund under chapter 36;

(d) liquor license taxes under Title 16;

(e) telephone company license taxes under chapter 53; and

(f) inheritance and estate taxes under Title 72, chapter 16.

(2) All money received from the collection of income taxes under chapter 30 of this title must be deposited as follows:

(a) ~~59.5%~~ 91.3% of the taxes to the credit of the state general fund;

(b) 8.7% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

~~(c) 31.8% of the taxes to the credit of the state special revenue fund for state equalization aid to the public schools of Montana as described in 20-9-343; and~~

~~(d) all interest and penalties to the credit of the state general fund.~~

(3) All money received from the collection of corporation license and income taxes under chapter 31 of this title, except as provided in 15-31-702, must be deposited as follows:

(a) ~~61%~~ 89.5% of the taxes to the credit of the state

general fund;

(b) 10.5% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

~~(c) 20.5% of the taxes to the credit of the state special revenue fund for state equalization aid to the public schools of Montana as described in 20-9-343; and~~

~~(d) all interest and penalties to the credit of the state general fund.~~

(4) The state treasurer shall also deposit to the credit of the state general fund all money received by him from the collection of license taxes, fees, and all net revenues and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

(5) After the distribution provided for in 15-36-112, the remainder of the oil severance tax collections must be deposited in the general fund.

(6) All refunds of taxes must be attributed to the funds in which the taxes are deposited. All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are deposited."

Section 8. Section 20-9-343, MCA, is amended to read:

"20-9-343. (Temporary) Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means the money deposited in the

1 state special revenue fund as required in this section plus
2 any legislative appropriation of money from other sources
3 for:

4 (a) distribution to the public schools for the payment
5 of guaranteed tax base aid and for equalization of the
6 foundation program;

7 (b) the Montana educational telecommunications network
8 as provided in 20-32-101; and

9 (c) filing fees for school district audits as required
10 by 2-7-514(2).

11 (2) The superintendent of public instruction may spend
12 funds appropriated for state equalization aid, as required
13 by subsections (1)(a) and (1)(b), throughout the biennium.

14 (3) The following must be paid into the state special
15 revenue fund for state equalization aid to public schools of
16 the state:

17 (a) ~~money received from the collection of income taxes~~
18 ~~under chapter 30 of Title 15, as provided by 15-1-501;~~

19 ~~{b}--except--as--provided--in--15-31-702, money received~~
20 ~~from the collection of corporation license and income taxes~~
21 ~~under chapter 31 of Title 15, as provided by 15-1-501;~~

22 {e} money allocated to state equalization from the
23 collection of the severance tax on coal;

24 {d}{b} money received from the treasurer of the United
25 States as the state's shares of oil, gas, and other mineral

1 royalties under the federal Mineral Lands Leasing Act, as
2 amended;

3 {e}{c} interest and income money described in 20-9-341
4 and 20-9-342;

5 {f}{d} money received from the state equalization aid
6 levy under 20-9-360;

7 {g}{e} income from the lottery, as provided in
8 23-7-402;

9 {h}{f} the surplus revenues collected by the counties
10 for foundation program support according to 20-9-331 and
11 20-9-333; and

12 {i}{g} investment income earned by investing money in
13 the state equalization aid account in the state special
14 revenue fund; and

15 {j}--15%--of--the--income--and--earnings--of--all--coal
16 severance tax funds as provided in 17-5-704.

17 (4) The superintendent of public instruction shall
18 request the board of investments to invest the money in the
19 state equalization aid account to maximize investment
20 earnings to the account.

21 (5) Any surplus revenue in the state equalization aid
22 account in the second year of a biennium may be used to
23 reduce any appropriation required for the next succeeding
24 biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L.
25 1991.)

1 20-9-343. (Effective July 1, 1993) Definition of and
2 revenue for state equalization aid. (1) As used in this
3 title, the term "state equalization aid" means the money
4 deposited in the state special revenue fund as required in
5 this section plus any legislative appropriation of money
6 from other sources for distribution to the public schools
7 for the purposes of payment of guaranteed tax base aid and
8 equalization of the foundation program and for the Montana
9 educational telecommunications network as provided in
10 20-32-101.

11 (2) The superintendent of public instruction may spend
12 funds appropriated for state equalization aid as required
13 for the purposes of guaranteed tax base aid, the foundation
14 program, and the Montana educational telecommunications
15 network, throughout the biennium.

16 (3) The following must be paid into the state special
17 revenue fund for state equalization aid to public schools of
18 the state:

19 (a) ~~money received from the collection of income taxes~~
20 ~~under chapter 38 of Title 15, as provided by 15-1-501;~~

21 **~~{b}--except--as--provided--in--15-31-702; money received~~**
22 ~~from the collection of corporation license and income taxes~~
23 ~~under chapter 31 of Title 15, as provided by 15-1-501;~~

24 (c) money allocated to state equalization from the
25 collection of the severance tax on coal;

1 **~~{d}(b)~~** money received from the treasurer of the United
2 States as the state's shares of oil, gas, and other mineral
3 royalties under the federal Mineral Lands Leasing Act, as
4 amended;

5 **~~{e}(c)~~** interest and income money described in 20-9-341
6 and 20-9-342;

7 **~~{f}(d)~~** money received from the state equalization aid
8 levy under 20-9-360;

9 **~~{g}(e)~~** income from the lottery, as provided in
10 23-7-402;

11 **~~{h}(f)~~** the surplus revenues collected by the counties
12 for foundation program support according to 20-9-331 and
13 20-9-333; and

14 **~~{i}(g)~~** investment income earned by investing money in
15 the state equalization aid account in the state special
16 revenue fund; and

17 **~~{j}--15%--of--the--income--and--earnings--of--all--coal~~**
18 ~~severance tax funds as provided in 17-5-704.~~

19 (4) The superintendent of public instruction shall
20 request the board of investments to invest the money in the
21 state equalization aid account to maximize investment
22 earnings to the account.

23 (5) Any surplus revenue in the state equalization aid
24 account in the second year of a biennium may be used to
25 reduce any appropriation required for the next succeeding

1 biennium."

2 **Section 9.** Section 31-1-602, MCA, is amended to read:

3 "31-1-602. State-sponsored credit card -- distribution
4 of proceeds. (1) The department of revenue is authorized to
5 participate in a financial institution credit card program
6 for the benefit of the state. ~~Within 180 days of April 1, 2007,~~
7 ~~1989, the~~ The department shall ~~contact each financial~~
8 ~~institution to~~ determine if:

9 (a) the a financial institution or its holding company
10 or affiliate currently administers a credit card program;

11 (b) the credit card program provides a fee or
12 commission on retail sales to the sponsoring entity for the
13 issuance and use of the credit card; and

14 (c) the credit card program would accept the state as a
15 sponsoring entity.

16 (2) If the department determines that the state may be
17 a sponsoring entity for a financial institution credit card,
18 the department shall negotiate the most favorable rate for
19 the state's fee by a credit card issuer. The state may not
20 offer a more favorable rate to any credit card issuer. The
21 rate must be expressed as a percentage of the gross sales
22 from the use of the credit card. The proceeds of the fee
23 must be deposited ~~one-half~~ in the general fund ~~and one-half~~
24 ~~in the state special revenue fund for state equalization aid~~
25 ~~to public schools."~~

1 NEW SECTION. **Section 10.** Effective date. [This act] is

2 effective on passage and approval.

-End-

SENATE BILL NO. 378

INTRODUCED BY GROSFIELD, BARDANOUVE, BERGSAGEL, KEATING,
 DRISCOLL, PECK, WANZENRIED, GAGE, NATHE, JACOBSON, COBB,
 FRITZ, GRINDE, STANG, TOEWS, AKLESTAD, SWIFT, TOOLE,
 ZOOK, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING CERTAIN
 SPECIAL--REVENUE--ACCOUNTS DEDICATIONS OF REVENUE; PROVIDING
 FOR THE REVIEW AND FUTURE ELIMINATION OF OTHER SPECIAL
 REVENUE ACCOUNTS; PROVIDING THAT APPROPRIATIONS FROM FORMER
 SPECIAL REVENUE ACCOUNTS ARE FROM THE GENERAL FUND; AMENDING
 SECTIONS 1-11-3017-2-4-3137-2-15-2127-2-17-1057-2-18-4037
 5-11-2097-5-13-4037-7-21-21057 15-1-501, 15-25-1227
 15-35-1007-16-1-4047-16-1-4117-17-7-5027-18-2-1037
 20-4-1097-20-7-2017-20-7-4577-20-9-3317-20-9-3337 20-9-343,
 20-10-2037-22-2-3017-22-2-3047-22-2-3217-23-1-1007-31-1-2217
 AND 31-1-602, 32-1-2137-32-1-2157-32-2-1027-32-2-1107
 32-3-2017-32-5-2017-32-7-1107-40-0-1107-44-3-3027-44-12-2067
 44-13-1037-46-10-2407-46-10-2507-49-2-5107-50-1-2027
 50-2-1007-50-15-1117-50-50-2057-50-50-3057-50-51-2047
 50-51-3037-50-52-2027-50-52-3027-50-53-2037-50-53-2107
 50-60-5087-50-71-3257-53-2-8137-53-9-1047-53-9-1097
 53-24-1007-60-11-1237-61-4-5177-61-5-1217-75-2-2117
 75-2-2127-75-2-5007-75-2-5147-75-3-5027-75-6-1047-75-6-1007
 75-6-1097-75-6-1147-75-10-4477-75-10-9547-75-11-2137

75-11-2277-75-20-1127-75-20-2157-75-20-4087-76-4-11007
 76-4-12127-76-4-12137-76-13-2097-76-15-5307-80-7-7047
 80-7-8107-80-7-8147-80-7-11057-80-8-1167-80-10-2077
 80-10-2007-80-10-5097-80-15-3027-81-3-2317-81-7-1057
 81-7-1227-81-8-2167-81-8-2797-81-8-3047-81-23-2047
 81-23-4037-82-4-3117-85-2-1237-85-2-1247-85-3-2137-90-3-3057
 AND-90-3-5257 MCA; REPEALING SECTIONS 15-25-1217-15-25-1237
 20-3-1007-50-50-2167-50-51-1107-50-52-2107-60-11-1227
 75-6-1157-AND-81-7-1197-MCA; AND PROVIDING AN--IMMEDIATE
 EFFECTIVE DATE DATES."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. Section 1. Legislative findings. (1) The
 legislature finds that provisions for dedicating state
 revenue have increased in number, reduce legislative control
 over state spending, complicate the state funding structure,
 and increase the effort required to budget, appropriate, and
 monitor public funds. The dedication of funds results in the
 inability of the legislature to practically and
 systematically conduct reasoned prioritization of programs
 or funds.

(2) It is the intent of the legislature, by
 establishing a system for the review and evaluation of

revenue dedication provisions, to ensure that provisions for revenue dedication:

(a) are based on sound principles of revenue dedication;

(b) reflect present circumstances and legislative priorities for state spending; and

(c) are terminated when they no longer are necessary or appropriate.

NEW SECTION. Section 2. Definitions. As used in [sections 1 through 6], unless the context requires otherwise, the following definitions apply:

(1) "Dedicated revenue provision" means an administrative or legislative action that allocates the revenue from a tax, fee, assessment, or other source to an account in the state special revenue fund.

(2) "State special revenue fund" means a fund in the state treasury consisting of money from state sources that is earmarked for the purposes of defraying particular costs of an agency, program, or function of state government, as provided in 17-2-102.

NEW SECTION. Section 3. Transfer of fund balances to general fund. On [the effective date of this act], the balance remaining in each special revenue account designated in-[sections-7-through-9] **TERMINATED PURSUANT TO LEGISLATIVE REVIEW** must be deposited in the general fund.

NEW SECTION. Section 4. Effect of termination. (1) If

the legislature has appropriated the revenue from an account provided for in [sections 7 through 9], the appropriation is considered to have been made from the general fund.

(2) All assets, liabilities, and fund balances of accounts terminated by [sections 7 through 9] accrue to the general fund.

NEW SECTION. Section 5. Legislative review and report.

(1) Each interim, the legislative finance committee shall review each dedicated revenue provision not exempted under subsection (3).

(2) The review conducted by the committee must include an evaluation of the dedicated revenue provision, based on whether it:

(a) provides direct benefits for those who pay the dedicated tax, fee, or assessment;

(b) provides special information or other advantages that could not be obtained if the revenue were allocated to the general fund;

(c) provides program funding at a level equivalent to the expenditures established by the legislature;

(d) involves collection and allocation formulas that are appropriate to the present circumstances in state government;

(e) impairs the legislature's ability to scrutinize

1 budgets, control expenditures, and establish priorities for
2 state spending;

3 (f) results in an inappropriate ending fund balance;

4 (g) fulfills a continuing, legislatively recognized
5 need; and

6 (h) results in accounting or auditing inefficiency.

7 (3) The committee shall establish procedures to
8 facilitate the review and evaluation required by this
9 section. Each interim, the committee shall attempt to
10 propose measures that will reduce dedicated revenue to an
11 amount that is less than one-third of all state revenue. If
12 the review determines that the revenue dedication is
13 constitutionally mandated, is for debt service, funds
14 emergency services, or is a user fee that is designed to
15 provide direct benefits for those who pay the dedicated tax,
16 fee, or assessment in an amount commensurate with the
17 benefits provided, the revenue dedication does not need a
18 future review.

19 (4) Upon completion of the review, the committee shall
20 report a summary of its findings to the legislature,
21 including its recommendation of termination or extension,
22 with or without modification, of the dedicated revenue
23 provision. The summary must include the purpose of the
24 revenue dedication, the source of funding, the activity
25 funded, the number of personnel associated with the

1 activity, and any balance in the dedicated revenue fund. The
2 summary must state the reason why the revenue dedication is
3 exempt from future review.

4 NEW SECTION. **Section 6.** Review of legislation. The
5 office of budget and program planning shall, consistent with
6 the review provisions in [section 5], review each piece of
7 legislation that proposes to dedicate revenue. The office
8 shall submit its findings concerning the dedication of
9 revenue on the fiscal notes accompanying that legislation.

10 **Section 7.** Section 15-1-501, MCA, is amended to read:

11 "15-1-501. (Temporary) Disposition of money from
12 certain designated license and other taxes. (1) The state
13 treasurer shall deposit to the credit of the state general
14 fund all money received by him from the collection of:

15 (a) fees from driver's licenses, motorcycle
16 endorsements, and duplicate driver's licenses as provided in
17 61-5-121;

18 (b) electrical energy producer's license taxes under
19 chapter 51;

20 (c) severance taxes allocated to the general fund under
21 chapter 36;

22 (d) liquor license taxes under Title 16;

23 (e) telephone company license taxes under chapter 53;
24 and

25 (f) inheritance and estate taxes under Title 72,

1 chapter 16.

2 (2) All money received from the collection of income
3 taxes under chapter 30 of this title must be deposited as
4 follows:

5 (a) ~~62.8%~~ 91.3% of the taxes to the credit of the state
6 general fund;

7 (b) 8.7% of the taxes to the credit of the debt service
8 account for long-range building program bonds as described
9 in 17-5-408; and

10 (c) ~~20.5% of the taxes to the credit of the state~~
11 ~~special revenue fund for state equalization aid to the~~
12 ~~public schools of Montana as described in 20-9-343; and~~

13 (d) all interest and penalties to the credit of the
14 state general fund.

15 (3) All money received from the collection of
16 corporation license and income taxes under chapter 31 of
17 this title, except as provided in 15-31-702, must be
18 deposited as follows:

19 (a) ~~61%~~ 89.5% of the taxes to the credit of the state
20 general fund;

21 (b) 10.5% of the taxes to the credit of the debt
22 service account for long-range building program bonds as
23 described in 17-5-408; and

24 (c) ~~20.5% of the taxes to the credit of the state~~
25 ~~special revenue fund for state equalization aid to the~~

1 ~~public schools of Montana as described in 20-9-343; and~~

2 (d) all interest and penalties to the credit of the
3 state general fund.

4 (4) The state treasurer shall also deposit to the
5 credit of the state general fund all money received by--him
6 from the collection of license taxes, fees, and all net
7 revenues and receipts from all other sources under the
8 operation of the Montana Alcoholic Beverage Code.

9 (5) After the distribution provided for in 15-36-112,
10 the remainder of the oil severance tax collections must be
11 deposited in the general fund.

12 (6) All refunds of taxes must be attributed to the
13 funds in which the taxes are deposited. All refunds of
14 interest and penalties must be attributed to the funds in
15 which the interest and penalties are deposited.

16 15-1-501. (Effective July 1, 1993) Disposition of money
17 from certain designated license and other taxes. (1) The
18 state treasurer shall deposit to the credit of the state
19 general fund all money received by-him from the collection
20 of:

21 (a) fees from driver's licenses, motorcycle
22 endorsements, and duplicate driver's licenses as provided in
23 61-5-121;

24 (b) electrical energy producer's license taxes under
25 chapter 51;

(c) severance taxes allocated to the general fund under chapter 36;

(d) liquor license taxes under Title 16;

(e) telephone company license taxes under chapter 53; and

(f) inheritance and estate taxes under Title 72, chapter 16.

(2) All money received from the collection of income taxes under chapter 30 of this title must be deposited as follows:

(a) ~~59.5%~~ 91.3% of the taxes to the credit of the state general fund;

(b) 8.7% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

(c) ~~31.8%--of--the--taxes--to--the--credit--of--the--state special-revenue-fund--for--state--equalization--aid--to--the public-schools-of-Montana-as-described-in-20-9-343;--and~~

(d) all interest and penalties to the credit of the state general fund.

(3) All money received from the collection of corporation license and income taxes under chapter 31 of this title, except as provided in 15-31-702, must be deposited as follows:

(a) ~~61%~~ 89.5% of the taxes to the credit of the state

general fund;

(b) 10.5% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

(c) ~~20.5%--of--the--taxes--to--the--credit--of--the--state special-revenue-fund--for--state--equalization--aid--to--the public-schools-of-Montana-as-described-in-20-9-343;--and~~

(d) all interest and penalties to the credit of the state general fund.

(4) The state treasurer shall also deposit to the credit of the state general fund all money received by him from the collection of license taxes, fees, and all net revenues and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

(5) After the distribution provided for in 15-36-112, the remainder of the oil severance tax collections must be deposited in the general fund.

(6) All refunds of taxes must be attributed to the funds in which the taxes are deposited. All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are deposited."

Section 8. Section 20-9-343, MCA, is amended to read:

"20-9-343. (Temporary) Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means the money deposited in the

state special revenue fund as required in this section plus any legislative appropriation of money from other sources for:

(a) distribution to the public schools for the payment of guaranteed tax base aid and for equalization of the foundation program;

(b) the Montana educational telecommunications network as provided in 20-32-101; and

(c) filing fees for school district audits as required by 2-7-514(2).

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid, as required by subsections (1)(a) and (1)(b), throughout the biennium.

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

(a) ~~money--received-from-the-collection-of-income-taxes under chapter 30 of Title 15, as provided by 15-1-501;~~

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

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

~~(d)(b)~~ money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral

royalties under the federal Mineral Lands Leasing Act, as amended;

~~(e)(c)~~ interest and income money described in 20-9-341 and 20-9-342;

~~(f)(d)~~ money received from the state equalization aid levy under 20-9-360;

~~(g)(e)~~ income from the lottery, as provided in 23-7-402;

~~(h)(f)~~ the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333; and

~~(i)(g)~~ investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

~~(j)--15--of--the--income--and--earnings--of--all--coal severance-tax-funds-as-provided-in-17-5-704.~~

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L. 1991.)

20-9-343. (Effective July 1, 1993) Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means the money deposited in the state special revenue fund as required in this section plus any legislative appropriation of money from other sources for distribution to the public schools for the purposes of payment of guaranteed tax base aid and equalization of the foundation program and for the Montana educational telecommunications network as provided in 20-32-101.

(2) The superintendent of public instruction may spend funds appropriated for state equalization aid as required for the purposes of guaranteed tax base aid, the foundation program, and the Montana educational telecommunications network, throughout the biennium.

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

(a) ~~money--received--from--the--collection--of--income--taxes--under--chapter--38--of--Title--15--as--provided--by--15-1-501;~~

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

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

~~(d)(b)~~ money received from the treasurer of the United States as the state's shares of oil, gas, and other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

~~(e)(c)~~ interest and income money described in 20-9-341 and 20-9-342;

~~(f)(d)~~ money received from the state equalization aid levy under 20-9-360;

~~(g)(e)~~ income from the lottery, as provided in 23-7-402;

~~(h)(f)~~ the surplus revenues collected by the counties for foundation program support according to 20-9-331 and 20-9-333; and

~~(i)(g)~~ investment income earned by investing money in the state equalization aid account in the state special revenue fund; and

~~(j)--15%--of--the--income--and--earnings--of--all--coal--severance--tax--funds--as--provided--in--17-5-704.~~

(4) The superintendent of public instruction shall request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

(5) Any surplus revenue in the state equalization aid account in the second year of a biennium may be used to reduce any appropriation required for the next succeeding

1 bienium."

2 **Section 9.** Section 31-1-602, MCA, is amended to read:

3 "31-1-602. State-sponsored credit card -- distribution
4 of proceeds. (1) The department of revenue is authorized to
5 participate in a financial institution credit card program
6 for the benefit of the state. ~~Within 100 days of April 28,~~
7 ~~1989, the~~ The department shall contact ~~each financial~~
8 ~~institution to determine if:~~

9 (a) the a financial institution or its holding company
10 or affiliate currently administers a credit card program;

11 (b) the credit card program provides a fee or
12 commission on retail sales to the sponsoring entity for the
13 issuance and use of the credit card; and

14 (c) the credit card program would accept the state as a
15 sponsoring entity.

16 (2) If the department determines that the state may be
17 a sponsoring entity for a financial institution credit card,
18 the department shall negotiate the most favorable rate for
19 the state's fee by a credit card issuer. The state may not
20 offer a more favorable rate to any credit card issuer. The
21 rate must be expressed as a percentage of the gross sales
22 from the use of the credit card. The proceeds of the fee
23 must be deposited ~~one-half~~ in the general fund and ~~one-half~~
24 ~~in the state special revenue fund for state equalization aid~~
25 ~~to public schools."~~

1 **NEW SECTION. Section 10.** Effective date DATES. (1)
2 ~~{This act} is~~ [SECTIONS 1 THROUGH 6 AND THIS SECTION] ARE
3 ~~effective on passage and approval.~~
4 (2) [SECTIONS 7 THROUGH 9] ARE EFFECTIVE JULY 1, 1994.

-End-

HOUSE STANDING COMMITTEE REPORT

April 7, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that Senate Bill 378 (third reading copy -- blue) be concurred in as amended .

Signed: 

Tom Zook, Chair

And, that such amendments read:

Carried by: Rep. Bardanouve

1. Title, line 10.

Following: "ACCOUNTS"

Insert: "AND STATUTORY APPROPRIATIONS"

2. Page 4, line 11.

Strike: "(3)"

Insert: "and review statutory appropriations assigned by the legislature"

3. Page 6, line 4.

Following: line 3

Insert: "(5) The committee shall review statutory appropriations to determine if the appropriation should be made by a legislative appropriation. During the 1995 biennium, the committee shall review the statutory appropriation of administrative costs in 75-11-313."

-END-

SB 378

Committee Vote:
Yes 18, No 0 .

HOUSE

SENATE BILL NO. 378

INTRODUCED BY GROSFIELD, BARDANOUVE, BERGSAGEL, KEATING,
 DRISCOLL, PECK, WANZENRIED, GAGE, NATHE, JACOBSON, COBB,
 FRITZ, GRINDE, STANG, TOEWS, AKLESTAD, SWIFT, TOOLE,
 ZOOK, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING CERTAIN
~~SPECIAL--REVENUE--ACCOUNTS~~ DEDICATIONS OF REVENUE; PROVIDING
 FOR THE REVIEW AND FUTURE ELIMINATION OF OTHER SPECIAL
 REVENUE ACCOUNTS AND STATUTORY APPROPRIATIONS; PROVIDING
 THAT APPROPRIATIONS FROM FORMER SPECIAL REVENUE ACCOUNTS ARE
 FROM THE GENERAL FUND; AMENDING SECTIONS ~~1-11-3017--2-4-3137~~
~~2-15-2127-2-17-1057-2-18-4037-5-11-2097-5-13-4037-7-21-21057~~
~~15-1-501, 15-25-1227--15-35-1007--16-1-4047--16-1-4117~~
~~17-7-5027-18-2-1037-20-4-109720-7-2017--20-7-4577--20-9-3317~~
~~20-9-3337 20-9-343, 20-10-2037-22-2-3017-22-2-3047-22-2-3217~~
~~23-1-1007--31-1-2217~~ AND ~~31-1-602, 32-1-2137--32-1-2157~~
~~32-2-1027-32-2-1107-32-3-2017-32-5-2017-32-7-1107--40-8-1107~~
~~44-3-3027--44-12-2067--44-13-1037--46-10-2487--46-10-2507~~
~~49-2-5107--50-1-2027--50-2-1007--50-15-1117--50-50-2057~~
~~50-50-3057--50-51-2047--50-51-3037--50-52-2027--50-52-3027~~
~~50-53-2037--50-53-2107--50-60-5007--50-71-3257--53-2-0137~~
~~53-9-1047--53-9-1097--53-24-1007--60-11-1237--61-4-5177~~
~~61-5-1217-75-2-2117-75-2-2127-75-2-5007-75-2-5147--75-3-5027~~
~~75-6-1047--75-6-1007--75-6-1097--75-6-1147--75-10-4477~~

~~75-10-9547--75-11-2137--75-11-2277--75-20-1127--75-20-2157~~
~~75-20-4007--76-4-11007--76-4-12127--76-4-12137--76-13-2097~~
~~76-15-5307--80-7-7047--80-7-8107--80-7-8147--80-7-11057~~
~~80-8-1167--80-10-2077--80-10-2007--80-10-5097--80-15-3027~~
~~81-3-2317-81-7-1057-81-7-1227-81-8-2167-81-8-2797--81-8-3047~~
~~81-23-2047--81-23-4037--82-4-3117--85-2-1237--85-2-1247~~
~~85-3-2137-90-3-3057-AND-90-3-5257, MCA; REPEALING--SECTIONS~~
~~15-25-1217--15-25-1237--20-3-1007--50-50-2167--50-51-1107~~
~~50-52-2107--60-11-1227--75-6-1157--AND--81-7-1197--MCA, AND~~
 PROVIDING AN-IMMEDIATE EFFECTIVE DATE DATES."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. Section 1. Legislative findings. (1) The legislature finds that provisions for dedicating state revenue have increased in number, reduce legislative control over state spending, complicate the state funding structure, and increase the effort required to budget, appropriate, and monitor public funds. The dedication of funds results in the inability of the legislature to practically and systematically conduct reasoned prioritization of programs or funds.

(2) It is the intent of the legislature, by establishing a system for the review and evaluation of

revenue dedication provisions, to ensure that provisions for revenue dedication:

(a) are based on sound principles of revenue dedication;

(b) reflect present circumstances and legislative priorities for state spending; and

(c) are terminated when they no longer are necessary or appropriate.

NEW SECTION. Section 2. Definitions. As used in [sections 1 through 6], unless the context requires otherwise, the following definitions apply:

(1) "Dedicated revenue provision" means an administrative or legislative action that allocates the revenue from a tax, fee, assessment, or other source to an account in the state special revenue fund.

(2) "State special revenue fund" means a fund in the state treasury consisting of money from state sources that is earmarked for the purposes of defraying particular costs of an agency, program, or function of state government, as provided in 17-2-102.

NEW SECTION. Section 3. Transfer of fund balances to general fund. On [the effective date of this act], the balance remaining in each special revenue account designated in ~~{sections 7 through 9}~~ TERMINATED PURSUANT TO LEGISLATIVE REVIEW must be deposited in the general fund.

NEW SECTION. Section 4. Effect of termination. (1) If the legislature has appropriated the revenue from an account provided for in [sections 7 through 9], the appropriation is considered to have been made from the general fund.

(2) All assets, liabilities, and fund balances of accounts terminated by [sections 7 through 9] accrue to the general fund.

NEW SECTION. Section 5. Legislative review and report. (1) Each interim, the legislative finance committee shall review each dedicated revenue provision not exempted under subsection (3) AND REVIEW STATUTORY APPROPRIATIONS ASSIGNED BY THE LEGISLATURE.

(2) The review conducted by the committee must include an evaluation of the dedicated revenue provision, based on whether it:

(a) provides direct benefits for those who pay the dedicated tax, fee, or assessment;

(b) provides special information or other advantages that could not be obtained if the revenue were allocated to the general fund;

(c) provides program funding at a level equivalent to the expenditures established by the legislature;

(d) involves collection and allocation formulas that are appropriate to the present circumstances in state government;

(e) impairs the legislature's ability to scrutinize budgets, control expenditures, and establish priorities for state spending;

(f) results in an inappropriate ending fund balance;

(g) fulfills a continuing, legislatively recognized need; and

(h) results in accounting or auditing inefficiency.

(3) The committee shall establish procedures to facilitate the review and evaluation required by this section. Each interim, the committee shall attempt to propose measures that will reduce dedicated revenue to an amount that is less than one-third of all state revenue. If the review determines that the revenue dedication is constitutionally mandated, is for debt service, funds emergency services, or is a user fee that is designed to provide direct benefits for those who pay the dedicated tax, fee, or assessment in an amount commensurate with the benefits provided, the revenue dedication does not need a future review.

(4) Upon completion of the review, the committee shall report a summary of its findings to the legislature, including its recommendation of termination or extension, with or without modification, of the dedicated revenue provision. The summary must include the purpose of the revenue dedication, the source of funding, the activity

funded, the number of personnel associated with the activity, and any balance in the dedicated revenue fund. The summary must state the reason why the revenue dedication is exempt from future review.

(5) THE COMMITTEE SHALL REVIEW STATUTORY APPROPRIATIONS TO DETERMINE IF THE APPROPRIATION SHOULD BE MADE BY A LEGISLATIVE APPROPRIATION. DURING THE 1995 BIENNIUM, THE COMMITTEE SHALL REVIEW THE STATUTORY APPROPRIATION OF ADMINISTRATIVE COSTS IN 75-11-313.

NEW SECTION. Section 6. Review of legislation. The office of budget and program planning shall, consistent with the review provisions in [section 5], review each piece of legislation that proposes to dedicate revenue. The office shall submit its findings concerning the dedication of revenue on the fiscal notes accompanying that legislation.

Section 7. Section 15-1-501, MCA, is amended to read:

"15-1-501. (Temporary) Disposition of money from certain designated license and other taxes. (1) The state treasurer shall deposit to the credit of the state general fund all money received by him from the collection of:

(a) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as provided in 61-5-121;

(b) electrical energy producer's license taxes under chapter 51;

1 (c) severance taxes allocated to the general fund under
 2 chapter 36;
 3 (d) liquor license taxes under Title 16;
 4 (e) telephone company license taxes under chapter 53;
 5 and
 6 (f) inheritance and estate taxes under Title 72,
 7 chapter 16.
 8 (2) All money received from the collection of income
 9 taxes under chapter 30 of this title must be deposited as
 10 follows:
 11 (a) ~~62.8%~~ 91.3% of the taxes to the credit of the state
 12 general fund;
 13 (b) 8.7% of the taxes to the credit of the debt service
 14 account for long-range building program bonds as described
 15 in 17-5-408; and
 16 (c) ~~28.5%--of--the--taxes--to--the--credit-of-the-state~~
 17 ~~special-revenue-fund--for--state--equalization--aid--to--the~~
 18 ~~public-schools-of-Montana-as-described-in-20-9-343;--and~~
 19 (d) all interest and penalties to the credit of the
 20 state general fund.
 21 (3) All money received from the collection of
 22 corporation license and income taxes under chapter 31 of
 23 this title, except as provided in 15-31-702, must be
 24 deposited as follows:
 25 (a) ~~61%~~ 89.5% of the taxes to the credit of the state

1 general fund;
 2 (b) 10.5% of the taxes to the credit of the debt
 3 service account for long-range building program bonds as
 4 described in 17-5-408; and
 5 (c) ~~28.5%--of--the--taxes--to--the--credit-of-the-state~~
 6 ~~special-revenue-fund--for--state--equalization--aid--to--the~~
 7 ~~public-schools-of-Montana-as-described-in-20-9-343;--and~~
 8 (d) all interest and penalties to the credit of the
 9 state general fund.
 10 (4) The state treasurer shall also deposit to the
 11 credit of the state general fund all money received by him
 12 from the collection of license taxes, fees, and all net
 13 revenues and receipts from all other sources under the
 14 operation of the Montana Alcoholic Beverage Code.
 15 (5) After the distribution provided for in 15-36-112,
 16 the remainder of the oil severance tax collections must be
 17 deposited in the general fund.
 18 (6) All refunds of taxes must be attributed to the
 19 funds in which the taxes are deposited. All refunds of
 20 interest and penalties must be attributed to the funds in
 21 which the interest and penalties are deposited.
 22 15-1-501. (Effective July 1, 1993) Disposition of money
 23 from certain designated license and other taxes. (1) The
 24 state treasurer shall deposit to the credit of the state
 25 general fund all money received by him from the collection

1 of:

2 (a) fees from driver's licenses, motorcycle
3 endorsements, and duplicate driver's licenses as provided in
4 61-5-121;

5 (b) electrical energy producer's license taxes under
6 chapter 51;

7 (c) severance taxes allocated to the general fund under
8 chapter 36;

9 (d) liquor license taxes under Title 16;

10 (e) telephone company license taxes under chapter 53;
11 and

12 (f) inheritance and estate taxes under Title 72,
13 chapter 16.

14 (2) All money received from the collection of income
15 taxes under chapter 30 of this title must be deposited as
16 follows:

17 (a) ~~59.5%~~ 91.3% of the taxes to the credit of the state
18 general fund;

19 (b) 8.7% of the taxes to the credit of the debt service
20 account for long-range building program bonds as described
21 in 17-5-408; and

22 ~~(c) 31.8% of the taxes to the credit of the state~~
23 ~~special revenue fund for state equalization aid to the~~
24 ~~public schools of Montana as described in 20-9-343; and~~

25 (d) all interest and penalties to the credit of the

1 state general fund.

2 (3) All money received from the collection of
3 corporation license and income taxes under chapter 31 of
4 this title, except as provided in 15-31-702, must be
5 deposited as follows:

6 (a) ~~61%~~ 89.5% of the taxes to the credit of the state
7 general fund;

8 (b) 10.5% of the taxes to the credit of the debt
9 service account for long-range building program bonds as
10 described in 17-5-408; and

11 ~~(c) 20.5% of the taxes to the credit of the state~~
12 ~~special revenue fund for state equalization aid to the~~
13 ~~public schools of Montana as described in 20-9-343; and~~

14 (d) all interest and penalties to the credit of the
15 state general fund.

16 (4) The state treasurer shall also deposit to the
17 credit of the state general fund all money received ~~by him~~
18 from the collection of license taxes, fees, and all net
19 revenues and receipts from all other sources under the
20 operation of the Montana Alcoholic Beverage Code.

21 (5) After the distribution provided for in 15-36-112,
22 the remainder of the oil severance tax collections must be
23 deposited in the general fund.

24 (6) All refunds of taxes must be attributed to the
25 funds in which the taxes are deposited. All refunds of

1 interest and penalties must be attributed to the funds in
2 which the interest and penalties are deposited."

3 **Section 8.** Section 20-9-343, MCA, is amended to read:

4 **"20-9-343. (Temporary) Definition of and revenue for**
5 **state equalization aid.** (1) As used in this title, the term
6 "state equalization aid" means the money deposited in the
7 state special revenue fund as required in this section plus
8 any legislative appropriation of money from other sources
9 for:

10 (a) distribution to the public schools for the payment
11 of guaranteed tax base aid and for equalization of the
12 foundation program;

13 (b) the Montana educational telecommunications network
14 as provided in 20-32-101; and

15 (c) filing fees for school district audits as required
16 by 2-7-514(2).

17 (2) The superintendent of public instruction may spend
18 funds appropriated for state equalization aid, as required
19 by subsections (1)(a) and (1)(b), throughout the biennium.

20 (3) The following must be paid into the state special
21 revenue fund for state equalization aid to public schools of
22 the state:

23 (a) ~~money received from the collection of income--taxes~~
24 ~~under chapter 30 of Title 15, as provided by 15-1-501;~~

25 (b) ~~except as provided in 15-31-702, money received~~

1 ~~from the collection of corporation license and income--taxes~~
2 ~~under chapter 31 of Title 15, as provided by 15-1-501;~~

3 (c) money allocated to state equalization from the
4 collection of the severance tax on coal;

5 (d) money received from the treasurer of the United
6 States as the state's shares of oil, gas, and other mineral
7 royalties under the federal Mineral Lands Leasing Act, as
8 amended;

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

11 (f) money received from the state equalization aid
12 levy under 20-9-360;

13 (g) income from the lottery, as provided in
14 23-7-402;

15 (h) the surplus revenues collected by the counties
16 for foundation program support according to 20-9-331 and
17 20-9-333; and

18 (i) investment income earned by investing money in
19 the state equalization aid account in the state special
20 revenue fund; and

21 (j) ~~15% of the income and earnings of all coal~~
22 ~~severance tax funds as provided in 17-5-704.~~

23 (4) The superintendent of public instruction shall
24 request the board of investments to invest the money in the
25 state equalization aid account to maximize investment

1 earnings to the account.

2 (5) Any surplus revenue in the state equalization aid
3 account in the second year of a biennium may be used to
4 reduce any appropriation required for the next succeeding
5 biennium. (Terminates June 30, 1993--sec. 5, Ch. 729, L.
6 1991.)

7 20-9-343. (Effective July 1, 1993) Definition of and
8 revenue for state equalization aid. (1) As used in this
9 title, the term "state equalization aid" means the money
10 deposited in the state special revenue fund as required in
11 this section plus any legislative appropriation of money
12 from other sources for distribution to the public schools
13 for the purposes of payment of guaranteed tax base aid and
14 equalization of the foundation program and for the Montana
15 educational telecommunications network as provided in
16 20-32-101.

17 (2) The superintendent of public instruction may spend
18 funds appropriated for state equalization aid as required
19 for the purposes of guaranteed tax base aid, the foundation
20 program, and the Montana educational telecommunications
21 network, throughout the biennium.

22 (3) The following must be paid into the state special
23 revenue fund for state equalization aid to public schools of
24 the state:

25 (a) ~~money received from the collection of income--taxes~~

1 ~~under chapter 30 of Title 15, as provided by 15-1-501;~~

2 ~~(b)--except--as--provided--in--15-31-702, money received~~
3 ~~from the collection of corporation license and income--taxes~~
4 ~~under chapter 31 of Title 15, as provided by 15-1-501;~~

5 ~~(c)~~ money allocated to state equalization from the
6 collection of the severance tax on coal;

7 ~~(d)~~(b) money received from the treasurer of the United
8 States as the state's shares of oil, gas, and other mineral
9 royalties under the federal Mineral Lands Leasing Act, as
10 amended;

11 ~~(e)~~(c) interest and income money described in 20-9-341
12 and 20-9-342;

13 ~~(f)~~(d) money received from the state equalization aid
14 levy under 20-9-360;

15 ~~(g)~~(e) income from the lottery, as provided in
16 23-7-402;

17 ~~(h)~~(f) the surplus revenues collected by the counties
18 for foundation program support according to 20-9-331 and
19 20-9-333; and

20 ~~(i)~~(g) investment income earned by investing money in
21 the state equalization aid account in the state special
22 revenue fund; and

23 ~~(j)--15%--of--the--income--and--earnings--of--all--coal~~
24 ~~severance tax funds as provided in 17-5-704.~~

25 (4) The superintendent of public instruction shall

request the board of investments to invest the money in the state equalization aid account to maximize investment earnings to the account.

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

Section 9. Section 31-1-602, MCA, is amended to read:

"31-1-602. State-sponsored credit card -- distribution of proceeds. (1) The department of revenue is authorized to participate in a financial institution credit card program for the benefit of the state. ~~Within 180 days of April 28, 1989, the~~ The department shall ~~contact each financial institution to~~ determine if:

(a) ~~the~~ a financial institution or its holding company or affiliate currently administers a credit card program;

(b) the credit card program provides a fee or commission on retail sales to the sponsoring entity for the issuance and use of the credit card; and

(c) the credit card program would accept the state as a sponsoring entity.

(2) If the department determines that the state may be a sponsoring entity for a financial institution credit card, the department shall negotiate the most favorable rate for the state's fee by a credit card issuer. The state may not

offer a more favorable rate to any credit card issuer. The rate must be expressed as a percentage of the gross sales from the use of the credit card. The proceeds of the fee must be deposited one-half in the general fund and one-half ~~in the state special revenue fund for state equalization aid to public schools.~~

NEW SECTION. Section 10. Effective date DATES. (1)
~~{This act} is~~ {SECTIONS 1 THROUGH 6 AND THIS SECTION} ARE
 effective on passage and approval.

(2) {SECTIONS 7 THROUGH 9} ARE EFFECTIVE JULY 1, 1994.

-End-