

SENATE BILL NO. 372

INTRODUCED BY K. TOOLE

A BILL FOR AN ACT ENTITLED: "AN ACT RESTRICTING THE USE OF PUBLIC FUNDS, TAX CREDITS, AND TAX DEDUCTIONS FOR A COAL OR NATURAL GAS FACILITY UNLESS THE NET GENERATING LOAD OF THAT FACILITY IS DEDICATED TO IN-STATE USE FOR CUSTOMERS WITH AN INDIVIDUAL LOAD REQUIREMENT OF LESS THAN 1,000 KILOWATTS; RESTRICTING THE USE OF PUBLIC FUNDS, TAX CREDITS, AND TAX DEDUCTIONS FOR TRANSMISSION FACILITIES UNLESS THOSE FACILITIES ARE PUBLICLY OWNED; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**NEW SECTION. Section 1. Restrictions on public funds, tax credits, and tax deductions for coal and natural gas facilities.** (1) The legislature may not:

(a) appropriate money that is to be used to finance or build a coal or natural gas electric generation facility unless the net generating load of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement of less than 1,000 kilowatts; or

(b) provide for tax credits or tax deductions for a coal or natural gas electric generation facility unless the net generating load of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement of less than 1,000 kilowatts.

(2) An agency of state government may not:

(a) expend any appropriated money to finance or build a coal or natural gas electric generation facility unless the net generating load of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement of less than 1,000 kilowatts;

(b) loan money to build a coal or natural gas electric generation facility unless the net generating load of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement of less than 1,000 kilowatts;

(c) finance a coal or natural gas electric generation facility unless the net generating load of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement of less than 1,000 kilowatts; or



1 (d) sell bonds to finance a coal or natural gas electric generation facility unless the net generating load  
 2 of that facility is dedicated to in-state use at cost-based prices for customers with an individual load requirement  
 3 of less than 1,000 kilowatts.

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 5 **NEW SECTION. Section 2. Restrictions on public funds, tax credits, and tax deductions for**  
 6 **transmission facilities.** (1) The legislature may not:

7 (a) appropriate money that is to be used to finance or build transmission facilities unless those facilities  
 8 are publicly owned; or

9 (b) provide for tax credits or tax deductions for transmission facilities unless those facilities are publicly  
 10 owned.

11 (2) An agency of state government may not:

12 (a) expend any appropriated money to finance or build transmission facilities unless those facilities are  
 13 publicly owned;

14 (b) loan money to build transmission facilities unless those facilities are publicly owned;

15 (c) finance transmission facilities unless those facilities are publicly owned; or

16 (d) sell bonds to finance transmission facilities unless those facilities are publicly owned.

17 (3) For purposes of this section:

18 (a) "transmission facilities" has the meaning provided in 69-8-103; and

19 (b) "publicly owned" means that 100% of the transmission facilities are owned by a public entity.

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 21 **NEW SECTION. Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified  
 22 as an integral part of Title 17, chapter 8, part 1, and the provisions of Title 17, chapter 8, part 1, apply to [sections  
 23 1 and 2].

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 25 **NEW SECTION. Section 4. Effective date.** [This act] is effective on passage and approval.

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