

SENATE BILL NO. 433

INTRODUCED BY J. ELLIOTT, HARGROVE, CHRISTIAENS, BOHLINGER, GRIMES, MAHLUM,
STONINGTON

BY REQUEST OF THE SENATE LOCAL GOVERNMENT STANDING COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING COUNTIES WITH THE PAYMENT OPTIONS
CONTAINED IN FEDERAL LAW FOR RECEIVING THEIR PORTION OF FOREST RESERVE FUNDS;
SPECIFYING HOW THE FUNDS MUST BE DISTRIBUTED, DEPENDING ON THE PAYMENT OPTIONS
CHOSEN; AMENDING ~~SECTION~~ SECTIONS 17-3-211, 17-3-212, AND 17-3-213, MCA; AND PROVIDING
AN EFFECTIVE DATE."

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

SECTION 1. SECTION 17-3-211, MCA, IS AMENDED TO READ:

"17-3-211. Forest reserve money and other federal funds. (1) The state treasurer, for the purpose
of carrying out the provisions of 16 U.S.C. 500, Public Law 106-393, and all acts subsequent ~~thereto to~~
them, shall divide and distribute all forest reserve and Public Law 106-393 moneys funds received by the
state ~~thereunder~~, plus interest earned, to and among the several counties entitled ~~thereto to the funds~~ and
pay the ~~same amounts~~ to the several county treasurers of ~~such the~~ counties within 30 days after receiving
full payment ~~of the same~~, as directed by the state auditor.

(2) The forest reserve money and the Public Law 106-393 money ~~shall~~ must be invested and all
investment earnings credited to the forest reserve account or the Public Law 106-393 account, as
appropriate."

SECTION 2. SECTION 17-3-212, MCA, IS AMENDED TO READ:

"17-3-212. Apportionment of forest reserve funds AND OTHER FEDERAL FUNDS among counties. (1)
The forest reserve funds, ALL PUBLIC LAW 106-393 FUNDS, and earned interest are statutorily appropriated,
as provided in 17-7-502, from the federal special revenue fund to the state auditor. The state auditor shall
apportion all forest reserve funds, ALL PUBLIC LAW 106-393 FUNDS, and earned interest for allocation among
the counties in which the forest reserve is situated ~~in proportion to the acreage of the forest reserve in~~



1 ~~each county based upon federal law AND THIS SECTION.~~

2 (2) The state treasurer shall pay the apportioned amounts plus interest, as provided in 17-3-211,
3 to the respective counties."

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5 **Section 3.** Section 17-3-213, MCA, is amended to read:

6 **"17-3-213. Allocation to ~~general road fund and countywide school levies~~ of forest reserve funds**
7 **AND OTHER FEDERAL FUNDS -- options provided in federal law.** (1) ~~The forest reserve funds so apportioned to~~
8 ~~each county must~~ The board of county commissioners in each county shall decide among payment options
9 provided in subsections (2) through (5) (4), as provided in Public Law 106-393, to determine how the
10 forest reserve funds AND PUBLIC LAW 106-393 FUNDS apportioned to each county must be apportioned
11 distributed by the county treasurer PURSUANT TO THIS SECTION. in each county as follows:

12 (2) If a board of county commissioners chooses to receive a payment that is 25% of the revenue
13 derived from national forest system lands, as provided in 16 U.S.C. 500, ALL funds received must be
14 distributed as provided in subsection (6) (5).

15 ~~—— (3) If a board of county commissioners chooses to receive full payment, as provided in Public Law~~
16 ~~106-393, the payment is less than \$100,000, and the board of county commissioners does not elect to~~
17 ~~set aside 15% to 20% of its payment for the projects specified in Title II or III of Public Law 106-393,~~
18 ~~funds must be distributed as provided in subsection (6).~~

19 ~~—— (4) If a board of county commissioners chooses to receive full payment, as provided in Public Law~~
20 ~~106-393, the payment is less than \$100,000, and the board of county commissioners elects to set aside~~
21 ~~15% to 20% of its payment for the projects specified in Title II or III of Public Law 106-393, the remainder~~
22 ~~of the funds must be distributed as provided in subsection (6).~~

23 ~~—— (5) If a board of county commissioners chooses to receive full payment under Public Law 106-393~~
24 ~~and the payment is \$100,000 or more, the county shall either reserve 15% to 20% of the money received~~
25 ~~for the projects specified in Title II or III of Public Law 106-393 or return that amount to the federal~~
26 ~~government. The remainder of the funds received under this option must be distributed as provided in~~
27 ~~subsection (6).~~

28 ~~—— (6) Payment received as provided in subsections (2) through (5) that is not set aside for projects~~
29 ~~specified in Public Law 106-393 and not returned to the federal government must be distributed as~~
30 ~~follows:~~

1 (3) (A) EXCEPT AS PROVIDED IN SUBSECTION (4), IF A COUNTY ELECTS TO RECEIVE THE COUNTY'S FULL PAYMENT
 2 UNDER PUBLIC LAW 106-393, A MINIMUM OF 80% UP TO A MAXIMUM OF 85% OF THE COUNTY'S FULL PAYMENT MUST
 3 BE DESIGNATED BY THE COUNTY FOR DISTRIBUTION AS PROVIDED IN SUBSECTION (5).

4 (B) THE BALANCE NOT DISTRIBUTED PURSUANT TO SUBSECTION (3)(A) MAY BE ALLOCATED BY THE COUNTY IN
 5 ACCORDANCE WITH PUBLIC LAW 106-393.

6 (4) IF A COUNTY'S FULL PAYMENT IS LESS THAN \$100,000, THE COUNTY MAY ELECT TO DISTRIBUTE UP TO
 7 100% OF THE PAYMENT AS PROVIDED IN SUBSECTION (5).

8 (5) THE TOTAL AMOUNT DESIGNATED BY A COUNTY IN ACCORDANCE WITH SUBSECTION (3)(A) OR (4) MUST BE
 9 DISTRIBUTED AS FOLLOWS:

10 (a) to the general road fund, 66 2/3% of the ~~total amount received~~ DESIGNATED;

11 (b) to the following countywide school levies, 33 1/3% of the ~~total sum received~~ AMOUNT
 12 DESIGNATED:

13 (i) county equalization for elementary schools provided for in 20-9-331; ~~and~~

14 (ii) county equalization for high schools provided for in 20-9-333;

15 (iii) the county transportation fund provided for in 20-10-146; and

16 (iv) the elementary and high school district retirement fund obligations provided for in 20-9-501.

17 ~~(2)(7)(6)~~ The apportionment of money to the funds provided for under subsection ~~(1)(b) (6)(b)~~
 18 (5)(B) must be made by the county superintendent based on the proportion that the mill levy of each fund
 19 bears to the total number of mills for all the funds. Whenever the total amount of money available for
 20 apportionment under ~~this section~~ SUBSECTION (5)(B) is greater than the total requirements of a levy, the
 21 excess money and any interest income must be retained in a separate reserve fund, to be reapportioned
 22 in the ensuing school fiscal year to the levies designated in subsection ~~(1)(b) (6)(b)~~ (5)(B).

23 ~~(3)(9)(7)~~ In counties in which special road districts have been created according to law, the board
 24 of county commissioners shall distribute a proportionate share of the 66 2/3% ~~of the total amount received~~
 25 DISTRIBUTED UNDER SUBSECTION (5)(B) for the general road fund to the special road districts within the county
 26 based upon the percentage that the total area of the road district bears to the total area of the entire
 27 county."

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29 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 2001.

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