

SENATE BILL NO. 353

INTRODUCED BY R. RIPLEY

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4 A BILL FOR AN ACT ENTITLED: "AN ACT SUBMITTING TO THE QUALIFIED ELECTORS OF MONTANA AN
5 AMENDMENT TO ARTICLE IX, SECTION 5, OF THE MONTANA CONSTITUTION TO REVISE THE
6 DISTRIBUTION OF THE COAL SEVERANCE TAX AND TO ESTABLISH THE BUILD MONTANA FUND FOR
7 INFRASTRUCTURE THROUGHOUT THE STATE; AND PROVIDING AN EFFECTIVE DATE."

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

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11 **Section 1.** Article IX, section 5, of The Constitution of the State of Montana is amended to read:
12 **"Section 5. Severance tax on coal -- trust fund -- build Montana fund.** (1) The legislature shall
13 dedicate not less than one-fourth (1/4) of the coal severance tax to a trust fund, the interest and income from
14 which may be appropriated. ~~The~~ Except as provided in subsection (2), the principal of the trust shall forever
15 remain inviolate unless appropriated by vote of three-fourths (3/4) of the members of each house of the
16 legislature. ~~After December 31, 1979,~~ Until the certification by the state treasurer is made pursuant to subsection
17 (2), at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund.

18 (2) Once the state treasurer certifies that the principal of all funds in the trust, excluding those in the coal
19 severance tax bond fund, exceeds \$1 billion, fifty percent (50%) of the coal severance tax shall be deposited into
20 the coal severance tax bond fund. The amount necessary to satisfy the requirements of coal severance tax
21 bonds shall be retained in the tax bond fund, ninety percent (90%) of the remaining balance shall be transferred
22 to the build Montana fund, and the remaining ten percent (10%) shall be transferred into the trust fund.

23 (b) Principal and interest in the build Montana fund may be appropriated by a majority vote in each house
24 of the legislature only for infrastructure projects. These funds may not be used to supplant federal or state funds.

25 (3) The revenue in the build Montana fund may be appropriated for other purposes by a three-fifths (3/5)
26 vote of the members of each house of the legislature."

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28 **NEW SECTION. Section 2. Two-thirds vote required.** Because [section 1] is a legislative proposal
29 to amend the constitution, Article XIV, section 8, of the Montana constitution requires an affirmative role call vote
30 of two-thirds of all the members of the legislature, whether one or more bodies, for passage.

