

HOUSE BILL NO. 298

INTRODUCED BY HINER, VILLA, GROESBECK, SESSO, HOLLENBAUGH, WARD, CALLAHAN

A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE 2003 APPROPRIATION OF MONEY FROM THE COAL SEVERANCE TAX PERMANENT FUND TO THE DEPARTMENT OF JUSTICE FOR TECHNICAL, LEGAL, AND ADMINISTRATIVE ACTIVITIES FOR THE STATE OF MONTANA NATURAL RESOURCE DAMAGE ASSESSMENT AND LITIGATION; REQUIRING REPAYMENT OF THE EXPENDED AMOUNTS FROM ANY RECOVERY IN THE LITIGATION; AND PROVIDING EFFECTIVE DATES."

WHEREAS, in House Bill No. 160 (Chapter 283, Laws of 2003), the Legislature appropriated to the Department of Justice from the coal severance tax permanent fund a loan, in the form of a line of credit, of up to \$650,000 as needed for the biennium ending June 30, 2005; and

WHEREAS, less than \$200,000 of this \$650,000 loan had been expended through January 1, 2005; and

WHEREAS, in House Bill No. 201 (Chapter 160, Laws of 2005), the Legislature reappropriated the remainder of the \$650,000 loan to the Department for the biennium ending June 30, 2007; and

WHEREAS, less than \$250,000 of the original \$650,000 loan has been expended through January 1, 2007.

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

NEW SECTION. Section 1. Extension of natural resource damage program appropriation. The remainder of the \$650,000 loan originally appropriated to the department of justice for the biennium ending June 30, 2005, in section 1, Chapter 283, Laws of 2003, is reappropriated to the department for the biennium ending June 30, 2009, for the purpose of conducting natural resource damage assessments and litigation and pursuing the state of Montana's natural resource damage claims and any appeals through the natural resource damage program.

NEW SECTION. Section 2. Loan agreement. The board of investments and the department of justice shall amend the existing contract pledging the amount recovered in any natural resource damage litigation to the repayment of the loan, which is to be deposited in the coal severance tax permanent fund. This amendment of the contract must incorporate the provisions of [section 1] and must also incorporate the other terms of the

existing contract relating to the loan repayment requirements of Chapter 283, Laws of 2003. The continuing loan authorized in [section 1] may not be made for expenditures incurred after June 30, 2007, until the amendment of the contract required by this section has become effective.

NEW SECTION. **Section 3. Three-fourths vote required.** Because [section 1] appropriates money from the coal severance tax permanent fund for 2 additional years, Article IX, section 5, of the Montana constitution requires a vote of three-fourths of the members of each house of the legislature for passage.

NEW SECTION. **Section 4. Effective dates.** (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

(2) [Section 1] is effective July 1, 2007.

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