

SENATE BILL NO. 284

INTRODUCED BY MOSS, PERRY

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 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE ALLOCATION OF SALES TAX PROCEEDS;  
 5 ~~ALLOCATING A PORTION OF SALES TAX PROCEEDS FOR TOURISM-RELATED PURPOSES; PROVIDING~~  
 6 ~~A STATUTORY APPROPRIATION; AMENDING SECTION SECTIONS~~ 15-68-820 ~~AND 17-7-502~~, MCA; AND  
 7 PROVIDING AN EFFECTIVE DATE."  
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9 WHEREAS, the rich historic, cultural, and recreational heritage of Montana is and has been linked to  
10 tourism; and

11 WHEREAS, tourism is one of Montana's largest and fastest growing industries, accounting for \$2.7 billion  
12 in revenue and 45,940 jobs, and heritage preservation and cultural tourism are vital components of this industry;  
13 and

14 WHEREAS, the money tourists spend in our state helps enable many of our most cherished places to  
15 exist for the enjoyment of all Montanans; and

16 WHEREAS, Montana has fallen to 34th in tourism promotion spending and is losing market share to  
17 competing states in the increasingly fierce market for tourism dollars; and

18 WHEREAS, increased funding to enhance tourism promotion and better fund tourism's cultural, historic,  
19 and recreational partners will secure a healthy future for this key industry and a better sense of place for all  
20 Montanans.

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22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
23

24 **Section 1.** Section 15-68-820, MCA, is amended to read:

25 **"15-68-820. Sales tax and use tax proceeds.** (1) All money collected under this chapter must, in  
26 accordance with the provisions of 15-1-501, be deposited by the department into the general fund in an account  
27 in the state special revenue fund to the credit of the department. The department may spend from that account  
28 in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting  
29 and disbursing the proceeds of the tax. The remaining money in the account is allocated as follows:

30 (a) ~~2.64%~~ ~~1.848%~~ 0.66% to the Montana historical society to be used for the purposes of Title 22,



1 chapter 3, part 1;

2 (b) 0.36% to the university system for the maintenance of a Montana travel research program;

3 —— (c) 3.25% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks;

4 —— (d) 56.62% to the department of commerce to be used for tourism promotion and promotion of the state  
5 as a location for the production of motion pictures and television commercials;

6 —— (e) 3.52% to the Montana heritage preservation and development commission to be used as provided  
7 in Title 22, chapter 3, part 10;

8 —— (f) 5.43% to the trust fund established in 15-35-108 for the purpose of protection of works of art in the  
9 capitol and for other cultural and aesthetic projects;

10 (g)(B) 3.62% 2.534% 0.905% to the Montana historical society to be used for the preservation and  
11 acquisition of heritage property;

12 (h)(C) 1.03% 2% 0.72% to the department of commerce to be used for the promotion of tribal tourism  
13 or transferred to an entity established to promote tribal tourism; and

14 (D) 0.252% 0.09% TO THE UNIVERSITY SYSTEM FOR THE MAINTENANCE OF A MONTANA TRAVEL RESEARCH  
15 PROGRAM;

16 (E) 2.275% 0.15% TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR THE MAINTENANCE OF FACILITIES  
17 IN STATE PARKS;

18 (F) 39.634% 14.155% TO THE DEPARTMENT OF COMMERCE TO BE USED FOR TOURISM PROMOTION AND  
19 PROMOTION OF THE STATE AS A LOCATION FOR THE PRODUCTION OF MOTION PICTURES AND TELEVISION COMMERCIALS,  
20 AS APPROPRIATE;

21 (G) 2.464% 0.88% TO THE MONTANA HERITAGE PRESERVATION AND DEVELOPMENT COMMISSION TO BE USED  
22 AS PROVIDED IN TITLE 22, CHAPTER 3, PART 10;

23 (H) 3.801% 1.357% TO THE TRUST FUND ESTABLISHED IN 15-35-108 FOR THE PURPOSE OF PROTECTION OF  
24 WORKS OF ART IN THE CAPITOL AND FOR OTHER CULTURAL AND AESTHETIC PROJECTS;

25 (i)(D)(I) (i) except as provided in subsection (1)(i)(ii), 23.53% (1)(D)(II) (1)(I)(II), \$500,000 \$125,000 to the  
26 department of commerce to be distributed to regional nonprofit tourism corporations, TO BE USED TO SUPPORT  
27 CULTURAL AND HERITAGE TOURISM, in the ratio of the proceeds collected in each tourism region to the total  
28 proceeds collected statewide; or

29 (ii) if the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or  
30 resort area district are qualified under 15-65-121, then 100% of the 23.53% \$500,000 \$125,000 is available for

1 distribution to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or  
 2 resort area district; AND

3 (J) (I) EXCEPT AS PROVIDED IN SUBSECTION (1)(J)(II), 16.471% 5.88% TO THE DEPARTMENT OF COMMERCE TO  
 4 BE DISTRIBUTED TO REGIONAL NONPROFIT TOURISM CORPORATIONS IN THE RATIO OF THE PROCEEDS COLLECTED IN EACH  
 5 TOURISM REGION TO THE TOTAL PROCEEDS COLLECTED STATEWIDE; OR

6 (II) IF THE PROCEEDS COLLECTED ANNUALLY WITHIN THE LIMITS OF A CITY, CONSOLIDATED CITY-COUNTY, RESORT  
 7 AREA, OR RESORT AREA DISTRICT ARE QUALIFIED UNDER 15-65-121, THEN 100% OF THE 16.471% 5.88% IS AVAILABLE  
 8 FOR DISTRIBUTION TO THE NONPROFIT CONVENTION AND VISITORS BUREAU IN THAT CITY, CONSOLIDATED CITY-COUNTY,  
 9 RESORT AREA, OR RESORT AREA DISTRICT; AND

10 (E)(K) ALL REMAINING PROCEEDS TO THE STATE GENERAL FUND.

11 (2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for  
 12 funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an  
 13 annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit  
 14 tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is  
 15 located.

16 (3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing  
 17 plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation  
 18 may be used by the department of commerce for tourism promotion and promotion of the state as a location for  
 19 the production of motion pictures and television commercials THE SUPPORT OF CULTURAL AND HERITAGE TOURISM  
 20 OR FOR TOURISM PROMOTION AND PROMOTION OF THE STATE AS A LOCATION FOR THE PRODUCTION OF MOTION PICTURES  
 21 AND TELEVISION COMMERCIALS, AS APPROPRIATE.

22 (4) THE ALLOCATIONS IN SUBSECTIONS (1)(A) THROUGH (1)(J), (2), AND (3) ARE STATUTORILY APPROPRIATED,  
 23 AS PROVIDED IN 17-7-502, FOR THE INDICATED PURPOSES."

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 25 **SECTION 2. SECTION 17-7-502, MCA, IS AMENDED TO READ:**

26 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
 27 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the  
 28 need for a biennial legislative appropriation or budget amendment.

29 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both  
 30 of the following provisions:

1 (a) The law containing the statutory authority must be listed in subsection (3).

2 (b) The law or portion of the law making a statutory appropriation must specifically state that a statutory  
3 appropriation is made as provided in this section.

4 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-407;  
5 5-13-403; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121;  
6 15-23-706; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-38-202; 15-65-121; 15-68-820; 15-70-101;  
7 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112;  
8 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604;  
9 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-4-202; 23-4-204; 23-4-302; 23-4-304;  
10 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 41-5-2011; 42-2-105;  
11 44-1-504; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 60-11-115; 61-3-415;  
12 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-2-362; 80-2-222; 80-4-416; 80-5-510; 80-11-518;  
13 82-11-161; 87-1-513; 90-1-115; 90-1-205; 90-3-1003; and 90-9-306.

14 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
15 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
16 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana  
17 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state  
18 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory  
19 appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of  
20 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L.  
21 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's  
22 unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates  
23 July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch. 481, L. 2003, the inclusion  
24 of 15-35-108 terminates June 30, 2010; pursuant to sec. 7, Ch. 314, L. 2005, the inclusion of 23-4-105, 23-4-202,  
25 23-4-204, 23-4-302, and 23-4-304 becomes effective July 1, 2007; and pursuant to sec. 17, Ch. 593, L. 2005,  
26 the inclusion of 15-31-906 terminates January 1, 2010.)"

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28 **NEW SECTION. Section 3. Notification to tribal governments.** The secretary of state shall send a  
29 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell band  
30 of Chippewa.

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2           NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 2007.

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