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House JOINT RESOLUTION NO. 28 *Billy Ray*

2 INTRODUCED BY

Swanson, Rose Knox, Tracy Ream
Murdock, Tom Nelson, Elliott Fuchs, Ronny Ellard

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4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5 MONTANA REQUESTING A COMPREHENSIVE STUDY OF THE CONSTITUTIONAL RESOURCE INDEMNITY
6 TRUST AND THE STATUTORY RESOURCE INDEMNITY TRUST TAX; AND REQUIRING A REPORT OF THE
7 FINDINGS OF THE STUDY TO THE 55TH LEGISLATURE.

8

9 WHEREAS, Article IX, section 2, of the Montana Constitution creates the resource indemnity trust;
10 and

11 WHEREAS, Article IX, section 2, of the Montana Constitution requires that the trust remain inviolate
12 in the amount of \$100 million, guaranteed against loss or diversion; and

13 WHEREAS, it is estimated that the corpus of the trust will reach an amount of \$100 million before
14 January 1, 2000; and

15 WHEREAS, without prudent management and conservation of principal, the corpus of the trust will
16 become devalued by inflation; and

17 WHEREAS, questions abound regarding the resource indemnity trust and the resource indemnity
18 trust tax.

19

20 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
21 STATE OF MONTANA:

22 That an appropriate interim committee, the Revenue Oversight Committee, the Legislative Finance
23 Committee, or a collaboration between the committees be requested to:

24 (1) examine the historic rationale for constitutionally creating the resource indemnity trust and
25 contemplate the long-term aspects of the trust within the historical and constitutional contexts;

26 (2) explore methods of preserving the value and purchasing power of the trust and the ability of
27 the trust to indemnify the state against future costs of mining reclamation;

28 (3) investigate the projects and programs on which resource indemnity trust tax revenue has been
29 spent and for which future revenue may be or should be spent;

30 (4) consider the advisability of continuing, revising, or repealing the resource indemnity trust tax;



1 (5) identify and explore criteria that could be and should be the basis for using resource indemnity
2 trust tax revenue that may be received by the state after the corpus of the resource indemnity trust reaches
3 \$100 million;

4 (6) contemplate the advisability of statutorily earmarking and de-earmarking resource indemnity
5 trust funds and resource indemnity trust tax revenue;

6 (7) consider constitutional or statutory revisions that may be advisable with regard to the resource
7 indemnity trust or the resource indemnity trust tax; and

8 (8) review, analyze, identify options regarding, or make recommendations concerning matters that
9 relate to the resource indemnity trust or the resource indemnity trust tax and that the committee considers
10 relevant.

11 BE IT FURTHER RESOLVED, that the committee report, as provided in section 5-11-210, MCA, its
12 findings and conclusions and identify options for further legislative consideration.

13 -END-

1 HOUSE JOINT RESOLUTION NO. 28

2 INTRODUCED BY SWANSON, ROSE, KNOX, TREXLER, RYAN, REAM, MURDOCK, T. NELSON,
3 ELLIOTT, FUCHS, RANEY, HIBBARD

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(6) contemplate the advisability of statutorily earmarking and de-earmarking resource indemnity trust funds and resource indemnity trust tax revenue;

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