



AN ACT ALLOWING FOR ESTABLISHMENT OF A COUNTY COAL MINE TRUST RESERVE FUND FOR COUNTY GOVERNMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, there is a need for counties to be able to prepare for reductions in coal mining and coal-fired electric generation; and

WHEREAS, current Montana statutes do not allow for funds to be set aside for future revenue losses.

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

Section 1. County coal trust fund -- expenditure restrictions. (1) The governing body of a county receiving funding from coal-related activities may establish a county coal trust fund.

(2) Money received by a county from coal-related activities may be placed in the coal trust fund and may not be appropriated by the governing body until:

(a) a coal mining operation or coal-fired electric generation facility has permanently ceased mining-related or energy production-related activity; or

(b) the number of persons employed full-time in coal mining or coal-fired electric generation activities by the coal mining operation or coal-fired electric generation facility is less than 75% of the average number of persons employed full-time in activities by the operation or facility during the immediately preceding 5-year period.

(3) If the circumstances described in subsection (2)(a) or (2)(b) occur, the governing body of the county may use the remaining funds in the coal trust fund to:

(a) pay for outstanding capital project bonds or other expenses incurred prior to the end of activity or the reduction in the workforce described in subsection (2)(b);

(b) decrease property tax mill levies that are directly caused by the cessation or reduction of activity;

(c) promote diversification and development of the economic base within the jurisdiction of a local government unit through assistance to existing business for retention and expansion or to assist new business;

(d) attract new industry to the impact area;

(e) provide cash incentives for expanding the employment base of the area impacted by the changes in activity described in subsection (2); or

(f) provide grants or loans to other local government jurisdictions to assist with impacts caused by the changes in activity described in subsection (2).

(4) Except as provided in subsection (3)(b), money held in the coal trust fund may not be considered as cash balance for the purpose of reducing mill levies.

(5) Money in the coal trust fund must be invested as provided by law. Interest and income from the investment of money in the fund must be credited to the fund.

Section 2. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 7, chapter 6, and the provisions of Title 7, chapter 6, apply to [section 1].

Section 3. Effective date. [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,
SB 0191, originated in the Senate.

President of the Senate

Signed this _____ day
of _____, 2019.

Secretary of the Senate

Speaker of the House

Signed this _____ day
of _____, 2019.

SENATE BILL NO. 191
INTRODUCED BY D. ANKNEY

AN ACT ALLOWING FOR ESTABLISHMENT OF A COUNTY COAL MINE TRUST RESERVE FUND FOR COUNTY GOVERNMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.