

SENATE BILL NO. 264

INTRODUCED BY B. KEENAN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE DISTRIBUTION OF SALES AND USE TAX
5 PROCEEDS; CREATING A GRANT PROGRAM FOR HERITAGE PROPERTIES; GRANTING RULEMAKING
6 AUTHORITY TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO ADMINISTER THE GRANT
7 PROGRAM; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTION SECTIONS 15-68-820 AND
8 17-7-502, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 **Section 1.** Section 15-68-820, MCA, is amended to read:
13 **"15-68-820. Sales tax and use tax proceeds.** (1) All Except as provided in subsection (2), all money
14 collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by the department
15 into the general fund an account in the state special revenue fund to the credit of the department. The department
16 may spend from the account in accordance with an expenditure appropriation by the legislature based on an
17 estimate of the costs of collecting and disbursing the proceeds of the tax. The balance of the tax proceeds
18 received each reporting period and not deducted pursuant to the expenditure appropriation must be transferred
19 to an account in the state special revenue fund, as follows:

20 (a) 22.5% to the department of commerce to be used for tourism promotion and the promotion of the
21 state as a location for the production of motion pictures, television commercials, and related visual productions;

22 (b)(A) 9.72% 1% to the department of fish, wildlife, and parks for the renovation, replacement, and
23 enhancement of state parks;

24 (c)(B) (i) except as provided in subsection (2)(c)(ii), 7.5% (2)(B)(iii), 1% (1)(B)(ii), 7.5% 1% to the
25 department of commerce to be distributed to regional nonprofit tourism corporations for cultural and heritage
26 tourism in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; or

27 (ii) if a regional nonprofit tourism corporation has a nonprofit convention and visitors bureau that has an
28 approved annual marketing plan provided for in 15-65-122, 50% of the funds distributed in the tourism region as
29 provided in subsection (2)(c)(i) (2)(B)(i) (1)(B)(i) must be distributed to the nonprofit convention and visitors bureau
30 in the region.

1 (d)(c) 7.2% 1% 7% 1% to the Montana historical society to be used for the ongoing preservation and
 2 security of Montana's historic heritage;

3 (D) 1% TO THE HISTORICAL SOCIETY TO BE USED FOR THE REHABILITATION OF STATE-OWNED HERITAGE
 4 PROPERTY BUILDINGS AND STRUCTURES;

5 (e) 7.08% 1% 7% 1% to the Montana arts council to be used for programs supporting economic
 6 development, education, and cultural tourism;

7 (f) 3.48% 1% 3.5% 1% to the Montana heritage preservation and development commission to be used
 8 for the preservation, protection, and enhancement of heritage commission historic properties; and

9 (g) 2.52% 1% 2% 1% to the department of fish, wildlife, and parks to administer a grant program
 10 supporting NONSTATE-OWNED heritage properties as provided in [section 2].

11 (2) The remaining 40% 93% of tax proceeds must be deposited in the state general fund.

12 (3) THE ALLOCATIONS IN SUBSECTIONS (1)(A) THROUGH (1)(G) ARE STATUTORILY APPROPRIATED, AS PROVIDED
 13 IN 17-7-502, FOR THE INDICATED PURPOSES.

14 (3)(4) AN ENTITY RECEIVING SALES AND USE TAX PROCEEDS AS PROVIDED IN SUBSECTIONS (1)(A) THROUGH
 15 (1)(G) SHALL REPORT BIENNIALLY TO THE INTERIM COMMITTEE WITH MONITORING DUTIES FOR THE ENTITY. THE REPORT
 16 MUST INCLUDE THE AMOUNT SPENT, THE PROJECTS FUNDED, THE PROGRESS MADE IN ACHIEVING THE GOALS OF THE
 17 FUNDED PROJECTS, AND ADMINISTRATIVE COSTS."

18
 19 NEW SECTION. Section 2. Grant program for heritage properties -- rulemaking. The department
 20 of fish, wildlife, and parks shall administer a grant program for the preservation of heritage properties, as defined
 21 in 22-3-421, using the funding provided for in 15-68-820(1)(g). The department shall adopt rules to implement
 22 the grant program provided for in this section.

23
 24 SECTION 3. SECTION 17-7-502, MCA, IS AMENDED TO READ:
 25 "17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory
 26 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the
 27 need for a biennial legislative appropriation or budget amendment.

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

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

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

3 (3) The following laws are the only laws containing statutory appropriations: 2-15-247; 2-17-105;
4 5-11-120; 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;
5 10-3-312; 10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121;
6 15-68-820; 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;
7 17-6-101; 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;
8 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-1-327; 22-3-1004;
9 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-51-501; 39-1-105;
10 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-206; 44-13-102; 53-1-109; 53-1-215; 53-2-208; 53-9-113;
11 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-150;
12 76-13-416; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 81-1-112; 81-7-106; 81-10-103; 82-11-161;
13 85-20-1504; 85-20-1505; 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; 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 sec. 10, Ch. 360, L. 1999, the inclusion
20 of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded
21 liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and
22 sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L.
23 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under
24 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 14, Ch. 374, L. 2009, the
25 inclusion of 53-9-113 terminates June 30, 2015; pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331
26 terminates June 30, 2019; pursuant to sec. 16, Ch. 58, L. 2011, the inclusion of 30-10-1004 terminates June 30,
27 2017; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates June 30, 2019; pursuant to sec.
28 13, Ch. 339, L. 2011, the inclusion of 81-1-112 and 81-7-106 terminates June 30, 2017; pursuant to sec. 11(2),
29 Ch. 17, L. 2013, the inclusion of 17-3-112 terminates on occurrence of contingency; pursuant to secs. 3 and 5,
30 Ch. 244, L. 2013, the inclusion of 22-1-327 is effective July 1, 2015, and terminates July 1, 2017; and pursuant

1 to sec. 10, Ch. 413, L. 2013, the inclusion of 2-15-247, 39-1-105, 53-1-215, and 53-2-208 terminates June 30,
2 2015.)"

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4 **NEW SECTION. Section 4. Codification instruction.** [Section 2] is intended to be codified as an
5 integral part of Title 22, chapter 3, part 4, and the provisions of Title 22, chapter 3, part 4, apply to [section 2].

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7 **COORDINATION SECTION. SECTION 5. COORDINATION INSTRUCTION.** IF BOTH SENATE BILL NO. 180 AND
8 [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 15-68-820, THEN THE SECTIONS
9 AMENDING 15-68-820 ARE VOID AND 15-68-820 MUST BE AMENDED AS FOLLOWS:

10 **"15-68-820. Sales tax and use tax proceeds. (1) A# Except as provided in subsections (2) and (3), all**
11 **money collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by the**
12 **department into the general fund an account in the state special revenue fund to the credit of the department. The**
13 **department may spend from the account in accordance with an expenditure appropriation by the legislature based**
14 **on an estimate of the costs of collecting and disbursing the proceeds of the tax. The balance of the tax proceeds**
15 **received each reporting period and not deducted pursuant to the expenditure appropriation must be transferred**
16 **to an account in the state special revenue fund, as follows:**

17 **(a) 1% to the department of fish, wildlife, and parks for the renovation, replacement, and enhancement**
18 **of state parks;**

19 **(b) (i) except as provided in subsection (1)(b)(ii), 7.5% 1% to the department of commerce to be**
20 **distributed to regional nonprofit tourism corporations for cultural and heritage tourism in the ratio of the proceeds**
21 **collected in each tourism region to the total proceeds collected statewide; or**

22 **(ii) if a regional nonprofit tourism corporation has a nonprofit convention and visitors bureau that has an**
23 **approved annual marketing plan provided for in 15-65-122, 50% of the funds distributed in the tourism region as**
24 **provided in subsection (1)(b)(i) must be distributed to the nonprofit convention and visitors bureau in the region;**

25 **(c) 7% 1% to the Montana historical society to be used for the ongoing preservation and security of**
26 **Montana's historic heritage;**

27 **(d) 1% to the historical society to be used for the rehabilitation of state-owned heritage property buildings**
28 **and structures;**

29 **(e) 7% 1% to the Montana arts council to be used for programs supporting economic development,**
30 **education, and cultural tourism;**

1 (f) ~~3.5%~~ 1% to the Montana heritage preservation and development commission to be used for the
2 preservation, protection, and enhancement of heritage commission historic properties; and

3 (g) ~~2%~~ 1% to the department of fish, wildlife, and parks to administer a grant program supporting
4 nonstate-owned heritage properties as provided in [section 2 of Senate Bill No. 264].

5 (2) Twenty-five percent of the revenue collected on the base rental charge for rental vehicles under
6 15-68-102(1)(b) and 15-68-102(3)(a)(ii) must be deposited in the state special revenue fund to the credit of the
7 senior citizen and persons with disabilities transportation services account provided for in 7-14-112.

8 (3) The remaining tax proceeds must be deposited in the state general fund.

9 (4) The allocations in subsections (1)(a) through (1)(g) are statutorily appropriated, as provided in
10 17-7-502, for the indicated purposes.

11 (5) An entity receiving sales and use tax proceeds as provided in subsections (1)(a) through (1)(g) shall
12 report biennially to the interim committee with monitoring duties for the entity. The report must include the amount
13 spent, the projects funded, the progress made in achieving the goals of the funded projects, and administrative
14 costs."

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16 NEW SECTION. Section 6. Effective date. [This act] is effective July 1, 2015.

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18 NEW SECTION. SECTION 7. TERMINATION. [THIS ACT] TERMINATES JULY 1, 2021.

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