

HOUSE BILL NO. 477

INTRODUCED BY R. HOLLANDSWORTH

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

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

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

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

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

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21 **Section 2.** Section 15-65-121, MCA, is amended to read:
22 **"15-65-121. Distribution of tax proceeds.** (1) The proceeds of the tax imposed by 15-65-111 must,
23 in accordance with the provisions of 17-2-124, be deposited in an account in the state special revenue fund to
24 the credit of the department. The department may spend from that account in accordance with an expenditure
25 appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of
26 the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as
27 provided in subsections ~~(1)(a)~~ (2)(a) through ~~(1)(e)~~ (2)(e) and ~~(3)~~ (2)(F) of this section, the department shall
28 determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that
29 amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the
30 fund or funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000

1 each year must be deposited in the Montana heritage preservation and development account provided for in
2 22-3-1004.

3 ~~(2) The balance of the amount of 97.4% of the BALANCE OF THE~~ tax proceeds received each reporting
4 period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which
5 in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and
6 development account ~~is statutorily appropriated to the entities in subsections (2)(a) through (2)(e), as provided~~
7 ~~in 17-7-502, and~~ must be transferred to an account in the state special revenue fund to the credit of the
8 department of commerce for tourism promotion and promotion of the state as a location for the production of
9 motion pictures and television commercials, TO THE MONTANA HISTORICAL INTERPRETATION STATE SPECIAL REVENUE
10 ACCOUNT, to the Montana historical society, to the university system, and to the department of fish, wildlife, and
11 parks, as follows:

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

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

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

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

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

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

27 ~~(3) The amount of (F) 2.6% of the tax proceeds received each reporting period and not deducted~~
28 ~~pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures~~
29 ~~were paid by state agencies, deposited in the heritage preservation and development account, or appropriated~~
30 ~~to the entities in subsections (2)(a) through (2)(e) must be transferred to the Montana historical interpretation state~~

1 special revenue account established in [section 1].

2 ~~(2)(4)(3)~~ If a city, consolidated city-county, resort area, or resort area district qualifies under this section
3 for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for
4 an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit
5 tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is
6 located.

7 ~~(3)(5)(4)~~ If a regional nonprofit tourism corporation fails to submit and gain approval for an annual
8 marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism
9 corporation may be used by the department of commerce for tourism promotion and promotion of the state as
10 a location for the production of motion pictures and television commercials.

11 (5) THE TAX PROCEEDS RECEIVED THAT ARE TRANSFERRED TO A STATE SPECIAL REVENUE ACCOUNT PURSUANT
12 TO SUBSECTIONS (2)(A) THROUGH (2)(E) ARE STATUTORILY APPROPRIATED TO THE ENTITIES AS PROVIDED IN 17-7-502.

13 (6) THE TAX PROCEEDS RECEIVED THAT ARE TRANSFERRED TO THE MONTANA HISTORICAL INTERPRETATION
14 STATE SPECIAL REVENUE ACCOUNT PURSUANT TO SUBSECTION (2)(F) ARE SUBJECT TO APPROPRIATION BY THE
15 LEGISLATURE."

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

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20 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 2011.

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