TURST FUNDS - BALANCES AND INTEREST EARNINGS

Trust Fund Balances

Montana has a number of constitutional and statutory trusts that provide interest to fund state government operations. While the legislature has spent the principal of the education trust and slowed the flow of revenue into the coal tax trust, parks acquisition and resource indemnity tax trusts, substantial balances remain.

The Fifty-sixth Legislature in the 1999 session reduced the rate of growth in many of the trusts by passing legislation that redirected incoming revenues. The Fifty-sixth Legislature passed legislation which will reduce the fiscal 2001 ending fund balance for all trusts combined by $26 million when compared with pre-session estimates. The reduction in revenue growth will be greatest for the Permanent Coal Tax Trust, the Treasure State Endowment, and the Common School Fund. The legislature substantially enhanced the revenue growth into the noxious weed trust and marginally increased revenue into the Resource Indemnity Trust.

Table 1 shows the history of the eight major trusts since fiscal 1973. Forecasted amounts are shown for fiscal 1999, 2000, and 2001, and are based on assumptions adopted by the legislature in House Joint Resolution 2 (HJR2), adjusted for legislation passed by the Fifty-sixth Legislature. Following is a description of each trust and the income it generates. Also shown are expected interest earnings from each trust in fiscal 1999, 2000, and 2001.

Constitutional Trusts

<u>Permanent Coal Tax Trust</u>

Article IX, section 5 of the Montana Constitution requires that at least 50 percent of all coal severance tax revenue be deposited in a permanent coal tax trust fund, and that the principal of the trust "shall forever remain inviolate unless appropriated by a vote of three-fourths of the members of each house of the legislature." By statute, interest earned on this trust that is not earmarked for other programs is distributed 100 percent to the general fund. As described below, some of the interest earned on the trust is earmarked for other programs.

The interest earned on the permanent coal tax trust fund is an important general fund revenue source. During the period of fiscal 1981 through fiscal 1998, $619.5 million in interest from this trust was deposited in the combined general fund/school equalization account (SEA). In fiscal 1998, permanent coal tax trust fund interest provided 3.9 percent of total revenue to the general fund.

Initiative 95, approved by voters in 1982, required that 25 percent of the revenue deposited in the permanent coal tax trust after June 30, 1983, be placed in the in-state investment trust fund for investment in the Montana economy "with special emphasis on investments in new or expanding locally owned enterprises." The 1991 legislature: 1) eliminated separate accounting for the in-state investment trust; and 2) instructed the Board of Investments to "endeavor to invest up to 25 percent of the permanent coal tax trust fund" in the Montana economy.

The 1989 and 1991 legislatures gave authority to the Montana Science and Technology Alliance (MSTA) for the use of $12.5 million from the in-state investment fund for investment in new and expanding technology-based Montana businesses and for research and development project loans. The 1993 legislature authorized MSTA to invest an additional $11.0 million from the in-state investment program.

The payback of principal from MSTA loans returns to the trust. Before July 1, 1993, the interest from MSTA loans was distributed in the same manner as other interest earned on the permanent coal tax trust fund. House Bill 394, enacted by the 1993 legislature, created a special revenue account into which all interest earned from MSTA loans is deposited and from which MSTA expenses will be paid, with the balance returning to the trust.

Coal tax revenue flowing into the permanent coal tax trust fund is also used to secure state bonds issued to finance water resource development projects and activities. Since 1981 when the legislature authorized this bonding program, $78.1 million in water development projects throughout the state have been authorized with revenue from these bonds.

The 1991 legislature also appropriated $3.25 million from the permanent coal tax trust fund for the Microbusiness Development Act. These funds provided capital to microbusiness development corporations that provide loans and technical assistance to qualified small businesses. Interest earnings and loan repayments were retained by the program to finance administrative costs and future loans.

During the January 1992 special session, the legislature authorized the creation of a school bond contingency loan fund within the permanent coal tax trust fund. The contingency fund provided up to $25.0 million in loan guarantees for school district bonds certified by the Department of Administration as meeting certification standards, but for which subsequent litigation prevents collection of property taxes levied for debt service. School districts are required to repay any guarantee funds used. Interest on the contingency fund is distributed in the same manner as all other interest earned on the permanent coal tax trust fund. This legislation expired on January 1, 1993. House Bill 667, passed during the 1993 legislative session, provides Guaranteed Tax Base (GTB) aid to certain schools with bonds outstanding or bond issues contemplated. The source of funding for GTB aid was the school equalization account (SEA).

The contingency fund has provided backing for $23.4 million in school bonds for 14 schools. The average balance in the contingency fund has been slightly more than $2.0 million. The contingency fund will continue to exist for the next 20 years until these bonds are retired.

In the June 1992 election, voters approved a referendum to create the treasure state endowment fund (TSEF) within the permanent coal tax trust fund. The fund received a $10.0 million grant from the trust principal in fiscal 1994 and will receive half the funds deposited in the trust during fiscal 1995 through fiscal 2013. Interest earned on the TSEF is used to finance local infrastructure projects, as prioritized by the Departments of Commerce and Natural Resources and Conservation and authorized by the legislature.

During the November 1993 special session, the legislature authorized in SB 4 that the cash balance in the coal tax bond fund as of July 1, 1993, be deposited in the permanent coal tax trust fund. The total amount transferred was $31.1 million.

Senate Bill 4 also changed the distribution mechanism by requiring the 50 percent coal severance tax revenue allocation be deposited in the TSEF and the permanent coal tax trust fund on an equal basis. Prior to SB 4, coal severance tax revenue earned on production taking place beginning July 1, 1993, was to have been deposited in TSEF. In the following fiscal year, one-half of the previous year's inflow was to have been deposited in the permanent coal tax trust fund, and the TSEF was to retain the rest. Without SB 4, the permanent coal tax trust fund would not have received any coal severance tax revenue during fiscal 1994.

The 1993 legislature passed HB 401, which authorized a loan to the Department of Environmental Quality (DEQ), (formerly the Department of Health and Environmental Sciences) from the permanent coal tax trust fund for technical, litigation, and administrative expenses associated with the natural resource damage litigation suit against the Atlantic Richfield Company in the Clark Fork River Basin. The amount of the loan is $2.6 million for the 1995 biennium and $5.2 million to repay principal and interest to the general fund for litigation costs incurred in the 1993 biennium. As of December 1994, $6.3 million had been withdrawn from the permanent coal tax trust to pay for litigation expenses.

The 1995 legislature enacted several measures which affected permanent trust balances and interest income:

House Bill 305 authorized a loan to the Department of Justice from the permanent coal tax trust for the purpose of conducting the litigation and natural resource claims against the Atlantic Richfield Company in the Clark Fork River Basin. The amount of the loan is $2.4 million for the 1997 biennium. The bill also extended loans made for the same purpose during the 1995 biennium. As of May 1998, $9.8 million had been withdrawn from the permanent coal tax trust to pay litigation expenses.

House Bill 354 expanded appropriations for the Microbusiness Financing Act, which provides loans to businesses employing less than ten employees and generating less than $500,000 in gross revenue annually. The expansion of this program doubled the previous appropriation to $3.25 million of investable coal tax trust funds made available to the Microbusiness Finance Program in the Department of Commerce. Beginning July 1, 1995, HB 354 also increased maximum loan amounts per individual loan from $20,000 to $35,000. The program provides financing for working capital assets and fixed asset acquisition with more flexible repayment terms than those offered by commercial institutions. Payback of interest and principal of the loan amounts are used for administrative purposes and for financing new microbusiness loans.

Senate Bill 38 authorized the Job Investment Act under which the Department of Commerce may loan a portion of the permanent coal tax trust to businesses to create and retain jobs in Montana. A loan to a qualified business may not exceed $500,000, and the department is to report annually to the Revenue Oversight Committee. The legislation also reduced the amount of permanent coal tax trust funds that the Board of Investments allows the Montana Board of

Science and Technology Development to invest in seed capital loans and mezzanine loans from $15.5 million to $12.5 million. The bill also increased the amount of permanent coal tax trust funds available for research and development projects from $8.1 million to $11.1 million. In the past, these funds were used primarily as loans to the University System. Under SB 38, these funds were granted to the University System for research and development projects. (As of October 1, 1998, $25.7 million had been loaned or granted to Montana businesses and the university system).

Senate Bill 83 abolished the distribution of coal trust interest to the SEA. Under previous law, 15 percent of coal trust interest earnings were deposited in the SEA and 85 percent in the general fund. As a result of SB 83, 100 percent of coal trust interest earnings are deposited in the general fund in fiscal 1996 and beyond.

The 1997 legislature enacted several measures that affected permanent trust balances and interest income:

House Bill 110 appropriated to the Department of Justice $2.5 million in state special revenue to be used for continuing litigation expenses associated with the Atlantic Richfield case. The appropriation was for expenses incurred during the 1999 biennium, and, upon settlement of the case, the amount used plus interest was to be returned to the general fund. The case was settled in June of 1998 for $215 million dollars. On June 24, 1998, $15 million was deposited into STIP for payment to the permanent trust and the general fund. In the middle of October, 1998, $12.2 million was transferred to the permanent trust, including $9.8 million in principal and $2.4 million in interest. In the middle of November 1998, $1.9 million was transferred to the general fund. This was made up of principal ($1.4 million) and interest ($0.5 million) and constituted repayment of general fund loans going back to fiscal 1983 when the case began.

The legislature amended the allocation of coal severance taxes under 15-35-108, MCA. In HB 14, the 1997 legislature authorized the issuance of general obligation bonds to fund the purchase of Virginia City and Nevada City properties. In HB 5, the legislature allocated 1.3 percent of coal severance tax revenue to pay the debt service on the bonds, which are to be issued for a term of ten years. Coal tax revenue will be distributed to the Long-Range Building Program (LRBP) debt service account for fiscal 1998 through 2007. This allocation diverts coal severance tax revenue that would otherwise be deposited in the general fund. Based on revenue estimates in HJR 2, this change in allocation results in a loss to the general fund of $0.5 million in fiscal 1998 and 1999. Once the ten-year period has expired, the 1.3 percent allocation will revert to the general fund.

House Bill 5 also eliminated the 0.63 percent distribution of coal severance tax to the cultural and aesthetic trust during the 1999 biennium, only. The legislature appropriated $3.9 million from the cultural trust for the immediate purchase of the Virginia City and Nevada City. This will result in a loss of trust interest revenue that otherwise would be used to fund cultural and aesthetic (C&A) projects in the state during the 1999 biennium. In order to compensate for the lost interest, the legislature allocated 0.87 percent of coal severance tax revenue to the C&A projects account and eliminated the 0.63 percent of coal severance tax revenue that had been deposited in the cultural trust. The remaining 0.24 percent of coal taxes allocated to the C&A project account was previously part of the flow into the general fund. Based on revenue estimates in HJR 2, this part of HB 5 results in a loss to the general fund of $91,736 and $93,195 for fiscal 1998 and 1999, respectively. After the 1999 biennium, similar amounts of coal severance tax revenue will be diverted from the C&A projects account and will again flow to the general fund.

House Bill 578 abolishes the Montana Board of Science and Technology beginning July 1, 1999. The amount of money committed for research and development ($11.1 million) and for seed capital loans ($12.5 million) may be disbursed until July 1, 1999. Any money under these caps which has not been committed, except for $915,000, must be returned to the coal tax trust. The Board may continue to provide seed capital loans of up to $700,000 to existing seed capital companies until July 1, 1999 or until an amount of $915,000 has been reached; however, up to $75,000 of this may be used for administrative expenses. Beginning April 1, 1997, the proceeds from seed capital loans must be deposited in the coal tax trust. However, during fiscal 1998, $250,000 of seed capital income, as well as $150,000 of job investment loan income, must be used to fund the judges' retirement system. Also beginning April 1, 1997, and ending July 1, 1999, up to $2.0 million in income and interest from research and development loans at Montana public universities may be granted to research and development (R&D) projects at the universities. After July 1, 1999, all repayment proceeds from both seed capital loans and R&D loans in excess of $4.4 million must be deposited in the coal severance tax permanent fund. The amount of $4.4 presumably may continue to be loaned out by the Department of Commerce under a business investment strategy plan, which must be reported to the Fifty-sixth Legislature.

1999 Legislative Action

HB 260 – Beginning July 1, 1999, HB 260 imposes a new coal license tax on the contract sales price of coal and reduces the coal severance tax liability for coal producers by allowing a credit against the coal severance tax in the amount of 101.5 percent of coal license tax liability. Thus coal producers will realize a reduction of 1.5 percent in tax liability on coal production.

The total reduction in coal severance tax collections is expected to be $20.7 million in fiscal 2000 and $19.6 million in fiscal 2001. The new coal license tax will generate $20.4 million in fiscal 2000 and $19.3 in fiscal 2001.

The legislation, in combination with HB 69 and SB 220, provides a new distribution of coal severance taxes and specifies a distribution for the new coal license tax. Under the new distribution, none of the coal severance revenue will be distributed to the permanent trust. Instead, 37.5 percent of the reduced coal severance tax revenue stream will be deposited in the treasure state endowment trust fund, and 12.5 percent will be deposited in a new TSEF regional water system account (SB220). The remaining distribution of the coal severance tax will be deposited as under previous law, except that the amount (1.3 percent) to long range building program debt service will now be directly deposited in the general fund as per HB 69.

Coal severance tax revenue deposited in the permanent fund will be reduced by $8.3 million in fiscal 2000 and by $7.9 million in fiscal 2001. None of the new coal license tax will be allocated to the permanent fund.

Coal severance tax revenue deposited in the TSEF will be reduced by $3.6 million in fiscal 2000 and $3.4 million in fiscal 2001.

The revenue diversions in the each trust, as well as some of the revenue from the new coal license tax, will be deposited into spendable accounts that will be used for ongoing projects and payments associated with infrastructure loans and grants, agricultural seed capital, and research and commercialization loans and grants.

HB 69 – eliminates the distribution of coal severance tax revenue to the long range building debt service account that was used to pay bonds issued for the purchase of Virginia City and Nevada City property. Beginning July 1, 1999, the revenue will deposited in the general fund. The bond service payments will be made by the general fund.

SB 220 – Beginning July 1, 1999, SB 220 creates a new treasure state endowment regional water system fund into which will be deposited 25 percent of one half of all coal severance receipts. The other 75 percent of one-half of coal severance receipts will flow into TSEF.

<u>Common School Trust</u>

Article X, sections 2 and 3 of the Montana Constitution require that all royalties and other proceeds received from school lands granted to the state under the federal enabling act must be deposited in the common school trust fund and "shall forever remain inviolate, guaranteed by the state against loss or diversion." Article X, section 5 requires that 95 percent of the interest from this trust be used for school equalization, with the remaining 5 percent reinvested in the trust. In addition, 95 percent of all rents, royalties, and other income received from leasing of school lands is to be used for public schools with the remaining 5 percent invested in the trust.

During the January 1992 special session, the legislature passed HB 3, which provided that 95 percent of the revenue from state timber sales (approximately $4.9 million) be deposited in the SEA during the 1993 biennium, with the remaining 5 percent deposited in the trust.

The 1993 legislature passed HB 652, which continued the practice of diverting 95 percent of timber revenue to the SEA during the 1995 biennium. The loss in revenue to the common school trust during the 1995 biennium was approximately $9.1 million. House Bill 667, also passed during the 1993 legislative session, continued this practice indefinitely. The loss of revenue to the common school trust during the 1997 biennium was approximately $9.7 million.

The 1995 legislature enacted several measures affecting revenue from state lands. House Bill 50 made permanent certain provisions regarding the sale of timber on state lands. House Bill 50 was expected to result in additional sales of timber during the 1997 biennium. However, additional costs associated with the sale of timber were also expected to be incurred. These costs are deducted from timber sale revenues.

House Bill 201, passed by the 1995 legislature, required the state to increase timber sales from state lands consistent with an annual sustainable yield of 45 million board feet to 55 million board feet, contingent on a study to determine the appropriate level of annual sustainable yield. House Bill 201 capped the amount of timber sale revenue deposited in the general fund (formerly the school equalization account, which was abolished in SB 83) from the common school trust at an average annual sale value of 18 million board feet. Any excess timber sale revenue from the common school trust is to be deposited in the general fund, but "earmarked" for deposit in school districts' newly established technology acquisition fund to buy technological equipment and provide technical training for school district personnel.

House Bill 201 also affects timber sale revenue because it diverts timber sale revenue before it is deposited in the general fund to pay for costs associated with increasing timber sales. The total revenue effect was expected to be a loss of $1.1 million to the general fund during the 1997 biennium.

House Bill 274, passed by the 1995 Legislature, granted the Department of State Lands broader discretion to expedite sales of state timber in emergency situations and limited access situations. Effective in fiscal 1996, as a result of the natural resources reorganization bill [SB 234], the forestry function was transferred from the Department of State Lands to the Department of Natural Resources and Conservation.

Senate Bill 83 de-earmarked all interest from the common school trust and income earned on common school lands. These revenues henceforth flow into the general fund.

The 1997 legislature passed legislation that impacted the flow of timber revenue into the common school trust by appropriating timber revenue for use by the DNRC to enhance timber sales during the 1999 biennium. The amounts appropriated, $1.2 million and $1.3 million in respective years of the biennium, will be diverted from the revenue stream before the allocation of 5 percent of revenue to the trust.

House Bill 2 appropriated anticipated timber sale revenue in excess of that associated with 18 million board feet for deposition in schools' technology acquisition funds. The purpose of the fund is to allow each district to buy technological equipment and provide technical training for school district personnel. The amounts appropriated are $1.5 million fiscal 1998 and $2.8 million in fiscal 1999, or the amount of "excess" revenue in each year, whichever is less. However, no payment will be made in fiscal 1999, but $3.4 million is expected to be spent during the 2001 biennium.

1999 Legislative Action

Senate Bill 48 makes significant changes in funding the Trust Land Management Division in the Department of Natural Resources and Conservation. The legislation allows the diversion of a portion of the following money (previously deposited into the corpus of the land trust funds) from ten land trusts administered by the department: 1) mineral royalties; 2) the proceeds or income from the sale of easements and timber (except timber from public school lands); and 3) 5 percent of the interest and income previously credited annually to the public school fund. The money is diverted to a state special revenue account to pay costs of administering state trust lands. The legislation provides limitations on the amount of diverted revenue and the amount of the appropriations: 1) the diverted revenue is limited to 1-1/8 percent of the book value balance in each of the nine nonexpendable trust funds on the first day of January preceding the new biennium and 10 percent of the previous fiscal year revenue deposited into the capitol building land grant trust fund; and 2) appropriations of the money are limited to 1-1/8 percent of the book value balance in the nine nonexpendable trust funds on the first day of January preceding the new biennium and 10 percent of the revenue deposited in the capitol building land grant trust fund in the last completed fiscal year prior to the new biennium. In HB 2, the legislature replaced $7.1 million of general fund appropriations with state special revenue provided by this legislation. Therefore, deposits to land trusts (primarily the Common School Trust) will be reduced by $7.1 million over the biennium, approximately $3.5 million per year.

<u>Resource Indemnity Trust</u>

Article IX, section 2 of the Montana Constitution and Title 35, chapter 38, MCA, require that certain resource extraction taxes be placed in a trust. The principal of the resource indemnity trust "shall forever remain inviolate in an amount of one hundred million dollars ($100,000,000), guaranteed by the state against loss or diversion." Once the principal of the trust reaches $100 million, any additional tax revenue may be appropriated. During the 1993 legislative session, the legislature passed HB 608 that decreased the amount of resource indemnity and groundwater assessment (RIGWA) tax proceeds deposited in the trust during the 1995 biennium from 85.9 percent per year to 55.9 percent, or approximately $5.0 million. The bill further reduced the amount of RIGWAT revenue deposited in the trust to 45.9 percent beginning July 1, 1995.

During the July 1992 special session, the legislature imposed a one-year surtax on resource indemnity tax liability and allocated collections from the surtax to the general fund.

During the 1995 session, the legislature replaced a portion of RIGWA tax proceeds with oil and gas tax proceeds due to a bill to simplify oil and gas taxes (SB 412). Also, the legislature diverted for other purposes the metal mines license tax proceeds that previously were deposited to the trust.

During the 1997 session, Senate Bill 377 reduced the growth rate in the ending fund balance of the RIT trust by diverting $200,000 per year from RIGWA tax inflows and 8.5 percent from metalliferous mines license tax revenue to a newly created orphan share account. The reduction of inflow into the trust in each year of the biennium as a result of these diversions will be $674,000 and $743,000.

An orphan share account is to be used to: 1) fund remedial actions on the portion of hazardous waste sites for which there is no responsible party; and 2) to pay for DEQ transaction costs associated with defending the orphan share proportions.

1999 Legislative Action

SB 49 and SB 492 increase the allocation to the RIT of the RIGWA tax and the RIT share of the oil and gas production tax. The ending fund balance at the end of the 2001 biennium is expected to increase by $162,000 as a result of the legislation.

See the RIT discussion in the following major section for additional detail.

Statutory Trusts

Education Trust

From fiscal years 1976 through 1986, a portion of the revenue from the coal severance tax was allocated to an education trust for the support of education. The legislature appropriated the corpus of this trust to the school equalization account during the period of fiscal 1987 through 1990. Since fiscal 1990, the education trust has not received revenue from any source, and its balance is zero.

Parks Acquisition/Arts Protection Trust

During most of the last 20 years, a portion of the coal severance tax has been earmarked for the parks acquisition trust. During the late 1980s, the flow of revenue into this account was diverted to the general fund. However, the principal began to increase again in fiscal 1990. Prior to fiscal 1992, two-thirds of the interest from this trust was statutorily allocated for acquisition and operation of state parks, and one-third was allocated for protection of works of art in the state capitol and other cultural and aesthetics projects.

The 1991 legislature split the principal of this trust into two separate trusts: a parks acquisition trust and an arts protection trust. During the 1993 biennium, the coal tax revenue that would have flowed into the parks acquisition trust (1.267 percent) was spent for maintenance of parks and historic sites, along with the interest from the trust. House Bill 687, passed during the 1993 legislative session, continued this practice for the 1995 biennium, allocating $1.6 million from the trust to current operations. In the 1997 biennium, the coal tax revenue allocation is again deposited in the trust. Senate Bill 27, passed by the 1995 legislature, increased the allocation to the parks acquisition trust from 1.267 percent to 1.270 percent.

In fiscal 1992, 0.633 percent of coal severance tax revenues was deposited in the arts protection trust, with the trust interest continuing to be used for protection of works of art and for cultural and aesthetics projects. During the January 1992 special session, the legislature diverted a portion of the revenue that would have flowed into the arts protection trust in fiscal 1993 to fund the operations of the Montana Arts Council. Beginning in fiscal 1994, these revenues were again deposited in the trust. Senate Bill 27, passed by the 1995 legislature, decreased the allocation to the arts trust from 0.633 percent to 0.630 percent.

The 1997 legislature amended the allocation of coal severance taxes under 15-35-108, MCA. House Bill 5 eliminated the 0.63 percent distribution of coal severance tax to the cultural and aesthetic trust during the 1999 biennium only. The legislature appropriated $3.9 million from the cultural trust for the immediate purchase of the Virginia City and Nevada City. This resulted in a loss of trust interest revenue that otherwise would be used to fund cultural and aesthetic (C&A) projects in the state during the 1999 biennium. In order to compensate for the lost interest, the legislature allocated 0.87 percent of coal severance tax revenue to the C&A projects account, and eliminated the 0.63 percent of coal severance tax revenue that had been deposited in the cultural trust. The remaining 0.24 percent of coal taxes allocated to the C&A project account was previously part of the flow into the general fund. After the 1999 biennium, similar amounts of coal severance tax revenue will be diverted from the C&A projects account and will again flow to the general fund.

1999 Legislative Action

House Bill 260, HB 69, and SB 220 reduce coal severance tax revenue and replace it with coal license tax revenue. The aim of the legislation was to hold the revenue flow into the arts and parks trusts as under current law. However, the arts and parks trusts will lose around $25,000 over the biennium.

<u>Noxious Weed Management Trust</u>

During the period fiscal 1986 through 1992, at least one-half of the collections from a 1 percent surcharge on the retail sale of herbicides was deposited in the noxious weed management trust fund. The remaining collections are spent for weed control grants. The interest earned on the trust is retained in the trust. After the principal of the trust reached $2.5 million in fiscal 1992, all herbicide surcharge collections and the interest earned on the trust became available for weed control grants.

Senate Bill 321, passed by the 1995 Legislature, increased the amount of the tax on gasoline, which is allocated to the snowmobile account, from 23/64 of one percent to 15/28 of one percent. Beginning in fiscal 1996, one percent of the amount deposited in the snowmobile account was deposited in the Montana noxious weed control trust for increased weed control grants, which are administered by the Department of Natural Resources and Conservation.

1999 Legislative Action

Senate Bill 164 transfers $1.125 million per year to the noxious weed trust from the highway non-restricted account in 15-70-125. The transfer will take place only in fiscal 2000 and fiscal 2001. As a result, the ending fund balance in the trust will almost double by June 30, 2002.

TRUST FUNDS – BALANCES AND INTEREST EARNINGS

Table 1
Selected Trust Fund Balances
Including Projected Investment Earnings

Fiscal Year		Permanent Coal Tax Trust Fund	Treasure St Endowment Trust Fund	Common School Trust Fund	Education Trust Fund	Resource Indemnity Trust Fund	Parks Acquisition Trust Fund	Arts Protection Trust Fund	Noxious Weed Trust Fund	Total Trust Funds
A	73	0	0	$64,223,773	0	0	0	0	0	$64,223,773
A	74	0	0	108,998,870	0	1,141,385	0	0	0	110,140,255
A	75	0	0	113,064,188	0	3,287,456	0	0	0	116,351,644
A	76	0	0	117,849,628	2,227,793	5,552,291	278,725	0	0	125,908,437
A	77	0	0	123,281,528	6,039,530	8,232,247	758,308	0	0	138,311,613
A	78	6,268,262	0	129,949,247	8,983,763	10,646,851	1,174,356	0	0	157,022,479
A	79	16,940,538	0	137,716,735	12,339,549	12,574,209	1,475,732	0	0	181,046,763
A	80	39,964,765	0	147,527,943	23,905,146	16,204,531	3,565,371	0	0	231,167,756
A	81	75,187,459	0	163,163,556	33,624,170	21,165,464	5,325,746	0	0	298,466,395
A	82	118,336,314	0	176,467,865	44,338,477	28,328,946	7,480,418	0	0	374,952,020
A	83	158,358,806	0	189,390,417	52,665,410	36,181,889	9,481,542	0	0	446,078,064
A	84	202,936,358	0	201,319,109	60,925,268	42,986,128	11,565,460	0	0	519,732,323
A	85	252,420,524	0	214,764,544	70,500,922	47,396,179	13,859,181	0	0	598,941,350
A	86	309,384,250	0	217,677,906	79,761,708	53,039,675	16,222,131	0	443,184	676,528,854
A	87	339,883,180	0	227,687,073	44,091,429	56,861,627	16,613,608	0	824,550	685,961,467
A	88	381,180,287	0	239,553,633	33,671,110	61,750,961	16,581,042	0	1,070,972	733,808,005
A	89	411,838,993	0	254,128,428	8,651,477	66,665,000	16,608,706	0	1,320,720	759,213,324
A	90	446,511,416	0	268,496,362	0	72,811,618	17,936,701	0	1,688,370	807,444,467
A	91	470,322,655	0	280,326,496	0	77,324,921	18,882,548	0	2,121,973	848,978,593
A	92	496,465,569	0	291,753,603	0	82,489,898	12,588,366	7,051,506	2,584,254	892,933,196
A	93	511,474,640	0	300,782,863	0	86,890,369	12,538,119	6,863,579	2,534,844	921,084,414
A	94	511,754,471	20,520,830	310,735,129	0	89,316,268	12,538,119	7,025,290	2,518,875	954,408,982
A	95	515,470,287	31,793,125	321,265,835	0	91,614,674	12,538,119	7,296,373	2,544,390	982,522,803
A	96	530,144,251	42,262,548	331,630,225	0	93,152,864	12,998,633	7,518,157	2,502,197	1,020,208,875
A	97	538,223,210	52,210,048	347,298,490	0	94,584,643	13,483,000	3,846,000	2,527,953	1,052,173,344
A	98	545,789,038	61,800,580	355,329,490	0	95,582,249	14,006,000	3,852,000	2,502,244	1,078,861,601
Forcasted Fund Balance										
F	99	554,045,000	70,567,000	362,873,000	0	96,399,000	14,451,000	3,852,000	2,500,000	1,104,687,000
F	00	554,045,000	75,277,000	368,945,000	0	97,563,000	14,865,000	4,061,000	3,625,000	1,118,381,000
F	01	554,045,000	79,743,000	373,053,000	0	98,741,000	15,254,000	4,256,000	4,750,000	1,129,842,000
Forcasted Investment Earnings										
F	99	40,528,000	4,907,000	26,630,000	0	7,617,000	1,096,000	308,000	186,028	81,272,028
F	00	40,758,000	5,335,000	27,078,000	0	7,685,000	1,124,000	315,000	269,740	82,564,740
F	01	41,185,000	5,641,000	27,425,000	0	7,766,000	1,151,000	328,000	353,452	83,849,452