

1 *House BILL NO. 201*  
2 INTRODUCED BY *Ellis Ash Lewis Dorothy Schreyer*  
3 *Anderson Brainerd Deanne Wagner ORR*

4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ANNUAL SUSTAINABLE YIELD BE USED AS  
5 A FACTOR IN THE MANAGEMENT OF FORESTED STATE TRUST LANDS; DEFINING "ANNUAL  
6 SUSTAINABLE YIELD" AND ESTABLISHING ANNUAL SUSTAINABLE YIELD AS THE ANNUAL TIMBER SALE  
7 REQUIREMENT; AND PROVIDING FOR DECENTNIAL REVIEW OF ANNUAL SUSTAINABLE YIELD."

8

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

10

11 **NEW SECTION.** **Section 1. Definition.** As used in [sections 1 through 3], "annual sustainable yield"  
12 means the quantity of timber that can be harvested from forested state lands each year in accordance with  
13 all applicable state and federal laws, taking into account the ability of state forests to generate replacement  
14 tree growth.

15

16 **NEW SECTION.** **Section 2. Determination of annual sustainable yield.** (1) The department, under  
17 the direction of the board, shall commission a study by a qualified independent third party to determine,  
18 using scientific principles, the annual sustainable yield on forested state lands.

19 (2) Until the study required by subsection (1) is completed, the annual sustainable yield is  
20 considered to be 50 million board feet.

21

22 **NEW SECTION.** **Section 3. Annual sustainable yield as timber sale requirement -- review.** (1) The  
23 annual sustainable yield constitutes the annual timber sale requirement for the state timber sale program  
24 administered by the department.

25 (2) After it is determined under [section 2], the annual sustainable yield must be reviewed and  
26 redetermined by the department, under the direction of the board at least once every 10 years.

27

28 **NEW SECTION.** **Section 4. Codification instruction.** [Sections 1 through 3] are intended to be  
29 codified as an integral part of Title 77, chapter 5, part 2, and the provisions of Title 77, chapter 5, part 2,  
30 apply to [sections 1 through 3].

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0201, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring that annual sustainable yield be used as a factor in the management of forested trust lands; defining "annual sustainable yield" and establishing annual sustainable yield as the annual timber sale requirement; and providing the decennial review of annual sustainable yield.

ASSUMPTIONS:

Department of State Lands (DSL)

1. The State Land Board is required to administer the school trust lands to secure the largest measure of legitimate and reasonable advantage to the trust (77-1-202, MCA).
2. Under the direction of the State Land Board, DSL is authorized to sell timber and other forest products off of trust lands (77-5-201, MCA).
3. The current annual harvest rate is 32 million board feet (MMBF).
4. DSL will sell an additional 18 MMBF of timber annually as a result of this act, beginning with 9 MMBF in FY97 and 18 (MMBF) in FY98.
5. DSL will sell the additional volume at an average rate of \$290 per thousand board feet (MBF).
6. 50% of the timber volume sold in FY97 will be logged in FY98, and the other 50% will be logged in FY99. Similarly, 50% of the timber volume sold in FY98 will be logged in FY99, and the other 50% will be harvested in FY 2000.
7. Stumpage prices will not increase.
8. Revenue estimates are based on additional timber volume contracted for sale as a result of the act.
9. Due to time requirements for hiring new personnel and implementing an expanded program, in FY96 DSL will use 75% of the FTE recommended to carry out this act. In FY97 DSL will utilize 100% of the FTE recommended to carry out this program.
10. In order to meet the 50 MMBF target, DSL will have to adopt a more aggressive timber harvest management strategy for state-owned forest lands including the following:
  - DSL will proceed with timber harvests that may result in significant impacts to wildlife, visuals, and other resources, where those impacts are outweighed by potential revenue. Rather than mitigating those impacts, DSL will disclose such impacts in EIS documents as necessary to comply with MEPA.
  - DSL will apply mitigation to protect fish and wildlife habitat, visual resources, old growth forests, or other public concerns, only to the extent that they are specifically protected by state or federal law or the trust is compensated.
  - Habitat for threatened or endangered species (T&E) will be managed to standards that avoid violation of the Endangered Species Act.
  - DSL will be involved in increasing litigation surrounding these management strategies and some proposed harvests may be delayed.
  - Some other uses of state trust land will be secondary to timber management. Some uses may be suspended or restricted in areas where it impacts timber production.
  - Approximately 40% of the total harvest will be from even-aged management, which may include some clearcutting.

(continued on page 2)

*Dave Lewis* 1-20-95

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

ALVIN ELLIS, PRIMARY SPONSOR DATE

Fiscal Note for HB0201, as introduced

*HB 201*

- Proposed projects will be modified to address public concerns to the extent consistent with state trust obligations.
- The best way to produce long-term trust income from forested trust lands is to manage the lands for timber production.
- Constraints to state annual harvest will result from T&E species requirements, Streamside Management Zone requirements, air and water quality requirements, the Antiquities Act, and Forestry Best Management Practices.
- Timber sale packages will be expanded to include more and larger sales within a single environmental analysis to capture efficiencies of scale.

This change in state forest land management strategies will result in approximately 25% increase in annual harvest ( $25\% \times 32 \text{ MMBF} = 8 \text{ MMBF}$ ) within existing staffing levels. Subsequently the DSL's current funded level of harvest (32 MMBF) will translate to 40 MMBF. The 10 MMBF shortfall will be captured through increased resources, staff and contracted services as indicated below.

11. The Sustained Yield Study Commission is composed of volunteers with a paid analyst who reports to the commission.
12. The sustained yield study will include an independent review of the methodology and assumptions used by DSL to arrive at its estimate of biological capacity. It will also include a review of the constraints applied to the biological capacity that result in DSL's estimate of sustained yield. This study will cost \$30,000.

FISCAL IMPACT:

DSL Forestry Division

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
FTE	9.00	12.00
Personal Services	268,368	359,076
Operating Expenses (10 MMBF)	146,000	186,000
Operating Expenses (Sus. Yield Study)	30,000	0
Equipment	<u>118,000</u>	<u>0</u>
Total	562,368	545,076

Revenues:

State Special Revenue (02)	0	0
School Equalization	0	0
Permanent Trust	0	0

Net Impact:

State Special Revenue (02)	(562,368)	(545,076)
School Equalization	0	0
Permanent Trust	0	0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposal would increase spending in the local communities and sustain the timber-dependent tax base.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Annual revenues should increase by \$1.3 million in FY98, \$3.9 million in FY99, and \$5.2 million in FY2000. The revenue increases occur as the annual timber volume harvest increase of 18 MMBF is realized.

TECHNICAL NOTES:

1. The bill does not indicate whether the annual requirement is on a calendar year, state fiscal year (July 1 to June 30), or federal fiscal year (October 1 to September 30).
2. The bill becomes effective October 1, 1995, and requires sales of 50 MMBF the first year. DSL projects only half the increase to be achievable the first year, with 50 MMBF not being attainable until FY98.

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0201, third reading

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring that annual sustainable yield be used as a factor in the management of forested state trust lands; defining "annual sustainable yield" and establishing annual sustainable yield as the annual timber sale requirement; providing for decennial review of annual sustainable yield; providing that a portion of income from sustainable yield from school trust land be used to fund school technology.

ASSUMPTIONS:

Department of State Lands (DSL)

1. The State Land Board is required to administer the school trust lands to secure the largest measure of legitimate and reasonable advantage to the trust (77-1-202, MCA).
2. Under the direction of the State Land Board, DSL is authorized to sell timber and other forest products off of trust lands (77-5-201, MCA).
3. The current annual harvest rate is 32 million board feet (MMBF).
4. DSL will sell an additional 18 MMBF of timber annually as a result of this act, beginning with 9 MMBF in FY97 and 18 (MMBF) in FY98.
5. DSL will sell the additional volume at an average rate of \$290 per thousand board feet (MBF).
6. 50% of the timber volume sold in FY97 will be logged in FY98, and the other 50% will be logged in FY99. Similarly, 50% of the timber volume sold in FY98 will be logged in FY99, and the other 50% will be harvested in FY 2000.
7. Stumpage prices will not increase.
8. Revenue estimates are based on additional timber volume contracted for sale as a result of the act.
9. Due to time requirements for hiring new personnel and implementing an expanded program, in FY96 DSL will use 75% of the FTE recommended to carry out this act. In FY97 DSL will utilize 100% of the FTE recommended to carry out this program.
10. In order to meet the 50 MMBF target, DSL will have to adopt a more aggressive timber harvest management strategy for state-owned forest lands including the following:
  - DSL will proceed with timber harvests that may result in significant impacts to wildlife, visuals, and other resources, where those impacts are outweighed by potential revenue. Rather than mitigating those impacts, DSL will disclose such impacts in EIS documents as necessary to comply with MEPA.
  - DSL will apply mitigation to protect fish and wildlife habitat, visual resources, old growth forests, or other public concerns, only to the extent that they are specifically protected by state or federal law or the trust is compensated.
  - Habitat for threatened or endangered species (T&E) will be managed to standards that avoid violation of the Endangered Species Act.
  - DSL will be involved in increasing litigation surrounding these management strategies and some proposed harvests may be delayed.
  - Some other uses of state trust land will be secondary to timber management. Some uses may be suspended or restricted in areas where it impacts timber production.
  - Approximately 40% of the total harvest will be from even-aged management, which may include some clearcutting.

(continued on page 2)

*Dave Lewis* 2-24-95

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

*With reservation*

*Alvin Ellis*

ALVIN ELLIS, PRIMARY SPONSOR DATE

ASSUMPTIONS (continued):

- Proposed projects will be modified to address public concerns to the extent consistent with state trust obligations.
- The best way to produce long-term trust income from forested trust lands is to manage the lands for timber production.
- Constraints to state annual harvest will result from T&E species requirements, Streamside Management Zone requirements, air and water quality requirements, the Antiquities Act, and Forestry Best Management Practices.
- Timber sale packages will be expanded to include more and larger sales within a single environmental analysis to capture efficiencies of scale.

This change in state forest land management strategies will result in approximately 25% increase in annual harvest (25% x 32 MMBF = 8 MMBF) within existing staffing levels. Subsequently the DSL's current funded level of harvest (32 MMBF) will translate to 40 MMBF. The 10 MMBF shortfall will be captured through increased resources, staff and contracted services as indicated below.

11. The Sustained Yield Study Commission is composed of volunteers with a paid analyst who reports to the commission.
12. The sustained yield study will include an independent review of the methodology and assumptions used by DSL to arrive at its estimate of biological capacity. It will also include a review of the constraints applied to the biological capacity that result in DSL's estimate of sustained yield. This study will cost \$30,000.

Office of Public Instruction

1. HB 201 authorizes school districts to establish a technology acquisition fund. The budget for the technology acquisition fund is funded with monies generated from increased timber harvests and the transfer of monies from district general fund budgets.
2. A district may transfer an amount from its general fund balance, up to 2% of the district general fund budget. HB 201 does not require that the transfer be within the existing general fund budget authority. Therefore, it is assumed that any district that has monies remaining at the end of the school year, in excess of the district's operating reserves, will transfer the monies to the technology acquisition fund.
3. If HB 201 were in effect for FY95, districts could transfer up to \$4,208,000 from unreserved fund balances to the technology acquisition fund. If these monies had not been available to fund the general fund budgets, local property taxes would have been \$2,403,000 higher and state GTB costs would have been \$1,805,000 higher.
4. Districts will not receive any state funds from increased timber harvests until FY98. In the 1997 biennium, districts will fund the technology fund budgets through transfers from the district general fund to the technology acquisition fund.

FISCAL IMPACT:

DSL Forestry Division

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
FTE	9.00	12.00
Personal Services	268,368	359,076
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Operating Expenses (Sus. Yield Study)	30,000	0
Equipment	<u>118,000</u>	<u>0</u>
Total	562,368	545,076

Revenues:

State Special Revenue (02)	0	0
School Equalization	0	0
Permanent Trust	0	0

Office of Public Instruction

Expenditures:

Guaranteed Tax Base Aid (general fund)	0	1,805,000
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Net Impact:

General Fund	0	(1,805,000)
State Special Revenue (02)	(562,368)	(545,076)
School Equalization	0	0
Permanent Trust	0	0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposal would increase spending in the local communities and sustain the timber-dependent tax base. The revenues from increased timber sales will provide districts with new monies to fund the purchase of computer hardware and software for use in the classroom and for the operation of the school district. Local property taxes will increase to the extent that general fund monies are not reappropriated to reduce property taxes in the ensuing school fiscal year. Under HB 201, districts will be able to transfer monies to the technology acquisition fund rather than use the funds to reduce the ensuing year's levies.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Annual revenues should increase by \$1.3 million in FY98, \$3.9 million in FY99, and \$5.2 million in FY2000. The revenue increases occur as the annual timber volume harvest increase of 18 MMBF is realized.

TECHNICAL NOTES:

1. The bill does not indicate whether the annual requirement is on a calendar year, state fiscal year (July 1 to June 30), or federal fiscal year (October 1 to September 30).
2. The bill becomes effective July 1, 1995, and requires sales of 50 MMBF the first year. DSL projects only half the increase to be achievable the first year, with 50 MMBF not being attainable until FY98.

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0201, reference bill with Senate Committee of the Whole amendments

DESCRIPTION OF PROPOSED LEGISLATION:

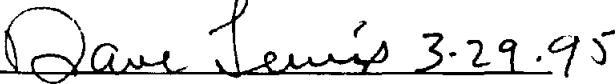
An act requiring that annual sustainable yield be used as a factor in the management of forested state trust lands; defining "annual sustainable yield" and establishing annual sustainable yield as the annual timber sale requirement; providing for decennial review of annual sustainable yield; providing that a portion of income from sustainable yield from school trust land be used to fund school technology.

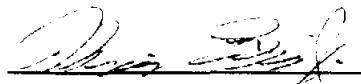
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(continued on page 2)

 3-29-95  
DAVE LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

  
ALVIN ELLIS, PRIMARY SPONSOR DATE

Fiscal Note for HB0201, reference with  
Senate Committee of the Whole amendments

HB201 #3

(continued)

ASSUMPTIONS (continued):

- Proposed projects will be modified to address public concerns to the extent consistent with state trust obligations.
- The best way to produce long-term trust income from forested trust lands is to manage the lands for timber production.
- Constraints to state annual harvest will result from T&E species requirements, Streamside Management Zone requirements, air and water quality requirements, the Antiquities Act, and Forestry Best Management Practices.
- Timber sale packages will be expanded to include more and larger sales within a single environmental analysis to capture efficiencies of scale.

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Office of Public Instruction

- HB 201 authorizes school districts to establish a technology acquisition fund. The budget for the technology acquisition fund is funded with monies generated from increased timber harvests.
- Districts will not receive any state funds from increased timber harvests until FY98.

FISCAL IMPACT:

## DSL Forestry Division

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
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Equipment	<u>118,000</u>	<u>0</u>
Total	562,368	545,076

Revenues:

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School Equalization	0	0
Permanent Trust	0	0

Net Impact:

State Special Revenue (02)	(562,368)	(545,076)
School Equalization	0	0
Permanent Trust	0	0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposal would increase spending in the local communities and sustain the timber-dependent tax base. The revenues from increased timber sales will provide districts with new monies to fund the purchase of computer hardware and software for use in the classroom and for the operation of the school district.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Annual revenues should increase by \$1.3 million in FY98, \$3.9 million in FY99, and \$5.2 million in FY2000. The revenue increases occur as the annual timber volume harvest increase of 18 MMBF is realized.

TECHNICAL NOTES:

1. The bill does not indicate whether the annual requirement is on a calendar year, state fiscal year (July 1 to June 30), or federal fiscal year (October 1 to September 30).
2. The bill becomes effective July 1, 1995, and requires sales of 50 MMBF the first year. DSL projects only half the increase to be achievable the first year, with 50 MMBF not being attainable until FY98.

REREFERRED AND

APPROVED BY COM ON EDUCATION  
AND CULTURAL RESOURCES

1

## HOUSE BILL NO. 201

2

INTRODUCED BY ELLIS, TASH, CURTISS, GRADY, DEBRUYCKER, ANDERSON, BRAINARD, DENNY,  
WAGNER, ORR

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ANNUAL SUSTAINABLE YIELD BE USED AS  
6 A FACTOR IN THE MANAGEMENT OF FORESTED STATE TRUST LANDS; DEFINING "ANNUAL  
7 SUSTAINABLE YIELD" AND ESTABLISHING ANNUAL SUSTAINABLE YIELD AS THE ANNUAL TIMBER  
8 SALE REQUIREMENT; AND PROVIDING FOR DECENTNIAL REVIEW OF ANNUAL SUSTAINABLE YIELD;  
9 PROVIDING THAT A PORTION OF INCOME FROM SUSTAINABLE YIELD FROM SCHOOL TRUST LAND BE  
10 USED TO FUND SCHOOL TECHNOLOGY; AMENDING SECTION 20-9-343, MCA; AND PROVIDING AN  
11 EFFECTIVE DATE."

12

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

14

15 NEW SECTION. Section 1. Definition. As used in [sections 1 through 3], "annual sustainable  
16 yield" means the quantity of timber that can be harvested from forested state lands each year in  
17 accordance with all applicable state and federal laws, taking into account the ability of state forests to  
18 generate replacement tree growth.

19

20 NEW SECTION. Section 2. Determination of annual sustainable yield. (1) The department, under  
21 the direction of the board, shall commission a study by a qualified independent third party to determine,  
22 using scientific principles, the annual sustainable yield on forested state lands.

23 (2) Until the study required by subsection (1) is completed, the annual sustainable yield is  
24 considered to be 50 million board feet.

25

26 NEW SECTION. Section 3. Annual sustainable yield as timber sale requirement -- review. (1) The  
27 annual sustainable yield constitutes the annual timber sale requirement for the state timber sale program  
28 administered by the department.

29 (2) After it is determined under [section 2], the annual sustainable yield must be reviewed and  
30 redetermined by the department, under the direction of the board at least once every 10 years.

1           SECTION 4. SECTION 20-9-343, MCA, IS AMENDED TO READ:

2           "20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term  
3        "state equalization aid" means the account in the state special revenue fund that receives revenue as  
4        required in this section plus any legislative appropriation of money from other sources for:

5           (a) distribution to the public schools for the purposes of payment of systems development and  
6        other related costs resulting from the enactment of legislation that requires changes to the automated  
7        system used to administer the BASE funding program, guaranteed tax base aid, BASE aid, state  
8        reimbursement for school facilities, ~~and~~ matching funds for the systemic initiative for Montana mathematics  
9        and science grant, ~~and~~ grants for school technology purchases;

10           (b) negotiated payments authorized under 20-7-420(3) up to \$500,000 per biennium; and

11           (c) the Montana educational telecommunications network as provided in 20-32-101.

12           (2) The superintendent of public instruction may spend funds appropriated from the state  
13        equalization aid account as required for the purposes of systems development and other related costs  
14        resulting from the enactment of legislation that requires changes to the automated system used to  
15        administer the BASE funding program, guaranteed tax base aid, BASE aid for the BASE funding program,  
16        state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), ~~and~~ the  
17        Montana educational telecommunications network, ~~throughout the biennium, and for the biennium~~  
18        ~~beginning July 1, 1993,~~ equipment purchases that qualify as the state match for the systemic initiative  
19        for Montana mathematics and science grant, ~~and~~ school technology purchases, ~~throughout the biennium.~~

20           (3) The following must be paid into the state equalization aid account for the public schools of the  
21        state:

22           (a) money allocated to state equalization from the collection of the severance tax on coal;

23           (b) money received from the treasurer of the United States as the state's shares of oil, gas, and  
24        other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

25           (c) ~~(i) subject to subsection (3)(c)(ii),~~ interest and income money described in 20-9-341 and  
26        20-9-342;

27           ~~(ii) an amount of money equal to 90% of the income money attributable to the difference between~~  
28        ~~the 1994 timber harvest from state lands and the sustainable yield provided in [section 2(2)] may be~~  
29        ~~appropriated for purposes of [section 5];~~

30           (d) money received from the state equalization aid levy under 20-9-360;

(e) income from the lottery, as provided in 23-7-402;

(f) the surplus revenues collected by the counties for BASE funding program support according to 20-9-331 and 20-9-333; and

(g) investment income earned by investing money in the state equalization aid account in the state special revenue fund.

(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 at the end of a fiscal year must be transferred to the general fund."

NEW SECTION. SECTION 5. TECHNOLOGY ACQUISITION FUND -- LIMITATIONS. (1) THE TRUSTEES OF A DISTRICT MAY ESTABLISH A TECHNOLOGY ACQUISITION FUND FOR SCHOOL DISTRICT EXPENDITURES INCURRED FOR THE PURCHASE, RENTAL, REPAIR, AND MAINTENANCE OF TECHNOLOGICAL EQUIPMENT, INCLUDING COMPUTERS AND COMPUTER NETWORK ACCESS.

(2) THE TRUSTEES OF A DISTRICT SHALL FUND THE BUDGET FOR THE TECHNOLOGY ACQUISITION FUND BY TRANSFERRING MONEY FROM THE DISTRICT GENERAL FUND AND WITH THE STATE MONEY RECEIVED UNDER [SECTION 6].

(3) WHENEVER THE TRUSTEES OF A DISTRICT DETERMINE THAT AN AMOUNT OF REVENUE IS REQUIRED FOR A TECHNOLOGY ACQUISITION FUND BUDGET, THE TRUSTEES SHALL:

(A) WHEN THE TRUSTEES ESTABLISH THE FUND, ADOPT A RESOLUTION STATING THE REASONS AND PURPOSE FOR FINANCING A TECHNOLOGY ACQUISITION FUND BUDGET;

(B) ADOPT A BUDGET FOR THE AMOUNT REQUIRED FOR THE TECHNOLOGY ACQUISITION FUND THAT DOES NOT EXCEED 2% OF THE SCHOOL DISTRICT'S TOTAL GENERAL FUND BUDGET ADOPTED FOR THE ENSUING SCHOOL FISCAL YEAR; AND.

(C) REPORT THE TECHNOLOGY ACQUISITION FUND BUDGET TO THE COUNTY SUPERINTENDENT ON THE REGULAR BUDGET FORM PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH 20-9-103.

(4) THE TRUSTEES OF A DISTRICT MAY NOT USE REVENUE IN THE TECHNOLOGY ACQUISITION FUND TO FINANCE CONTRIBUTIONS TO THE TEACHERS' RETIREMENT SYSTEM, THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, OR THE FEDERAL SOCIAL SECURITY SYSTEM OR FOR



1    UNEMPLOYMENT COMPENSATION INSURANCE.

2

3    NEW SECTION. SECTION 6. SCHOOL TECHNOLOGY PURCHASES. THE SUPERINTENDENT OF  
4    PUBLIC INSTRUCTION SHALL ALLOCATE THE AMOUNT APPROPRIATED FOR GRANTS FOR SCHOOL  
5    TECHNOLOGY PURCHASES TO EACH DISTRICT BASED ON THE RATIO THAT EACH DISTRICT'S BASE  
6    BUDGET BEARS TO THE STATEWIDE BASE BUDGET AMOUNT FOR ALL SCHOOL DISTRICTS MULTIPLIED  
7    BY THE AMOUNT OF MONEY PROVIDED IN 20-9-343(3)(C)(II) IN THE CURRENT SCHOOL YEAR.

8

9    NEW SECTION. Section 7. Codification ~~instruction~~ **INSTRUCTIONS.** (1) [Sections 1 through 3]  
10   are intended to be codified as an integral part of Title 77, chapter 5, part 2, and the provisions of Title 77,  
11   chapter 5, part 2, apply to [sections 1 through 3].

12   (2) [SECTIONS 5 AND 6] ARE INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 20,  
13   CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO [SECTIONS 5 AND 6].

14

15   NEW SECTION. SECTION 8. EFFECTIVE DATE. (THIS ACT) IS EFFECTIVE JULY 1, 1995.

16

-END-

**HOUSE BILL NO. 201**

INTRODUCED BY ELLIS, TASH, CURTISS, GRADY, DEBRUYCKER, ANDERSON, BRAINARD, DENNY,  
WAGNER, ORR

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ANNUAL SUSTAINABLE YIELD BE USED AS  
6 A FACTOR IN THE MANAGEMENT OF FORESTED STATE TRUST LANDS; DEFINING "ANNUAL  
7 SUSTAINABLE YIELD" AND ESTABLISHING ANNUAL SUSTAINABLE YIELD AS THE ANNUAL TIMBER  
8 SALE REQUIREMENT; AND PROVIDING FOR DECENTNIAL REVIEW OF ANNUAL SUSTAINABLE YIELD;  
9 PROVIDING THAT A PORTION OF INCOME FROM SUSTAINABLE YIELD FROM SCHOOL TRUST LAND BE  
10 USED TO FUND SCHOOL TECHNOLOGY; AMENDING SECTION 20-9-343, MCA; AND PROVIDING AN  
11 EFFECTIVE DATE."

12

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

14

15 **NEW SECTION.** Section 1. Definition. As used in [sections 1 through 3], "annual sustainable  
16 yield" means the quantity of timber that can be harvested from forested state lands each year in  
17 accordance with all applicable state and federal laws, taking into account the ability of state forests to  
18 generate replacement tree growth.

19

**NEW SECTION.** Section 2. Determination of annual sustainable yield. (1) The department, under the direction of the board, shall commission a study by a qualified independent third party to determine, using scientific principles, the annual sustainable yield on forested state lands.

(2) Until the study required by subsection (1) is completed, the annual sustainable yield is considered to be 50 million board feet.

25

**NEW SECTION. Section 3. Annual sustainable yield as timber sale requirement -- review.** (1) The annual sustainable yield constitutes the annual timber sale requirement for the state timber sale program administered by the department.

29 (2) After it is determined under [section 2], the annual sustainable yield must be reviewed and  
30 redetermined by the department, under the direction of the board at least once every 10 years.



1           SECTION 4. SECTION 20-9-343, MCA, IS AMENDED TO READ:

2           "20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term  
3        "state equalization aid" means the account in the state special revenue fund that receives revenue as  
4        required in this section plus any legislative appropriation of money from other sources for:

5           (a) distribution to the public schools for the purposes of payment of systems development and  
6        other related costs resulting from the enactment of legislation that requires changes to the automated  
7        system used to administer the BASE funding program, guaranteed tax base aid, BASE aid, state  
8        reimbursement for school facilities, and matching funds for the systemic initiative for Montana mathematics  
9        and science grant, and grants for school technology purchases;

10           (b) negotiated payments authorized under 20-7-420(3) up to \$500,000 per biennium; and

11           (c) the Montana educational telecommunications network as provided in 20-32-101.

12           (2) The superintendent of public instruction may spend funds appropriated from the state  
13        equalization aid account as required for the purposes of systems development and other related costs  
14        resulting from the enactment of legislation that requires changes to the automated system used to  
15        administer the BASE funding program, guaranteed tax base aid, BASE aid for the BASE funding program,  
16        state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and the  
17        Montana educational telecommunications network, ~~throughout the biennium, and for the biennium~~  
18        beginning July 1, 1993, equipment purchases that qualify as the state match for the systemic initiative  
19        for Montana mathematics and science grant, and school technology purchases, throughout the biennium.

20           (3) The following must be paid into the state equalization aid account for the public schools of the  
21        state:

22           (a) money allocated to state equalization from the collection of the severance tax on coal;

23           (b) money received from the treasurer of the United States as the state's shares of oil, gas, and  
24        other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

25           (c) (i) subject to subsection (3)(c)(ii), interest and income money described in 20-9-341 and  
26        20-9-342;

27           (ii) an amount of money equal to 90% of the income money attributable to the difference between  
28        the 1994 timber harvest from state lands and the sustainable yield provided in [section 2(2)] may be  
29        appropriated for purposes of [section 5];

30           (d) money received from the state equalization aid levy under 20-9-360;



- (e) income from the lottery, as provided in 23-7-402;
- (f) the surplus revenues collected by the counties for BASE funding program support according to 20-9-331 and 20-9-333; and
- (g) investment income earned by investing money in the state equalization aid account in the state special revenue fund.

(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 at the end of a fiscal year must be transferred to the general fund."

NEW SECTION. SECTION 5. TECHNOLOGY ACQUISITION FUND -- LIMITATIONS. (1) THE TRUSTEES OF A DISTRICT MAY ESTABLISH A TECHNOLOGY ACQUISITION FUND FOR SCHOOL DISTRICT EXPENDITURES INCURRED FOR THE PURCHASE, RENTAL, REPAIR, AND MAINTENANCE OF TECHNOLOGICAL EQUIPMENT, INCLUDING COMPUTERS AND COMPUTER NETWORK ACCESS.

(2) THE TRUSTEES OF A DISTRICT SHALL FUND THE BUDGET FOR THE TECHNOLOGY ACQUISITION FUND BY TRANSFERRING MONEY FROM THE DISTRICT GENERAL FUND AND WITH THE STATE MONEY RECEIVED UNDER SECTION 6.

(3) WHENEVER THE TRUSTEES OF A DISTRICT DETERMINE THAT AN AMOUNT OF REVENUE IS REQUIRED FOR A TECHNOLOGY ACQUISITION FUND BUDGET, THE TRUSTEES SHALL:

(A) WHEN THE TRUSTEES ESTABLISH THE FUND, ADOPT A RESOLUTION STATING THE REASONS AND PURPOSE FOR FINANCING A TECHNOLOGY ACQUISITION FUND BUDGET;

(B) ADOPT A BUDGET FOR THE AMOUNT REQUIRED FOR THE TECHNOLOGY ACQUISITION FUND THAT DOES NOT EXCEED 2% OF THE SCHOOL DISTRICT'S TOTAL GENERAL FUND BUDGET ADOPTED FOR THE ENSUING SCHOOL FISCAL YEAR; AND.

(C) REPORT THE TECHNOLOGY ACQUISITION FUND BUDGET TO THE COUNTY SUPERINTENDENT ON THE REGULAR BUDGET FORM PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH 20-9-103.

(4) THE TRUSTEES OF A DISTRICT MAY NOT USE REVENUE IN THE TECHNOLOGY ACQUISITION FUND TO FINANCE CONTRIBUTIONS TO THE TEACHERS' RETIREMENT SYSTEM, THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, OR THE FEDERAL SOCIAL SECURITY SYSTEM OR FOR

1    UNEMPLOYMENT COMPENSATION INSURANCE.

2

3    NEW SECTION. SECTION 6. SCHOOL TECHNOLOGY PURCHASES. THE SUPERINTENDENT OF  
4    PUBLIC INSTRUCTION SHALL ALLOCATE THE AMOUNT APPROPRIATED FOR GRANTS FOR SCHOOL  
5    TECHNOLOGY PURCHASES TO EACH DISTRICT BASED ON THE RATIO THAT EACH DISTRICT'S BASE  
6    BUDGET BEARS TO THE STATEWIDE BASE BUDGET AMOUNT FOR ALL SCHOOL DISTRICTS MULTIPLIED  
7    BY THE AMOUNT OF MONEY PROVIDED IN 20-9-343(3)(C)(II) IN THE CURRENT SCHOOL YEAR.

8

9    NEW SECTION. Section 7. Codification instruction INSTRUCTIONS. (1) [Sections 1 through 3]  
10   are intended to be codified as an integral part of Title 77, chapter 5, part 2, and the provisions of Title 77,  
11   chapter 5, part 2, apply to [sections 1 through 3].

12   (2) [SECTIONS 5 AND 6] ARE INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 20,  
13   CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO [SECTIONS 5 AND 6].

14

15   NEW SECTION. SECTION 8. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE JULY 1, 1995.

16

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 2  
March 14, 1995

MR. PRESIDENT:

We, your committee on Natural Resources having had under consideration HB 201 (third reading copy -- blue), respectfully report that HB 201 be amended as follows and as so amended be concurred in.

Signed: Lorent Grosfield  
Senator Lorents Grosfield, Chair

That such amendments read:

1. Page 1, line 24.

Strike: "50"

Insert: "a range of 45 million board feet to 55"

2. Page 1, line 28.

Following: "department."

Insert: "This annual requirement may be reduced proportionately by the amount of sustained income to the beneficiaries generated by site-specific alternate land uses approved by the board."

3. Page 2, line 19.

Strike: ", throughout the biennium"

4. Page 2, line 27.

Following: "equal to"

Strike: "90% of"

5. Page 2, line 28.

Strike: "1994 timber harvest from state lands and the sustainable yield provided in  
section 2(2)1 may"

Insert: "average sale value of 18 million board feet and the total income

produced from the annual timber harvest on common school trust lands  
during the fiscal year to"

6. Page 3, line 13.

Following: "FOR"

Insert: "": (a)"

7. Page 3, line 14.

Following: "ACCESS"

Insert: "; and

(b) associated technical training for school district

*JK*  
Amd. Coord.  
Sec. of Senate

*Jim Crismon*  
Senator Carrying Bill

*HB 201*

SENATE

personnel"

8. Page 3, line 16.

Following: "GENERAL FUND"

Insert: ", within the adopted budget,"

9. Page 3, lines 18 and 19.

Following: "DISTRICT"

Strike: "DETERMINE THAT AN AMOUNT OF REVENUE IS REQUIRED FOR A  
TECHNOLOGY ACQUISITION FUND BUDGET"

Insert: "establish the technology acquisition fund"

10. Page 3, line 20.

Following: "(A)"

Strike: "WHEN THE TRUSTEES ESTABLISH THE FUND,"

-END-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

March 28, 1995 1:05 pm

Mr. Chairman: I move to amend HB 201 (third reading copy -- blue).

ADOPT *HB-5*

REJECT

Signed: H.C. Crismore  
Senator Crismore

That such amendments read:

1. Page 1, line 17.

Following: "laws"

Insert: "pertaining to wildlife and recreation and in compliance with water quality standards that protect fisheries and aquatic life and that are adopted under the provisions of Title 75, chapter 5"

-END-

*QV*

Amd. Coord.

HB201  
SENATE

SENATE COMMITTEE OF THE WHOLE AMENDMENT

March 22, 1995 2:52 pm

Mr. Chairman: I move to amend HB 201 (third reading copy -- blue).

ADOPT

*J. J.*

REJECT

Signed:

*Daryl Toews*

Senator Toews

That such amendments read:

1. Page 3, line 16.

Following: the first "FUND"

Strike: "BY TRANSFERRING MONEY FROM THE DISTRICT GENERAL FUND  
AND"

2. Page 3, line 23.

Following: the first "FUND"

Strike: "THAT DOES NOT EXCEED 2% OF THE SCHOOL DISTRICT'S TOTAL  
GENERAL FUND BUDGET ADOPTED"

-END-

*HB 201*

*Q*

Amd. Coord.

SENATE

HOUSE BILL NO. 201

2 INTRODUCED BY ELLIS, TASH, CURTISS, GRADY, DEBRUYCKER, ANDERSON, BRAINARD, DENNY,  
3 WAGNER, ORR

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ANNUAL SUSTAINABLE YIELD BE USED AS  
6 A FACTOR IN THE MANAGEMENT OF FORESTED STATE TRUST LANDS; DEFINING "ANNUAL  
7 SUSTAINABLE YIELD" AND ESTABLISHING ANNUAL SUSTAINABLE YIELD AS THE ANNUAL TIMBER SALE  
8 REQUIREMENT; ~~AND~~ PROVIDING FOR DECENTNIAL REVIEW OF ANNUAL SUSTAINABLE YIELD;  
9 PROVIDING THAT A PORTION OF INCOME FROM SUSTAINABLE YIELD FROM SCHOOL TRUST LAND BE  
10 USED TO FUND SCHOOL TECHNOLOGY; AMENDING SECTION 20-9-343, MCA; AND PROVIDING AN  
11 EFFECTIVE DATE."

12

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

14

15        **NEW SECTION.** **Section 1. Definition.** As used in [sections 1 through 3], "annual sustainable  
16 yield" means the quantity of timber that can be harvested from forested state lands each year in accordance  
17 with all applicable state and federal laws PERTAINING TO WILDLIFE AND RECREATION AND IN  
18 COMPLIANCE WITH WATER QUALITY STANDARDS THAT PROTECT FISHERIES AND AQUATIC LIFE AND  
19 THAT ARE ADOPTED UNDER THE PROVISIONS OF TITLE 75, CHAPTER 5, taking into account the ability  
20 of state forests to generate replacement tree growth.

21

22 **NEW SECTION.** **Section 2. Determination of annual sustainable yield.** (1) The department, under  
23 the direction of the board, shall commission a study by a qualified independent third party to determine,  
24 using scientific principles, the annual sustainable yield on forested state lands.

25 (2) Until the study required by subsection (1) is completed, the annual sustainable yield is  
26 considered to be 50 A RANGE OF 45 MILLION BOARD FEET TO 55 million board feet.

27

28 **NEW SECTION. Section 3. Annual sustainable yield as timber sale requirement -- review.** (1) The  
29 annual sustainable yield constitutes the annual timber sale requirement for the state timber sale program  
30 administered by the department. **THIS ANNUAL REQUIREMENT MAY BE REDUCED PROPORTIONATELY**

1 BY THE AMOUNT OF SUSTAINED INCOME TO THE BENEFICIARIES GENERATED BY SITE-SPECIFIC  
2 ALTERNATE LAND USES APPROVED BY THE BOARD.

3 (2) After it is determined under [section 2], the annual sustainable yield must be reviewed and  
4 redetermined by the department, under the direction of the board at least once every 10 years.

5

6 **SECTION 4. SECTION 20-9-343, MCA, IS AMENDED TO READ:**

7 **"20-9-343. Definition of and revenue for state equalization aid.** (1) As used in this title, the term  
8 "state equalization aid" means the account in the state special revenue fund that receives revenue as  
9 required in this section plus any legislative appropriation of money from other sources for:

10 (a) distribution to the public schools for the purposes of payment of systems development and  
11 other related costs resulting from the enactment of legislation that requires changes to the automated  
12 system used to administer the BASE funding program, guaranteed tax base aid, BASE aid, state  
13 reimbursement for school facilities, and matching funds for the systemic initiative for Montana mathematics  
14 and science grant, and grants for school technology purchases;

15 (b) negotiated payments authorized under 20-7-420(3) up to \$500,000 per biennium; and

16 (c) the Montana educational telecommunications network as provided in 20-32-101.

17 (2) The superintendent of public instruction may spend funds appropriated from the state  
18 equalization aid account as required for the purposes of systems development and other related costs  
19 resulting from the enactment of legislation that requires changes to the automated system used to  
20 administer the BASE funding program, guaranteed tax base aid, BASE aid for the BASE funding program,  
21 state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and the  
22 Montana educational telecommunications network, ~~throughout the biennium, and for the biennium~~  
23 ~~beginning July 1, 1993, equipment purchases that qualify as the state match for the systemic initiative for~~  
24 ~~Montana mathematics and science grant, and school technology purchases, throughout the biennium.~~

25 (3) The following must be paid into the state equalization aid account for the public schools of the  
26 state:

27 (a) money allocated to state equalization from the collection of the severance tax on coal;

28 (b) money received from the treasurer of the United States as the state's shares of oil, gas, and  
29 other mineral royalties under the federal Mineral Lands Leasing Act, as amended;

30 (c) (i) subject to subsection (3)(c)(ii), interest and income money described in 20-9-341 and

1 20-9-342;

2 (ii) an amount of money equal to ~~90%~~ of the income money attributable to the difference between  
3 the ~~1994 timber harvest from state lands and the sustainable yield provided in [section 2(2)] may AVERAGE~~  
4 ~~SALE VALUE OF 18 MILLION BOARD FEET AND THE TOTAL INCOME PRODUCED FROM THE ANNUAL~~  
5 ~~TIMBER HARVEST ON COMMON SCHOOL TRUST LANDS DURING THE FISCAL YEAR TO be appropriated~~  
6 ~~for purposes of [section 5];~~

7 (d) money received from the state equalization aid levy under 20-9-360;

8 (e) income from the lottery, as provided in 23-7-402;

9 (f) the surplus revenues collected by the counties for BASE funding program support according to  
10 20-9-331 and 20-9-333; and

11 (g) investment income earned by investing money in the state equalization aid account in the state  
12 special revenue fund.

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

15 (5) Any surplus revenue in the state equalization aid account at the end of a fiscal year must be  
16 transferred to the general fund."

17

18 NEW SECTION. SECTION 5. TECHNOLOGY ACQUISITION FUND -- LIMITATIONS. (1) THE  
19 TRUSTEES OF A DISTRICT MAY ESTABLISH A TECHNOLOGY ACQUISITION FUND FOR SCHOOL  
20 DISTRICT EXPENDITURES INCURRED FOR:

21 (A) THE PURCHASE, RENTAL, REPAIR, AND MAINTENANCE OF TECHNOLOGICAL EQUIPMENT,  
22 INCLUDING COMPUTERS AND COMPUTER NETWORK ACCESS; AND

23 (B) ASSOCIATED TECHNICAL TRAINING FOR SCHOOL DISTRICT PERSONNEL.

24 (2) THE TRUSTEES OF A DISTRICT SHALL FUND THE BUDGET FOR THE TECHNOLOGY  
25 ACQUISITION FUND BY TRANSFERRING MONEY FROM THE DISTRICT GENERAL FUND, WITHIN THE  
26 ADOPTED BUDGET, AND WITH THE STATE MONEY RECEIVED UNDER [SECTION 6].

27 (3) WHENEVER THE TRUSTEES OF A DISTRICT DETERMINE THAT AN AMOUNT OF REVENUE  
28 IS REQUIRED FOR A TECHNOLOGY ACQUISITION FUND BUDGET ESTABLISH THE TECHNOLOGY  
29 ACQUISITION FUND, THE TRUSTEES SHALL:

30 (A) WHEN THE TRUSTEES ESTABLISH THE FUND, ADOPT A RESOLUTION STATING THE



1 REASONS AND PURPOSE FOR FINANCING A TECHNOLOGY ACQUISITION FUND BUDGET;  
2 (B) ADOPT A BUDGET FOR THE AMOUNT REQUIRED FOR THE TECHNOLOGY ACQUISITION  
3 FUND THAT DOES NOT EXCEED 2% OF THE SCHOOL DISTRICT'S TOTAL GENERAL FUND BUDGET  
4 ADOPTED FOR THE ENSUING SCHOOL FISCAL YEAR; AND

5 (C) REPORT THE TECHNOLOGY ACQUISITION FUND BUDGET TO THE COUNTY  
6 SUPERINTENDENT ON THE REGULAR BUDGET FORM PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC  
7 INSTRUCTION IN ACCORDANCE WITH 20-9-103.

8 (4) THE TRUSTEES OF A DISTRICT MAY NOT USE REVENUE IN THE TECHNOLOGY ACQUISITION  
9 FUND TO FINANCE CONTRIBUTIONS TO THE TEACHERS' RETIREMENT SYSTEM, THE PUBLIC  
10 EMPLOYEES' RETIREMENT SYSTEM, OR THE FEDERAL SOCIAL SECURITY SYSTEM OR FOR  
11 UNEMPLOYMENT COMPENSATION INSURANCE.

12  
13 NEW SECTION. SECTION 6. SCHOOL TECHNOLOGY PURCHASES. THE SUPERINTENDENT OF  
14 PUBLIC INSTRUCTION SHALL ALLOCATE THE AMOUNT APPROPRIATED FOR GRANTS FOR SCHOOL  
15 TECHNOLOGY PURCHASES TO EACH DISTRICT BASED ON THE RATIO THAT EACH DISTRICT'S BASE  
16 BUDGET BEARS TO THE STATEWIDE BASE BUDGET AMOUNT FOR ALL SCHOOL DISTRICTS MULTIPLIED  
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20 are intended to be codified as an integral part of Title 77, chapter 5, part 2, and the provisions of Title 77,  
21 chapter 5, part 2, apply to [sections 1 through 3].

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23 CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO [SECTIONS 5 AND 6].

24  
25 NEW SECTION. SECTION 8. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE JULY 1, 1995.  
26

-END-

GOVERNOR'S AMENDMENTS TO  
HOUSE BILL NO. 201  
(REFERENCE COPY)  
April 11, 1995

1. Page 1, line 17.

Following: "laws"

Insert: ", including but not limited to the laws"

Following: "WILDLIFE"

Strike: "AND"

Insert: ","

Following: "RECREATION"

Insert: ", and maintenance of watersheds,"

2. Page 3, lines 25 and 26.

Following: "FUND" on line 25

Strike: ", WITHIN THE ADOPTED BUDGET,"

HB 201

**HOUSE BILL NO. 201**

INTRODUCED BY ELLIS, TASH, CURTISS, GRADY, DEBRUYCKER, ANDERSON, BRAINARD, DENNY,  
WAGNER, ORR

5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ANNUAL SUSTAINABLE YIELD BE USED AS  
6 A FACTOR IN THE MANAGEMENT OF FORESTED STATE TRUST LANDS; DEFINING "ANNUAL  
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17 with all applicable state and federal laws, **INCLUDING BUT NOT LIMITED TO THE LAWS PERTAINING TO**  
18 **WILDLIFE AND, RECREATION, AND MAINTENANCE OF WATERSHEDS, AND IN COMPLIANCE WITH**  
19 **WATER QUALITY STANDARDS THAT PROTECT FISHERIES AND AQUATIC LIFE AND THAT ARE**  
20 **ADOPTED UNDER THE PROVISIONS OF TITLE 75, CHAPTER 5,** taking into account the ability of state  
21 forests to generate replacement tree growth.

**23            NEW SECTION. Section 2. Determination of annual sustainable yield.** (1) The department, under  
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25 Montana mathematics and science grant, and school technology purchases, throughout the biennium.

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27 state:

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5 SALE VALUE OF 18 MILLION BOARD FEET AND THE TOTAL INCOME PRODUCED FROM THE ANNUAL

6 TIMBER HARVEST ON COMMON SCHOOL TRUST LANDS DURING THE FISCAL YEAR TO be appropriated

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20 ~~TRUSTEES OF A DISTRICT MAY ESTABLISH A TECHNOLOGY ACQUISITION FUND FOR SCHOOL~~

21 ~~DISTRICT EXPENDITURES INCURRED FOR:~~

22                   (A) THE PURCHASE, RENTAL, REPAIR, AND MAINTENANCE OF TECHNOLOGICAL EQUIPMENT,

23 INCLUDING COMPUTERS AND COMPUTER NETWORK ACCESS; AND

24                   (B) ASSOCIATED TECHNICAL TRAINING FOR SCHOOL DISTRICT PERSONNEL.

25                   (2) THE TRUSTEES OF A DISTRICT SHALL FUND THE BUDGET FOR THE TECHNOLOGY

26 ~~ACQUISITION FUND BY TRANSFERRING MONEY FROM THE DISTRICT GENERAL FUND, WITHIN THE~~

27 ~~ADOPTED BUDGET, AND WITH THE STATE MONEY RECEIVED UNDER [SECTION 6].~~

28                   (3) WHENEVER THE TRUSTEES OF A DISTRICT DETERMINE THAT AN AMOUNT OF REVENUE

29 ~~IS REQUIRED FOR A TECHNOLOGY ACQUISITION FUND BUDGET ESTABLISH THE TECHNOLOGY~~

30 ~~ACQUISITION FUND, THE TRUSTEES SHALL:~~

(A) WHEN THE TRUSTEES ESTABLISH THE FUND, ADOPT A RESOLUTION STATING THE REASONS AND PURPOSE FOR FINANCING A TECHNOLOGY ACQUISITION FUND BUDGET;

(B) ADOPT A BUDGET FOR THE AMOUNT REQUIRED FOR THE TECHNOLOGY ACQUISITION FUND THAT DOES NOT EXCEED 2% OF THE SCHOOL DISTRICT'S TOTAL GENERAL FUND BUDGET ADOPTED FOR THE ENSUING SCHOOL FISCAL YEAR; AND

(C) REPORT THE TECHNOLOGY ACQUISITION FUND BUDGET TO THE COUNTY SUPERINTENDENT ON THE REGULAR BUDGET FORM PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN ACCORDANCE WITH 20-9-103.

(4) THE TRUSTEES OF A DISTRICT MAY NOT USE REVENUE IN THE TECHNOLOGY ACQUISITION FUND TO FINANCE CONTRIBUTIONS TO THE TEACHERS' RETIREMENT SYSTEM, THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, OR THE FEDERAL SOCIAL SECURITY SYSTEM OR FOR UNEMPLOYMENT COMPENSATION INSURANCE.

NEW SECTION. SECTION 6. SCHOOL TECHNOLOGY PURCHASES. THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ALLOCATE THE AMOUNT APPROPRIATED FOR GRANTS FOR SCHOOL TECHNOLOGY PURCHASES TO EACH DISTRICT BASED ON THE RATIO THAT EACH DISTRICT'S BASE BUDGET BEARS TO THE STATEWIDE BASE BUDGET AMOUNT FOR ALL SCHOOL DISTRICTS MULTIPLIED BY THE AMOUNT OF MONEY PROVIDED IN 20-9-343(3)(C)(III) IN THE CURRENT SCHOOL YEAR.

**NEW SECTION. Section 7. Codification instruction INSTRUCTIONS.** (1) [Sections 1 through 3] are intended to be codified as an integral part of Title 77, chapter 5, part 2, and the provisions of Title 77, chapter 5, part 2, apply to [sections 1 through 3].

(2) [SECTIONS 5 AND 6] ARE INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 20, CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO [SECTIONS 5 AND 6].

**NEW SECTION. SECTION 8. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE JULY 1, 1995.**

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