

1 SENATE BILL NO. 442

2 INTRODUCED BY COONEY

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING THE DEPARTMENT OF REVENUE'S AUTHORITY TO
5 ESTABLISH A FEE TO RECOVER COSTS ASSOCIATED WITH THE POINTS REPLACEMENT SYSTEM;
6 PROVIDING A VOIDNESS PROVISION CONTINGENT ON REPAYMENT OF THE LOAN THROUGH STATE
7 GENERAL FUND MONEY; AMENDING SECTIONS 15-1-501 AND 17-5-2001, MCA; REPEALING SECTION
8 15-1-141, MCA; AND PROVIDING AN EFFECTIVE DATE."

9

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

11

12 **Section 1.** Section 15-1-501, MCA, is amended to read:

13 **"15-1-501. Disposition of money from certain designated license and other taxes.** (1) ~~Except as~~
14 ~~provided in subsection (5), the~~ The state treasurer shall deposit to the credit of the state general fund in
15 accordance with the provisions of subsection (3) all money received from the collection of:

- 16 (a) income taxes, interest, and penalties collected under chapter 30;
17 (b) except as provided in 15-31-121, all taxes, interest, and penalties collected under chapter 31;
18 (c) oil and natural gas production taxes distributed to the general fund under 15-36-331;
19 (d) electrical energy producer's license taxes under chapter 51;
20 (e) the retail telecommunications excise tax collected under Title 15, chapter 53, part 1;
21 (f) liquor license taxes under Title 16;
22 (g) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as provided
23 in 61-5-121;
24 (h) estate taxes under Title 72, chapter 16; and
25 (i) fees based on the value of currency on deposit and tangible personal property held for safekeeping
26 by a foreign capital depository as provided in 15-31-803.

27 (2) The department shall also deposit to the credit of the state general fund all money received from
28 the collection of license taxes and all net revenue and receipts from all sources, other than certain fees, under
29 Title 16, chapters 1 through 4 and 6.

30 (3) Notwithstanding any other provision of law, the distribution of tax revenue must be made according

1 to the provisions of the law governing allocation of the tax that were in effect for the period in which the tax
2 revenue was recorded for accounting purposes. Tax revenue must be recorded as prescribed by the department
3 of administration, pursuant to 17-1-102(2) and (4), in accordance with generally accepted accounting principles.

4 (4) All refunds of taxes must be attributed to the funds in which the taxes are currently being recorded.
5 All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are
6 currently being recorded.

7 ~~(5) The administrative assessment provided for in 15-1-141 must be deposited in an account in the state
8 special revenue fund to the credit of the department."~~

9

10 **Section 2.** Section 17-5-2001, MCA, is amended to read:

11 **"17-5-2001. (Temporary) Loans to state agencies.** (1) An agency responsible for the procurement
12 and provision of vehicles, automated systems, and equipment using an enterprise fund or an internal service
13 fund, as described in 17-2-102, is authorized to enter into contracts, loan agreements, or other forms of
14 indebtedness payable over a term not to exceed 7 years for the purpose of financing the cost of the vehicles and
15 equipment and to pledge to the repayment of the indebtedness the revenue of the enterprise fund or internal
16 service fund if:

17 (a) the term of the indebtedness does not exceed the useful life of the items being financed; and

18 (b) at the time that the indebtedness is incurred, the projected revenue of the fund, based on the fees
19 and charges approved by the legislature and other available fund revenue, will be sufficient to repay the
20 indebtedness over the proposed term and to maintain the operation of the enterprise.

21 (2) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms
22 of indebtedness with the board of investments for an amount not to exceed \$22.5 million, payable over a term
23 not to exceed 10 years, for financing the cost of an information technology system for the production and
24 maintenance of motor vehicle title and registration records and driver's license records.

25 (b) For purposes of the financing of the motor vehicle information technology system, loans are payable
26 from the money in the motor vehicle information technology system account as provided in 61-3-550. The term
27 of the indebtedness may not exceed the useful life of the items being financed. At the time that the loan is made,
28 the projected revenue of the motor vehicle information technology system account, based upon the fees
29 approved by the legislature, must be sufficient to repay the indebtedness over the proposed term.

30 (3) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms

1 of indebtedness with the board of investments for an amount not to exceed \$1,120,000, payable over a term not
 2 to exceed 7 years, for the acquisition of video gambling automated accounting and reporting system data
 3 collection units.

4 (b) The loan is payable from the department of justice's annual appropriation from the general fund.

5 (c) The term of the indebtedness may not exceed the useful life of the items being financed. At the time
 6 that the loan is made, the department of justice's base budget appropriation from the general fund must be
 7 sufficient to repay the indebtedness with respect to the video gambling data collection units over the proposed
 8 term of the loan.

9 (d) The loan is subject to the risk of nonappropriation.

10 (4) (a) If bonds are not issued for the project authorized in 15-1-140, the department of revenue is
 11 authorized to enter into contracts, loan agreements, or other forms of indebtedness with the board of
 12 investments for an amount not to exceed \$17 million, payable over a term not to exceed 7 years, for the
 13 acquisition of a replacement system for the process oriented integrated system (POINTS) computer system.

14 (b) The loan is payable from the department of revenue's appropriation ~~from the administrative~~
 15 ~~assessment provided for in 15-1-141.~~

16 ~~(c) The term of the indebtedness may not exceed the useful life of the items being financed. At the time~~
 17 ~~that the loan is made, the projected revenue from the administrative assessment provided for in 15-1-141 must~~
 18 ~~be sufficient to repay the indebtedness with respect to the replacement system over the proposed term of the~~
 19 ~~loan.~~

20 ~~(d)(c)~~ The loan is subject to the risk of nonappropriation. (Terminates June 30, 2011--sec. 18, Ch. 597,
 21 L. 2003.)

22 **17-5-2001. (Effective July 1, 2011) Loans to state agencies.** (1) An agency responsible for the
 23 procurement and provision of vehicles, automated systems, and equipment using an enterprise fund or an
 24 internal service fund, as described in 17-2-102, is authorized to enter into contracts, loan agreements, or other
 25 forms of indebtedness payable over a term not to exceed 7 years for the purpose of financing the cost of the
 26 vehicles and equipment and to pledge to the repayment of the indebtedness the revenue of the enterprise fund
 27 or internal service fund if:

28 (a) the term of the indebtedness does not exceed the useful life of the items being financed; and

29 (b) at the time that the indebtedness is incurred, the projected revenue of the fund, based on the fees
 30 and charges approved by the legislature and other available fund revenue, will be sufficient to repay the

1 indebtedness over the proposed term and to maintain the operation of the enterprise.

2 (2) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms
3 of indebtedness with the board of investments for an amount not to exceed \$22.5 million, payable over a term
4 not to exceed 10 years, for financing the cost of an information technology system for the production and
5 maintenance of motor vehicle title and registration records and driver's license records.

6 (b) For purposes of the financing of the motor vehicle information technology system, loans are payable
7 from the money in the motor vehicle information technology system account as provided in 61-3-550. The term
8 of the indebtedness may not exceed the useful life of the items being financed. At the time that the loan is made,
9 the projected revenue of the motor vehicle information technology system account, based upon the fees
10 approved by the legislature, must be sufficient to repay the indebtedness over the proposed term.

11 (3) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms
12 of indebtedness with the board of investments for an amount not to exceed \$1,120,000, payable over a term not
13 to exceed 7 years, for the acquisition of video gambling automated accounting and reporting system data
14 collection units.

15 (b) The loan is payable from the department of justice's annual appropriation from the general fund.

16 (c) The term of the indebtedness may not exceed the useful life of the items being financed. At the time
17 that the loan is made, the department of justice's base budget appropriation from the general fund must be
18 sufficient to repay the indebtedness with respect to the video gambling data collection units over the proposed
19 term of the loan.

20 (d) The loan is subject to the risk of nonappropriation. (Terminates June 30, 2013--sec. 15, Ch. 562,
21 L. 2003.)

22 **17-5-2001. (Effective July 1, 2013) Loans to state agencies.** (1) An agency responsible for the
23 procurement and provision of vehicles, automated systems, and equipment using an enterprise fund or an
24 internal service fund, as described in 17-2-102, is authorized to enter into contracts, loan agreements, or other
25 forms of indebtedness payable over a term not to exceed 7 years for the purpose of financing the cost of the
26 vehicles and equipment and to pledge to the repayment of the indebtedness the revenue of the enterprise fund
27 or internal service fund if:

28 (a) the term of the indebtedness does not exceed the useful life of the items being financed; and

29 (b) at the time that the indebtedness is incurred, the projected revenue of the fund, based on the fees
30 and charges approved by the legislature and other available fund revenue, will be sufficient to repay the

1 indebtedness over the proposed term and to maintain the operation of the enterprise.

2 (2) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms
3 of indebtedness with the board of investments for an amount not to exceed \$4.5 million, payable over a term
4 not to exceed 10 years, for financing the cost of an information technology system for the production and
5 maintenance of motor vehicle title and registration records and driver's license records.

6 (b) For purposes of the financing of the motor vehicle information technology system, loans are payable
7 from the money in the motor vehicle information technology system account as provided in 61-3-550. The term
8 of the indebtedness may not exceed the useful life of the items being financed. At the time that the loan is made,
9 the projected revenue of the motor vehicle information technology system account, based upon the fees
10 approved by the legislature, must be sufficient to repay the indebtedness over the proposed term.

11 (3) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms
12 of indebtedness with the board of investments for an amount not to exceed \$1,120,000, payable over a term not
13 to exceed 7 years, for the acquisition of video gambling automated accounting and reporting system data
14 collection units.

15 (b) The loan is payable from the department of justice's annual appropriation from the general fund.

16 (c) The term of the indebtedness may not exceed the useful life of the items being financed. At the time
17 that the loan is made, the department of justice's base budget appropriation from the general fund must be
18 sufficient to repay the indebtedness with respect to the video gambling data collection units over the proposed
19 term of the loan.

20 (d) The loan is subject to the risk of nonappropriation."
21

22 **NEW SECTION. Section 3. Repealer.** Section 15-1-141, MCA, is repealed.
23

24 **NEW SECTION. Section 4. Contingent voidness.** Unless a bill is passed and approved containing
25 a specific provision that provides for full repayment of the loan for the POINTS replacement system described
26 in 15-1-140, then [this act] is void.
27

28 **NEW SECTION. Section 5. Effective date.** [This act] is effective July 1, 2005.
29

- END -