SB 100

SENATE NATURAL RESOURCES
EXHIBIT NO. 26
DATE Jan
BILL NO. SB100

Talking Points for Senate Bill 100

A BILL FOR AN ACT ENGTITLED: "AN ACT INCREASING THE COAL SEVERANCE TAX ALLOCATION TO THE OIL, GAS, AND COAL NATURAL RESOURCE ACCOUNT; AMENDING SECTION 15-35-108, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

- In 1975 the Legislature enacted SB87 which created a 30% severance tax on coal extracted from Montana mines.
- SB 87 said, "An act creating funds for assisting local governments and highway systems impacted by coal development and for the support of public schools throughout the state; creating a fund to support county planning; allocating certain revenue from coal taxes to the funds; establishing a board to make grants to local governments; authorizing the Department of Community Affairs to support county planning; directing the Department of Highways to reconstruct certain roads; establishing a legislative review committee; and making appropriations."
- When the Montana Coal Severance Tax became law, the money collected was earmarked to fund 10 different programs, with the remainder being funneled into the state's general fund. In FY 1976 that equaled 40% to the General Fund. The other beneficiaries were school equalization (10%), alternative energy (2.5%), county land planning (1%), renewable resources bond (2.5%), park acquisition trust (1.25%), acquisition sites and areas (1.25%), coal area highway improvement (10%) impacted counties (4%), and **Local Impact (Coal Board) and Education Trust (27.5%).**
- The Local Impact and Education Trust Funds were originally combined as one allocation receiving 27.5% of the total severance tax revenues. The Coal Board could grant no more than 7/11ths of this allocation to coal impacted areas which equaled 17.5% of the total coal severance tax revenues.
- IN 1987 the Legislature voted to use the money in the trust to balance the state's budget, at that time the account held approximately $70 million.
- The attached list of projects that will be brought before the coal board indicates an unmet need of nearly $41 million today (January 2009).

Public Infrastructure Projects for Coal Board Requests

Jurisdiction	Project Title	Description	Cost
Crow Reservation	Pryor Water Tank & Waterline	City water service improvements	
Crow Reservation	Pryor Wastewater Collection Line	City septic collection improvements	
Crow Reservation	Wyola Main Wastewater Collection Line	City septic collection improvements	
Crow Reservation	Lodge Grass Lagoon & Collection Line	City septic improvements	
Crow Reservation	Lodge Grass Water Tank	City water service improvements	
Big Horn County	Crow/Fort Smith Water and Sewer	Critical health project to rebuild failed systems	$4,500,000
Big Horn County	Hardin Rail Spur Project	ED project to provide rail service to industrial park	$8,000,000
Carbon County	Red Lodge Ski Area Road	Road widening, turnouts, etc. for safety consideration	$8,000,000
Carbon County	Bridger ED Building Upgrades	Paving, lighting, electrical upgrades/other improvements	$750,000
Stillwater County	Courthouse rennovations	Reconstruct steps and entryway into existing building	$103,000
Stillwater County	Johnson Bridge reconstruction	Failing main access bridge on major travel route	$2,000,000
Northern Cheyenne Res.	PER Muddy Cluster Water Dist.	Inadequate water system	$54,000
Colstrip	Colstrip Medical District	Telepharmacy Setup	$60,000
Northern Cheyenne Res.	Muddy Cluster Water Improvements	Inadequate water system	$1,005,000
Colstrip	Colstrip Senior Center	Development of senior housing	$500,000
Colstrip	Colstrip School District	Boiler Re-fit	$25,000
Colstrip	Colstrip Elder Care	Independent Living Facility	$500,000
Colstrip	Colstrip Public Water Facility	Water Treatment Plant improvements	$250,000
Forsyth	Forsyth School Dsitrict	Roof Replacement	$250,000
Rosebud County	Rosebud County Housing Project	Demolition and Housing rehabilitation	$40,000
Rosebud County	Rosebud County Health Care	Mandated remodeling	$150,000
Rosebud County	Ingomar Public Water Facility	Mandated Water Treatment	$47,000
Treasure County	Hysham Public Water Facility	Complete Water Treatment	$150,000
Treasure County	Hysham School	Re-roof School	$100,000
Powder River	Broadus Public Facility	Broadus Emergency Service Building	$150,000
Powder River	Broadus Public Radio Tower	Construction	$75,000
Custer County	Water Line Extension	Water Line Extension	$250,000
Custer County	Bridge	Bio Fuels Plant Development	$250,000
Custer County	Miles City Flood Plain	Storm Drainage Repair	$200,000
Custer County	School	Boiler Re-Fit	$50,000

Custer County	Miles City Public Facility	Aquatic Center	$150,000
* Musselshell County	Road and Law Enforcement	Staffing Shortage	$259,080
* Musselshell County	Road and Law Enforcement	Equipment	$579,500
* Musselshell County	Ambulance	Equipment	$130,000
* Roundup Public Schools	Planning	Capital Improvements Planning	$17,274
* Musselshell County	Fattig Creek Road Improvements	Road widening, turnouts, etc. for safety consideration	$1,720,000
* Roundup	Storm Water Main Truck Line	Development of senior housing	$290,000
* Apsaalooke	Water and Wastewater Authority	BackHoe Purchase	$65,000
* Hardin	Fire Station	Emergency Service Facility	$250,000
* Midwest Assistance	Source Water Protection Development	Implementation Program	$32,000
Musselshell County	Law Enforcement Equipment	Radios, Cameras, Rifles, 1 patrol car, etc.	$74,100
Roundup	Fire Department	Structure/Ladder Fire truck	$400,000
Musselshell County	Roundup Memorial Hospital	Computer Upgrades	$130,000
Musselshell County	Road Department	Gravel Crusher, Water Trailer	$400,000
Roundup	School District	Building Improvements, Renovation	$ 2,590,000
Roundup	Roundup Memorial Hospital	Building Improvements,Renovation	$1,041,000
Musselshell County	Fire Service Building-Bull MTN	Renovations	$66,000
Musselshell County	Road Department	Sander, Snow Plow, Used Truck	$63,000
Musselshell County	Road Department	Majerus Road Improvements	$200,000
Musselshell County	Law Enforcement	Jail/Court System Facility	$3,500,000
Musselshell County	Roundup Memorial Hospital	Elevated Heliport	$225,000
Musselshell County	Roundup Memorial Hospital	Parking Acquistiion/Improvements	$95,000
Roundup	Water Transmission	Assembly Phase I	$432,000
Roundup	Water Transmission	Phase II Regional Municipal Water Project	$325,000
Roundup	Water Transmission	Assembly Phase II	$251,000
Roundup	Community Conference Center Impro.	City of Roundup	$315,000
Coal County Consortium	School District/Adult Education	ITV Consortium	$275,000
Coal County Consortium	Groundwater Monitoring	Groundwater Well Monitoring Project	$60,000
Musselshell County	Weed Department	Facility, office & shop	$100,000
TOTAL	*(Applications currently before the Coal Bd.)		**$41,493,954**

Musselshell County

City of Hardin - New Fire Station	#0598	**$250,000.00**
Musselshell County - Staffing-needs	#0599	**$259,080.00**
Musselshell County Road/Sheriff Equip	#0600	**$480,000.00**
Musselshell County Ambulance	#0601	**$130,000.00**
Roundup Public Schools	#0602	**$17,274.00**
Musselshell County - Fattig & Majerus Rd Construction	#0603	**$585,044.00**
Roundup City of - Stormwater Main Trunk-line	#0604	**$390,000.00**

Big Horn County

Big Horn County has indentified the following infrastructure needs:

#1 – Lodge Grass Solid Waste Canister Site - $350,000
#2 – Senior Citizens Center/County Offices - $2.5 Million
#3 – Ambulance Station - $2.5 Million
#4 - Replacement of Courthouse basement floor - $1 million

Big Horn County currently has the preliminary engineering completed for the reconstruction two county roadways, to-wit: Rotten Grass Road and Little Horn Road. These projects will be approximately $5 million.

The Big Horn County Fairgrounds is in serious need of upgrading, currently in the selection process for a RFP for an architectural review. This project would be a long term project and in phases, estimated $3 million.

On behalf of the Crow Tribe, we support their wastewater and water improvement project. This project to complete is $9 million. The first 2 phases are nearly funded ($6 million)

The City of Hardin is estimating a wastewater and water treatment facility of approximately $6 million.

Fort Smith, Pryor and Lodge Grass are all in need of water/wastewater facilities.

Thanks for the opportunity to respond. Hope this helps and is not too late.

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