

1 HOUSE BILL NO. 40
 2 INTRODUCED BY J. WITT
 3 BY REQUEST OF THE DEPARTMENT OF COMMERCE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT RETAINING THE TREASURE STATE ENDOWMENT REGIONAL
 6 WATER SYSTEM FUND WITHIN THE COAL SEVERANCE TAX TRUST FUND FOR AN ADDITIONAL 3
 7 YEARS; STOPPING DEPOSITS TO THE TREASURE STATE ENDOWMENT REGIONAL WATER SYSTEM
 8 FUND ON JUNE 30, 2013-2016; PROVIDING FOR THE CONTINUED DEPOSIT OF INTEREST ON THE
 9 TREASURE STATE ENDOWMENT REGIONAL WATER SYSTEM FUND INTO THE TREASURE STATE
 10 ENDOWMENT REGIONAL WATER SYSTEM STATE SPECIAL REVENUE ACCOUNT FOR AN ADDITIONAL
 11 3 YEARS; AMENDING SECTION 17-5-703, MCA, AND SECTION 6, CHAPTER 495, LAWS OF 1999; AND
 12 PROVIDING A DELAYED EFFECTIVE DATE."

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

15

16 ~~Section 1.~~ Section 17-5-703, MCA, is amended to read:

17 ~~"17-5-703. (Temporary) Coal severance tax trust funds. (1) The trust established under Article~~
 18 ~~IX, section 5, of the Montana constitution is composed of the following funds:~~

19 ~~(a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal~~
 20 ~~severance tax must be deposited;~~

21 ~~(b) a treasure state endowment fund;~~

22 ~~(c) a treasure state endowment regional water system fund;~~

23 ~~(d) a coal severance tax permanent fund;~~

24 ~~(e) a coal severance tax income fund; and~~

25 ~~(f) a coal severance tax school bond contingency loan fund.~~

26 ~~(2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet~~
 27 ~~all principal and interest payments on bonds payable from the coal severance tax bond fund during the next~~
 28 ~~12 months and retain that amount in the coal severance tax bond fund.~~

29 ~~(b) The amount in the coal severance tax bond fund in excess of the amount required in subsection~~
 30 ~~(2)(a) must be transferred from that fund as provided in subsections (3) through (5).~~

1 ~~————(3) (a) On January 21, 1992, and continuing as long as any school district bonds secured by state~~
2 ~~loans under 20-9-466 are outstanding, the state treasurer shall from time to time and as provided in~~
3 ~~subsection (3)(b) transfer from the coal severance tax bond fund to the coal severance tax school bond~~
4 ~~contingency loan fund any amount in the coal severance tax bond fund in excess of the amount that is~~
5 ~~specified in subsection (2) to be retained in the fund.~~

6 ~~————(b) The state treasurer shall transfer the amount referred to in subsection (3)(a) until and unless~~
7 ~~the balance in the coal severance tax school bond contingency loan fund is equal to the amount due as~~
8 ~~principal of and interest on the school district bonds secured by state loans under 20-9-466 during the~~
9 ~~next following 12 months.~~

10 ~~————(4) (a) Beginning July 1, 1993, and ending June 30, 2013, the state treasurer shall quarterly~~
11 ~~transfer to the treasure state endowment fund 75% of the amount in the coal severance tax bond fund~~
12 ~~in excess of the amount that is specified in subsection (2) to be retained in the fund and in excess of~~
13 ~~amounts that are transferred pursuant to subsection (3).~~

14 ~~————(b) Beginning July 1, 1999, and ending June 30, 2013, the state treasurer shall quarterly transfer~~
15 ~~to the treasure state endowment regional water system fund 25% of the amount in the coal severance~~
16 ~~tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund and~~
17 ~~in excess of amounts that are transferred pursuant to subsection (3).~~

18 ~~————(c) The state treasurer shall monthly transfer from the treasure state endowment fund to the~~
19 ~~treasure state endowment special revenue account the amount of earnings required to meet the obligations~~
20 ~~of the state that are payable from the account in accordance with 90-6-710. Earnings not transferred to~~
21 ~~the treasure state endowment special revenue account must be retained in the treasure state endowment~~
22 ~~fund.~~

23 ~~————(d) The state treasurer shall monthly transfer from the treasure state endowment regional water~~
24 ~~system fund to the treasure state endowment regional water system special revenue account the amount~~
25 ~~of earnings required to meet the obligations of the state that are payable from the account for regional~~
26 ~~water systems authorized under 90-6-715. Earnings not transferred to the treasure state endowment~~
27 ~~regional water system special revenue account must be retained in the treasure state endowment regional~~
28 ~~water system fund.~~

29 ~~————(5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in~~
30 ~~subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be~~

1 deposited in the coal severance tax permanent fund. (Terminates June 30, 2013--sec. 6, Ch. 495, L.
2 1999.)

3 ~~———— 17-5-703. (Effective July 1, 2013) Coal severance tax trust funds. (1) The trust established under
4 Article IX, section 5, of the Montana constitution is composed of the following funds:~~

5 ~~———— (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal
6 severance tax must be deposited;~~

7 ~~———— (b) a treasure state endowment fund;~~

8 ~~———— (c) a treasure state endowment regional water system fund;~~

9 ~~———— (c)(d) a coal severance tax permanent fund;~~

10 ~~———— (d)(e) a coal severance tax income fund; and~~

11 ~~———— (e)(f) a coal severance tax school bond contingency loan fund.~~

12 ~~———— (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet
13 all principal and interest payments on bonds payable from the coal severance tax bond fund during the next
14 12 months and retain that amount in the coal severance tax bond fund.~~

15 ~~———— (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection
16 (2)(a) must be transferred from that fund as provided in subsections (3) through (5).~~

17 ~~———— (3) (a) On January 21, 1992, and continuing as As long as any school district bonds secured by
18 state loans under 20-9-466 are outstanding, the state treasurer shall from time to time and as provided
19 in subsection (3)(b) transfer from the coal severance tax bond fund to the coal severance tax school bond
20 contingency loan fund any amount in the coal severance tax bond fund in excess of the amount that is
21 specified in subsection (2) to be retained in the fund.~~

22 ~~———— (b) The state treasurer shall transfer the amount referred to in subsection (3)(a) until and unless
23 the balance in the coal severance tax school bond contingency loan fund is equal to the amount due as
24 principal of and interest on the school district bonds secured by state loans under 20-9-466 during the
25 next following 12 months.~~

26 ~~———— (4) (a) Beginning July 1, 1993, and ending June 30, 2013, the state treasurer shall quarterly
27 transfer to the treasure state endowment fund 50% of the amount in the coal severance tax bond fund
28 in excess of the amount that is specified in subsection (2) to be retained in the fund and in excess of
29 amounts that are transferred pursuant to subsection (3).~~

30 ~~———— (b)(a) The state treasurer shall monthly transfer from the treasure state endowment fund to the~~

1 ~~treasure state endowment special revenue account the amount of earnings required to meet the obligations~~
 2 ~~of the state that are payable from the account in accordance with 90-6-710. Earnings not transferred to~~
 3 ~~the treasure state endowment special revenue account must be retained in the treasure state endowment~~
 4 ~~fund.~~

5 ~~—— (b) The state treasurer shall monthly transfer from the treasure state endowment regional water~~
 6 ~~system fund to the treasure state endowment regional water system special revenue account the amount~~
 7 ~~of earnings required to meet the obligations of the state that are payable from the account for regional~~
 8 ~~water systems authorized under 90-6-715. Earnings not transferred to the treasure state endowment~~
 9 ~~regional water system special revenue account must be retained in the treasure state endowment regional~~
 10 ~~water system fund.~~

11 ~~—— (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in~~
 12 ~~subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be~~
 13 ~~deposited in the coal severance tax permanent fund."~~

14

15 **Section 1.** Section 6, Chapter 495, Laws of 1999, is amended to read:

16 **"Section 6. Termination.** ~~[This act] [Sections 1 and 3 through 5] [THIS ACT] terminates terminate~~
 17 ~~TERMINATES~~ June 30, ~~2013~~ 2016."

18

19 NEW SECTION. **Section 2. Effective date.** [This act] is effective June 30, 2013.

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