



AN ACT ESTABLISHING A STATE SPECIAL REVENUE ACCOUNT FOR THE MONTANA HISTORICAL SOCIETY FOR COSTS ASSOCIATED WITH HISTORICAL INTERPRETATION AND THE ROBERT SCRIVER COLLECTION; PROVIDING AN ALLOCATION TO THE ACCOUNT FROM THE LODGING FACILITY USE TAX; DECREASING AN ALLOCATION TO THE DEPARTMENT OF COMMERCE FROM THE LODGING FACILITY USE TAX; AMENDING SECTION 15-65-121, MCA; AND PROVIDING AN EFFECTIVE DATE.

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

**Section 1. Montana historical interpretation state special revenue account.** (1) There is a Montana historical interpretation state special revenue account within the state special revenue fund established in 17-2-102.

(2) There must be paid into the Montana historical interpretation state special revenue account money allocated from the lodging facility use tax proceeds allocated by 15-65-121.

(3) Money in the account is available to the Montana historical society by appropriation and must be used to pay costs associated with historical interpretation and the Robert Scriver collection.

**Section 2.** Section 15-65-121, MCA, is amended to read:

**"15-65-121. Distribution of tax proceeds.** (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as provided in subsections ~~(1)(a)~~ (2)(a) through ~~(1)(e)~~ (2)(f) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000 each year must

be deposited in the Montana heritage preservation and development account provided for in 22-3-1004.

~~(2)~~ The ~~balance of the~~ balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and development account ~~is statutorily appropriated, as provided in 17-7-502, and~~ must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical interpretation state special revenue account, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) ~~67.5%~~ 64.9% to be used directly by the department of commerce; ~~and~~

(e) (i) except as provided in subsection ~~(1)(e)(iii)~~ (2)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district; ~~and~~

(f) 2.6% to the Montana historical interpretation state special revenue account established in [section 11.

~~(2)~~(3) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit

tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

~~(3)~~(4) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

(5) The tax proceeds received that are transferred to a state special revenue account pursuant to subsections (2)(a) through (2)(e) are statutorily appropriated to the entities as provided in 17-7-502.

(6) The tax proceeds received that are transferred to the Montana historical interpretation state special revenue account pursuant to subsection (2)(f) are subject to appropriation by the legislature."

**Section 3. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 22, chapter 3, part 1, and the provisions of Title 22, chapter 3, part 1, apply to [section 1].

**Section 4. Effective date.** [This act] is effective July 1, 2011.

- END -

I hereby certify that the within bill,  
HB 0477, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011.

HOUSE BILL NO. 477

INTRODUCED BY R. HOLLANDSWORTH

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