

HOUSE JOINT RESOLUTION NO. 46

INTRODUCED BY D. FERN, F. ANDERSON, B. HAMLETT, J. KRAUTTER, M. MARLER, J. READ

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF MONTANA'S COAL SEVERANCE TAX TRUST FUND, INCLUDING GROWING THE PRINCIPAL AND CONSIDERATION OF OTHER SOURCES OF ENERGY FOR THE FUND.

WHEREAS, as directed by Article IX, section 5, of the Montana Constitution, the coal severance tax trust fund receives 50% of total coal severance tax collections, and the money flows through five subtrust funds; and

WHEREAS, the other 50% of the coal severance tax revenue is distributed to several funds outside of the coal severance tax trust fund; and

WHEREAS, coal severance tax dollars are used to assist with local government infrastructure projects, the Treasure State Endowment Program, regional water systems, the Big Sky Economic Development Program, long-range building, state parks, funding for renewable resource projects, and a variety of other programs important to the state of Montana; and

WHEREAS, as Montana looks into the future, faced with infrastructure challenges and spiraling expenses, the state must determine how best to continue to grow the principal in the coal severance tax trust fund and how best to devote resources from the fund to these challenges.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, to:

(1) review uses of the coal severance tax and utilization of the coal severance tax trust fund and whether the Legislature should revisit the current allocations and uses of the fund, including the principal;

(2) review forecasts for coal extraction in Montana and what those numbers mean for the coal severance tax trust fund;

(3) REVIEW INVESTMENT RETURNS;

~~(3)~~(4) analyze energy resources in Montana and review potential severance or production taxes to assist



1 in protecting or growing the principal of the fund; and

2 ~~(4)~~(5) review potential legislative barriers to implementing changes.

3 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be
4 presented to and reviewed by an appropriate committee designated by the Legislative Council.

5 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
6 requirements, be concluded prior to September 15, 2020.

7 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
8 comments, or recommendations of the appropriate committee, be reported to the 67th Legislature.

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