

HOUSE BILL NO. 622

INTRODUCED BY D. ANKNEY

BY REQUEST OF THE HOUSE JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND TRANSPORTATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING FUNDING FOR LIVESTOCK LOSS MITIGATION AND CONTROL OF PREDATORY ANIMALS; CREATING STATE SPECIAL REVENUE ACCOUNTS TO REIMBURSE PRODUCERS FOR LIVESTOCK LOSS AND TO PROTECT LIVESTOCK FROM PREDATORY ANIMALS; TRANSFERRING MONEY TO THE ACCOUNTS; CREATING STATUTORY APPROPRIATIONS TO THE DEPARTMENT OF LIVESTOCK SUBJECT TO A TERMINATION DATE; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 2-15-3110, 2-15-3114, 15-1-122, 15-24-925, 17-7-502, 81-1-110, 81-7-103, AND 81-7-104, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

**NEW SECTION. Section 1. Livestock loss reduction and mitigation restricted account.**

(1) There is an account in the state special revenue fund established by 17-2-102 to be known as the livestock loss reduction and mitigation restricted special revenue account. The account is administered by the department.

(2) Money is transferred to the account from the state general fund pursuant to 15-1-122 and is restricted to the purpose of making payments to livestock producers for confirmed and probable livestock losses pursuant to 2-15-3112(2). Money in the account may not be expended for administrative expenses.

(3) The livestock loss reduction and mitigation restricted account is statutorily appropriated, as provided in 17-7-502, to the department for the purpose of making payments to livestock producers as provided in subsection (2) of this section.

**NEW SECTION. Section 2. Predatory animal state special revenue account.**

(1) There is an account in the state special revenue fund established by 17-2-102 to be known as the predatory animal special revenue account. The account is administered by the department.

(2) Money from per capita fees is transferred to the account pursuant to ~~45-4-422~~ 15-24-925 for the purpose of protecting livestock in the state under the provisions of 81-7-101 through 81-7-104. The department



1 is not required to spend all money allocated to this account by the end of each fiscal year.

2 (3) The predatory animal special revenue account is statutorily appropriated, as provided in 17-7-502,  
3 to the department for the purpose of protecting livestock as provided in subsection (2) of this section.

4

5 **Section 3.** Section 2-15-3110, MCA, is amended to read:

6 **"2-15-3110. Livestock loss reduction and mitigation board -- purpose, membership, and**  
7 **qualifications.** (1) There is a livestock loss reduction and mitigation board. The purpose of the board is to  
8 administer the programs called for in the Montana gray wolf management plan and established in 2-15-3111  
9 through 2-15-3113, with funds provided through the accounts established in 81-1-110, in order to minimize losses  
10 caused by wolves to livestock producers and to reimburse livestock producers for livestock losses from wolf  
11 predation.

12 (2) The board consists of seven members, appointed by the governor, as follows:

13 (a) three members from a list of names recommended by the board of livestock;

14 (b) three members from a list of names recommended by the fish, wildlife, and parks commission; and

15 (c) one member of the general public.

16 (3) Each board member must have knowledge of or have experience in at least one of the following:

17 (a) the raising of livestock in Montana;

18 (b) livestock marketing, valuations, sales, or breeding associations;

19 (c) the interaction of wolves with livestock and livestock mortality caused by wolves;

20 (d) wildlife conservation;

21 (e) administration; and

22 (f) fundraising.

23 (4) The board is designated as a quasi-judicial board for the purposes of 2-15-124. Notwithstanding the  
24 provisions of 2-15-124(1), the governor is not required to appoint an attorney to serve as a member of the board.

25 (5) The board is allocated to the department of livestock for administrative purposes only as provided  
26 in 2-15-121.

27 (6) The board shall adopt rules to implement the provisions of 2-15-3110 through 2-15-3114, 81-1-110,  
28 ~~and~~ 81-1-111, and [section 1]."

29

30 **Section 4.** Section 2-15-3114, MCA, is amended to read:

1           **"2-15-3114. Funding of programs -- contingency.** The awarding of grants and reimbursements and  
2 the performance of duties pursuant to 2-15-3111 through 2-15-3113 are contingent upon the amount of money  
3 available in the accounts provided for in 81-1-110, ~~and 81-1-111,~~ and [section 1]."

4

5           **Section 5.** Section 15-1-122, MCA, is amended to read:

6           **"15-1-122. Fund transfers.** (1) There is transferred from the state general fund to the adoption services  
7 account, provided for in 42-2-105, a base amount of \$59,209, and the amount of the transfer must be increased  
8 by 10% in each succeeding fiscal year.

9           (2) For each fiscal year, there is transferred from the state general fund to the accounts, entities, or  
10 recipients indicated the following amounts:

11           (a) to the motor vehicle recycling and disposal program provided for in Title 75, chapter 10, part 5, 1.48%  
12 of the motor vehicle revenue deposited in the state general fund in each fiscal year. The amount of 9.48% of the  
13 allocation in each fiscal year must be used for the purpose of reimbursing the hired removal of abandoned  
14 vehicles. Any portion of the allocation not used for abandoned vehicle removal reimbursement must be used as  
15 provided in 75-10-532.

16           (b) to the noxious weed state special revenue account provided for in 80-7-816, 1.50% of the motor  
17 vehicle revenue deposited in the state general fund in each fiscal year;

18           (c) to the department of fish, wildlife, and parks:

19           (i) 0.46% of the motor vehicle revenue deposited in the state general fund, with the applicable  
20 percentage to be:

21           (A) used to:

22           (I) acquire and maintain pumpout equipment and other boat facilities, 4.8% in each fiscal year;

23           (II) administer and enforce the provisions of Title 23, chapter 2, part 5, 19.1% in each fiscal year;

24           (III) enforce the provisions of 23-2-804, 11.1% in each fiscal year; and

25           (IV) develop and implement a comprehensive program and to plan appropriate off-highway vehicle  
26 recreational use, 16.7% in each fiscal year; and

27           (B) deposited in the state special revenue fund established in 23-1-105 in an amount equal to 48.3% in  
28 each fiscal year;

29           (ii) 0.10% of the motor vehicle revenue deposited in the state general fund in each fiscal year, with 50%  
30 of the amount to be used for enforcing the purposes of 23-2-601, 23-2-602, 23-2-611, 23-2-614 through 23-2-618,

1 23-2-621, 23-2-622, 23-2-631 through 23-2-635, and 23-2-641 through 23-2-644 and 50% of the amount  
 2 designated for use in the development, maintenance, and operation of snowmobile facilities; and

3 (iii) 0.16% of the motor vehicle revenue deposited in the state general fund in each fiscal year to be  
 4 deposited in the motorboat account to be used as provided in 23-2-533;

5 (d) 0.64% of the motor vehicle revenue deposited in the state general fund in each fiscal year, with  
 6 24.55% to be deposited in the state veterans' cemetery account provided for in 10-2-603 and with 75.45% to be  
 7 deposited in the veterans' services account provided for in 10-2-112(1);

8 (e) 0.30% of the motor vehicle revenue deposited in the state general fund in each fiscal year for deposit  
 9 in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation  
 10 services account provided for in 7-14-112; and

11 (f) to the search and rescue account provided for in 10-3-801, 0.04% of the motor vehicle revenue  
 12 deposited in the state general fund in each fiscal year.

13 (3) The amount of \$200,000 is transferred from the state general fund to the livestock loss reduction and  
 14 mitigation restricted state special revenue account provided for in [section 1] in each fiscal year.

15 ~~(3)~~(4) For the purposes of this section, "motor vehicle revenue deposited in the state general fund"  
 16 means revenue received from:

17 (a) fees for issuing a motor vehicle title paid pursuant to 61-3-203;

18 (b) fees, fees in lieu of taxes, and taxes for vehicles, vessels, and snowmobiles registered or reregistered  
 19 pursuant to 61-3-321 and 61-3-562;

20 (c) GVW fees for vehicles registered for licensing pursuant to Title 61, chapter 3, part 3; and

21 (d) all money collected pursuant to 15-1-504(3).

22 ~~(4)~~(5) The amounts transferred from the general fund to the designated recipient must be appropriated  
 23 as state special revenue in the general appropriations act for the designated purposes."

24

25 **Section 6.** Section 15-24-925, MCA, is amended to read:

26 **"15-24-925. Reimbursement to department -- transmission of fees to state.** (1) The department may  
 27 withhold 2% of the money received under 15-24-921 as reimbursement for the collection of the fee on livestock  
 28 unless a different percentage of money to be withheld is mutually agreed upon by the department and the  
 29 department of livestock on an annual basis.

30 (2) The department shall designate the amount received from the fee imposed on sheep and the amount

1 received from the fee imposed on all other livestock and shall specify the separate amounts in the report to the  
 2 department of livestock. The money, when received by the department, must be deposited in an account in the  
 3 special revenue fund to the credit of the department of livestock. The money in the account must be kept separate  
 4 from other funds received by the department of livestock. Interest earned on money in the account must be  
 5 deposited in the account.

6 (3) The amount of \$350,000 is transferred from the state special revenue account in subsection (2) to  
 7 the predatory animal special revenue account provided for in [section 2] in each fiscal year."

8

9 **Section 7.** Section 17-7-502, MCA, is amended to read:

10 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
 11 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the  
 12 need for a biennial legislative appropriation or budget amendment.

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

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

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

18 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120;  
 19 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312;  
 20 10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121;  
 21 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101;  
 22 18-11-112; 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;  
 23 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-5-306;  
 24 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; 44-4-1101;  
 25 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870;  
 26 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; [section 1];  
 27 [section 2]; 81-10-103; 82-11-161; 87-1-230; 87-1-603; 87-1-621; 90-1-115; 90-1-205; 90-1-504; 90-3-1003;  
 28 90-6-331; and 90-9-306.

29 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
 30 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued

1 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana  
2 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state  
3 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory  
4 appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion  
5 of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is  
6 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch.  
7 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 17, Ch. 593, L. 2005, and  
8 sec. 1, Ch. 186, L. 2009, the inclusion of 15-31-906 terminates January 1, 2015; pursuant to sec. 73, Ch. 44, L.  
9 2007, the inclusion of 19-6-410 terminates upon the death of the last recipient eligible under 19-6-709(2) for the  
10 supplemental benefit provided by 19-6-709; pursuant to sec. 14, Ch. 374, L. 2009, the inclusion of 53-9-113  
11 terminates June 30, 2015; pursuant to sec. 8, Ch. 427, L. 2009, the inclusion of 87-1-230 terminates June 30,  
12 2013; and pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019.)"

13

14 **Section 8.** Section 81-1-110, MCA, is amended to read:

15 **"81-1-110. Livestock loss reduction and mitigation accounts.** (1) There are livestock loss reduction  
16 and mitigation special revenue accounts administered by the department within the state special revenue fund  
17 and the federal special revenue fund established in 17-2-102.

18 (2) (a) All state proceeds allocated or budgeted for the purposes of 2-15-3110 through 2-15-3114,  
19 81-1-110, and 81-1-111, except those transferred to the account provided for in [section 1] or appropriated to the  
20 department of livestock, must be deposited in the state special revenue account provided for in subsection (1)  
21 of this section.

22 (b) Money received by the state in the form of gifts, grants, reimbursements, or allocations from any  
23 source intended to be used for the purposes of 2-15-3111 through 2-15-3113 must be deposited in the  
24 appropriate account provided for in subsection (1) of this section.

25 (c) All federal funds awarded to the state for compensation for wolf depredations on livestock must be  
26 deposited in the federal special revenue account provided for in subsection (1) for the purposes of 2-15-3112.

27 (3) The livestock loss reduction and mitigation board may spend funds in the accounts only to carry out  
28 the provisions of 2-15-3111 through 2-15-3113."

29

30 **Section 9.** Section 81-7-103, MCA, is amended to read:

1           **"81-7-103. Administration of funds by department.** ~~The~~ Except as provided in [section 2(2)], the  
 2 department shall administer and expend for predatory animal control all money that is made available to it,  
 3 including the money allocated for this purpose under 81-7-104 and all money that is made available to the  
 4 department by appropriations made by the legislature for predatory animal control by the department. The  
 5 department shall expend the funds for predatory animal control by all effective means responsive to the  
 6 necessities of control in various areas of the state, including employment of hunters, trappers, and other  
 7 personnel, procurement of traps, poisons, equipment, and supplies, and payment of bounties in the discretion  
 8 of the department at those times of the year it considers advisable."

9

10           **Section 10.** Section 81-7-104, MCA, is amended to read:

11           **"81-7-104. Predator control money -- use of proceeds.** (1) ~~The~~ In addition to the transfer provided  
 12 for in 15-24-925, the department shall allocate a portion of the money from the fee under 15-24-921 for the  
 13 purpose of protecting livestock in the state against destruction, depredation, and injury by predatory animals,  
 14 whether the livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the  
 15 United States, including open ranges and all lands in or of the public domain. This protection may be by any  
 16 means of effective predatory animal destruction and control, including systematic hunting and trapping and  
 17 payment of bounties.

18           (2) Money may be paid out only on claims presented to the department and approved by the department  
 19 in accordance with the law applicable either to claims for bounties or for other expenditures for predatory animal  
 20 control by methods other than payment of bounties, as determined by the department. Money designated for  
 21 predator control must be available for the payment of bounty claims and for expenditures for planned, seasonal,  
 22 or other campaigns directed or operated by the department in cooperation with other agencies for the systematic  
 23 destruction and control of predatory animals, as determined by the department and its advisory committee.  
 24 Claims may not be approved in excess of money available for that purpose, and warrants may not be registered  
 25 against the money."

26

27           NEW SECTION. **Section 11. Codification instruction.** (1) [Section 1] is intended to be codified as  
 28 an integral part of Title 81, chapter 1, part 1, and the provisions of Title 81, chapter 1, part 1, apply to [section 1].

29           (2) [Section 2] is intended to be codified as an integral part of Title 81, chapter 7, part 1, and the  
 30 provisions of Title 81, chapter 7, part 1, apply to [section 2].

1

2           NEW SECTION. **Section 12. Effective date.** [This act] is effective July 1, 2011.

3

4           NEW SECTION. **Section 13. Termination.** [Sections 1(3), 2(3), and 7] terminate June 30, 2017.

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- END -