

HOUSE BILL NO. 242

INTRODUCED BY T. JACOBSON

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A BILL FOR AN ACT ENTITLED: "AN ACT SUBMITTING TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE MONTANA CONSTITUTION TO ESTABLISH A NATURAL RESOURCES TRUST FUND; ESTABLISHING FUNDING OF THE TRUST FUND FROM TAXES ON COAL SEVERANCE AND OIL AND GAS PRODUCTION; PROVIDING THAT THE PRINCIPAL OF THE TRUST REMAIN INVIOATE UNLESS APPROPRIATED BY VOTE OF THREE-FOURTHS OF EACH HOUSE OF THE LEGISLATURE; AND PROVIDING THAT THE INTEREST AND INCOME CAN BE APPROPRIATED."

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

Section 1. Article IX, section 5, of The Constitution of the State of Montana is amended to read:

"Section 5. Severance tax on ~~coal~~ natural resources -- trust fund. (1) The legislature shall dedicate not less than one-fourth (1/4) of the coal severance tax to a trust fund, the interest and income from which may be appropriated.

(2) The legislature shall also dedicate the following percentage of any tax collected by the state in a tax year on the extraction, severance, or production of oil and gas, but not including any tax based on the value of the property and collected by the counties, to a trust fund. The interest and income of the trust fund may be appropriated as follows:

- (a) 5 percent in 2020;
- (b) 10 percent in 2021;
- (c) 15 percent in 2022;
- (d) 20 percent in 2023;
- (e) 25 percent in 2024; and
- (f) 30 percent in 2025 and thereafter.

(3) The principal of the trust shall forever remain inviolate unless appropriated by vote of three-fourths (3/4) of the members of each house of the legislature. After December 31, 1979, at least fifty percent (50%) of the coal severance tax shall be dedicated to the trust fund."



