

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE DISTRIBUTIONS AND AMOUNTS TO BE
7 TRANSFERRED FROM THE STATE GENERAL FUND TO THE RESEARCH AND COMMERCIALIZATION
8 STATE SPECIAL REVENUE ACCOUNT; AMENDING SECTIONS 7-14-112, 10-2-112, 10-2-603, 10-3-801,
9 15-1-122, AND 15-35-108, MCA; AND PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 **Section 1.** Section 7-14-112, MCA, is amended to read:

14 **"7-14-112. Senior citizen and persons with disabilities transportation services account -- use.** (1)

15 There is a senior citizen and persons with disabilities transportation services account in the state special revenue
16 fund. Money must be deposited in the account pursuant to 15-1-122~~(2)(e)~~(3)(e).

17 (2) Except as provided in subsection (6), the account must be used to provide operating funds or
18 matching funds for operating grants pursuant to 49 U.S.C. 5311 to counties, incorporated cities and towns,
19 transportation districts, or nonprofit organizations for transportation services for persons 60 years of age or older
20 and for persons with disabilities.

21 (3) (a) Subject to the conditions of subsection (3)(b), the department of transportation is authorized to
22 award grants to counties, incorporated cities and towns, transportation districts, and nonprofit organizations for
23 transportation services using guidelines established in the state management plan for the purposes described
24 in 49 U.S.C. 5310 and 5311.

25 (b) Priority for awarding grants must be determined according to the following factors:

26 (i) the most recent census or federal estimate of persons 60 years of age or older and persons with
27 disabilities in the area served by a county, incorporated city or town, transportation district, or nonprofit
28 organization;

29 (ii) the annual number of trips provided by the transportation provider to persons 60 years of age or older
30 and to persons with disabilities in the transportation service area;



1 (iii) the ability of the transportation provider to provide matching money in an amount determined by the
2 department of transportation; and

3 (iv) the coordination of services as required in subsection (5).

4 (4) The department of transportation shall ensure that the available funding is distributed equally among
5 the five transportation districts provided in 2-15-2502.

6 (5) In awarding grants, the department of transportation shall give preference to proposals that:

7 (a) include the establishment of a transit authority to coordinate service area or regional transportation
8 services;

9 (b) address and document the transportation needs within the community, county, and service area or
10 region;

11 (c) identify all other transportation providers in the community, county, and service area or region;

12 (d) explain how services are going to be coordinated with the other transportation providers in the service
13 area or region;

14 (e) indicate how services are going to be expanded to meet the unmet needs of senior citizens and
15 disabled persons within the community, county, and service area or region who are dependent upon public transit;

16 (f) include documentation of coordination with other local transportation programs within the community,
17 county, and service area or region, including:

18 (i) utilization of existing resources and equipment to maximize the delivery of service; and

19 (ii) the projected increase in ridership and expansion of service;

20 (g) invite school districts to participate or be included in the transportation coordination efforts within the
21 community, county, and service area or region; and

22 (h) at a minimum, comply with the provisions in subsections (5)(b) through (5)(f).

23 (6) Any money remaining after grants have been awarded to transportation providers who provide
24 transportation services for persons 60 years of age or older and persons with disabilities may be awarded to other
25 transportation providers for operating costs or matching funds for operating grants for the purposes described
26 in 49 U.S.C. 5311 other than for transportation services for persons 60 years of age or older or persons with
27 disabilities."

28

29 **Section 2.** Section 10-2-112, MCA, is amended to read:

30 **"10-2-112. Veterans' services special revenue account -- sources of funds -- designated uses. (1)**

1 There is a veterans' services account in the state special revenue fund, established pursuant to 17-2-102(1)(b),
2 to the credit of the board.

3 (2) Money transferred pursuant to 15-1-122~~(2)(d)~~(3)(d), from license plate sales as described in
4 10-2-114, and from gifts, grants, or donations must be deposited in the veterans' services account.

5 (3) Legislative appropriations of money in the veterans' services account must be used for the purposes
6 identified in 10-2-102 or other functions authorized by the board.

7 (4) There is a veterans' services federal account in the federal special revenue fund established for
8 federal funds received under 10-2-106."

9

10 **Section 3.** Section 10-2-603, MCA, is amended to read:

11 **"10-2-603. Special revenue account -- use of funds -- solicitation.** (1) There is an account in the
12 special revenue fund to the credit of the board for the state veterans' cemeteries.

13 (2) Plot allowances, donations to the cemetery program, and fund transfers pursuant to
14 15-1-122~~(2)(d)~~(3)(d) must be deposited into the account.

15 (3) The account is statutorily appropriated, as provided in 17-7-502, to the board and may be used only
16 for the construction, maintenance, operation, and administration of the state veterans' cemeteries.

17 (4) The board shall solicit veterans' license plate sales and donations on behalf of the state veterans'
18 cemeteries."

19

20 **Section 4.** Section 10-3-801, MCA, is amended to read:

21 **"10-3-801. Account created for funding search and rescue operations -- rules.** (1) There is an
22 account in the state special revenue fund established in 17-2-102. The account must be administered by the
23 disaster and emergency services division of the department exclusively for the purposes of search and rescue
24 as provided in this section. The department may retain up to 5% of the money in the account to pay its costs of
25 administering this section.

26 (2) There must be deposited in the account:

27 (a) fund transfers pursuant to 15-1-122~~(2)(f)~~(3)(f);

28 (b) fund transfers pursuant to 87-1-601(10). These funds may be used only as provided in 87-1-601(10).

29 (c) all money received by the department in the form of gifts, grants, reimbursements, or appropriations
30 from any source intended to be used for search and rescue operations.

1 (3) (a) Not less than 50% of the money in the account must be used by the department to defray costs
2 of:

3 (i) local search and rescue units for search and rescue missions conducted through a county sheriff's
4 office at a maximum of \$6,000 for each rescue mission, regardless of the number of counties or county search
5 and rescue organizations involved. To fulfill the purposes of this subsection (3)(a)(i), the department shall transmit
6 reimbursement money to the county treasurer, who shall deposit the funds in a separate search and rescue fund
7 accessible by the local search and rescue unit that requested the reimbursement. The county treasurer shall
8 notify the reimbursed local search and rescue unit by mail when the deposit occurs.

9 (ii) a county sheriff's office at a maximum of \$6,000 for each rescue mission, regardless of the number
10 of counties or county search and rescue organizations involved.

11 (b) The remaining money in the account may be used by the department:

12 (i) to match local funds for the purchase of equipment for use by local search and rescue units at a
13 maximum of \$6,000 for each unit in a calendar year. The cost-sharing match must be 35% local funds to 65%
14 from the account.

15 (ii) for reimbursement of expenses related to the training of search and rescue volunteers.

16 (4) The department may adopt rules to implement the proper administration of the account. The rules
17 may include:

18 (a) a method of reimbursing local search and rescue units or a county sheriff's office, on a case-by-case
19 basis, for authorized search and rescue operations conducted pursuant to subsection (3)(a), including verification
20 of search missions, claims procedures, fiscal accountability, and the number and circumstances of search
21 missions involving persons engaged in hunting, fishing, and trapping in a fiscal year;

22 (b) methods for processing requests for equipment matching funds and training funds made pursuant
23 to subsection (3)(b), including any verification and accounting necessary to ensure that the provisions of
24 subsection (3)(b) are met, and determining the percentage of all search missions involving persons engaged in
25 hunting, fishing, or trapping in a fiscal year;

26 (c) a system involving input from representatives of county sheriff organizations and state and local
27 search and rescue organizations for assistance in verifying and processing claims for reimbursement, equipment,
28 and training; and

29 (d) a method for compiling and keeping current a contact list of all search and rescue units in Montana
30 and in neighboring states and provinces in order to ensure collaboration, communication, and cooperation

1 between the various county search and rescue units and between the department and the county units and
 2 dedication of a page on the department's website for posting the contact list and other relevant search and rescue
 3 information."

4

5 **Section 5.** Section 15-1-122, MCA, is amended to read:

6 **"15-1-122. Fund transfers.** (1) There is transferred from the state general fund to the adoption services
 7 account, provided for in 42-2-105, a base amount of \$59,209, and the amount of the transfer must be increased
 8 by 10% in each succeeding fiscal year.

9 (2) For fiscal years 2014 through 2019, there is transferred \$3.65 million on an annual basis from the
 10 state general fund to the research and commercialization state special revenue account provided for in
 11 90-3-1002.

12 ~~(2)~~(3) For each fiscal year, there is transferred from the state general fund to the accounts, entities, or
 13 recipients indicated the following amounts:

14 (a) to the motor vehicle recycling and disposal program provided for in Title 75, chapter 10, part 5, 1.48%
 15 of the motor vehicle revenue deposited in the state general fund in each fiscal year. The amount of 9.48% of the
 16 allocation in each fiscal year must be used for the purpose of reimbursing the hired removal of abandoned
 17 vehicles. Any portion of the allocation not used for abandoned vehicle removal reimbursement must be used as
 18 provided in 75-10-532.

19 (b) to the noxious weed state special revenue account provided for in 80-7-816, 1.50% of the motor
 20 vehicle revenue deposited in the state general fund in each fiscal year;

21 (c) to the department of fish, wildlife, and parks:

22 (i) 0.46% of the motor vehicle revenue deposited in the state general fund, with the applicable
 23 percentage to be:

24 (A) used to:

25 (I) acquire and maintain pumpout equipment and other boat facilities, 4.8% in each fiscal year;

26 (II) administer and enforce the provisions of Title 23, chapter 2, part 5, 19.1% in each fiscal year;

27 (III) enforce the provisions of 23-2-804, 11.1% in each fiscal year; and

28 (IV) develop and implement a comprehensive program and to plan appropriate off-highway vehicle
 29 recreational use, 16.7% in each fiscal year; and

30 (B) deposited in the state special revenue fund established in 23-1-105 in an amount equal to 48.3% in

1 each fiscal year;

2 (ii) 0.10% of the motor vehicle revenue deposited in the state general fund in each fiscal year, with 50%
3 of the amount to be used for enforcing the purposes of 23-2-601, 23-2-602, 23-2-611, 23-2-614 through 23-2-618,
4 23-2-621, 23-2-622, 23-2-631 through 23-2-635, and 23-2-641 through 23-2-644 and 50% of the amount
5 designated for use in the development, maintenance, and operation of snowmobile facilities; and

6 (iii) 0.16% of the motor vehicle revenue deposited in the state general fund in each fiscal year to be
7 deposited in the motorboat account to be used as provided in 23-2-533;

8 (d) 0.64% of the motor vehicle revenue deposited in the state general fund in each fiscal year, with
9 24.55% to be deposited in the state veterans' cemetery account provided for in 10-2-603 and with 75.45% to be
10 deposited in the veterans' services account provided for in 10-2-112(1);

11 (e) 0.30% of the motor vehicle revenue deposited in the state general fund in each fiscal year for deposit
12 in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation
13 services account provided for in 7-14-112; and

14 (f) to the search and rescue account provided for in 10-3-801, 0.04% of the motor vehicle revenue
15 deposited in the state general fund in each fiscal year.

16 ~~(3)~~(4) The amount of \$200,000 is transferred from the state general fund to the livestock loss reduction
17 and mitigation restricted state special revenue account provided for in 81-1-112 in each fiscal year.

18 ~~(4)~~(5) For the purposes of this section, "motor vehicle revenue deposited in the state general fund"
19 means revenue received from:

20 (a) fees for issuing a motor vehicle title paid pursuant to 61-3-203;

21 (b) fees, fees in lieu of taxes, and taxes for vehicles, vessels, and snowmobiles registered or reregistered
22 pursuant to 61-3-321 and 61-3-562;

23 (c) GVW fees for vehicles registered for licensing pursuant to Title 61, chapter 3, part 3; and

24 (d) all money collected pursuant to 15-1-504(3).

25 ~~(5)~~(6) Except as provided in subsection (2), the ~~The~~ amounts transferred from the general fund to the
26 designated recipient must be appropriated as state special revenue in the general appropriations act for the
27 designated purposes."

28

29 **Section 6.** Section 15-35-108, MCA, is amended to read:

30 **"15-35-108. (Temporary) Disposal of severance taxes.** Severance taxes collected under this chapter

1 must, in accordance with the provisions of 17-2-124, be allocated as follows:

2 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
3 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
4 17-6-203(6) and invested by the board of investments as provided by law.

5 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program
6 account established in 17-7-205.

7 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
8 by the legislature for provision of basic library services for the residents of all counties through library federations
9 and for payment of the costs of participating in regional and national networking, conservation districts, and the
10 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
11 Money may not be transferred from this account to another account other than the general fund. Beginning July
12 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

13 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
14 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
15 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
16 described in 23-1-102.

17 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
18 resource loan debt service fund.

19 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
20 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
21 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
22 cultural and aesthetic projects.

23 (7) The amount of 5.8% through September 30, 2013, and beginning October 1, 2013, the amount of
24 2.9% must be credited to the coal natural resource account established in 90-6-1001(2).

25 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
26 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

27 (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the
28 provisions of this chapter must be credited to the general fund of the state.

29 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited
30 in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

- 1 (i) \$65,000 to the cooperative development center;
- 2 (ii) \$625,000 for the growth through agriculture program provided for in Title 90, chapter 9;
- 3 (iii) \$1.275 million to the research and commercialization state special revenue account created in
- 4 90-3-1002, of which \$375,000 per year is appropriated for fiscal years 2012 and 2013 to the department of
- 5 commerce for the small business state matching grant program authorized in 90-1-117 to provide matching grants
- 6 for small business innovation research and small business technology transfer, \$125,000 per year is appropriated
- 7 for fiscal years 2012 and 2013 to the high-performance supercomputing program in the department of commerce,
- 8 and \$300,000 per year is appropriated for fiscal years 2012 and 2013 to the board of regents for the development
- 9 of energy and natural resources doctoral programs at Montana tech of the university of Montana;
- 10 (iv) to the department of commerce:
- 11 (A) \$125,000 for a small business development center;
- 12 (B) \$50,000 for a small business innovative research program;
- 13 (C) \$425,000 for certified regional development corporations;
- 14 (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;

15 and

- 16 (E) \$300,000 for export trade enhancement. (Terminates June 30, 2013--sec. 5, Ch. 459, L. 2009.)

17 **15-35-108. (Effective July 1, 2013) Disposal of severance taxes.** Severance taxes collected under

18 this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:

19 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,

20 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under

21 17-6-203(6) and invested by the board of investments as provided by law.

22 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program

23 account established in 17-7-205.

24 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated

25 by the legislature for provision of basic library services for the residents of all counties through library federations

26 and for payment of the costs of participating in regional and national networking, conservation districts, and the

27 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.

28 Money may not be transferred from this account to another account other than the general fund. Beginning July

29 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

30 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks

1 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
 2 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
 3 described in 23-1-102.

4 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
 5 resource loan debt service fund.

6 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
 7 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
 8 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
 9 cultural and aesthetic projects.

10 (7) The amount of 5.8% through September 30, 2013, and beginning October 1, 2013, the amount of
 11 2.9% must be credited to the coal natural resource account established in 90-6-1001(2).

12 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
 13 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

14 (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the
 15 provisions of this chapter must be credited to the general fund of the state.

16 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited
 17 in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

18 (i) \$65,000 to the cooperative development center;

19 (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

20 ~~(iii) \$3.65 million to the research and commercialization state special revenue account created in~~
 21 ~~90-3-1002;~~

22 ~~(iv)~~(iii) to the department of commerce:

23 (A) \$125,000 for a small business development center;

24 (B) \$50,000 for a small business innovative research program;

25 (C) \$425,000 for certified regional development corporations;

26 (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;

27 and

28 (E) \$300,000 for export trade enhancement. (Terminates June 30, 2019--secs. 2, 3, Ch. 459, L. 2009.)

29 **15-35-108. (Effective July 1, 2019) Disposal of severance taxes.** Severance taxes collected under
 30 this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:

1 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
2 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
3 17-6-203(6) and invested by the board of investments as provided by law.

4 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program
5 account established in 17-7-205.

6 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
7 by the legislature for provision of basic library services for the residents of all counties through library federations
8 and for payment of the costs of participating in regional and national networking, conservation districts, and the
9 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
10 Money may not be transferred from this account to another account other than the general fund. Beginning July
11 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

12 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
13 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
14 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
15 described in 23-1-102.

16 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
17 resource loan debt service fund.

18 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
19 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
20 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
21 cultural and aesthetic projects.

22 (7) The amount of 2.9% must be credited to the coal natural resource account established in
23 90-6-1001(2).

24 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
25 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

26 (9) All other revenue from severance taxes collected under the provisions of this chapter must be
27 credited to the general fund of the state."

28

29 **NEW SECTION. Section 7. Effective date.** [This act] is effective July 1, 2013.

30

- END -