## Amendment - 1st Reading-white - Requested by: Llew Jones - (H) Appropriations

- 2023

68th Legislature 2023 Drafter: Pad McCracken, 406-444-3595 HB0587.001.001

1	HOUSE BILL NO. 587		
2	INTRODUCED BY L. JONES, E. BUTTREY, D. SALOMON, S. FITZPATRICK, G. HERTZ, D. ZOLNIKOV, I		
3	REGIER, D. LOGE, F. ANDERSON, S. VINTON, T. WELCH, J. ELLSWORTH, K. BOGNER, B. GILLESPIE,		
4	KASSMIER, D. BEDEY, B. LER, K. ZOLNIKOV, L. REKSTEN, K. WALSH, B. BARKER		
5			
6	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING SCHOOL FINANCE LAWS;		
7	ESTABLISHING A SCHOOL EQUALIZATION AND PROPERTY TAX REDUCTION ACCOUNT IN THE ST		
8	SPECIAL REVENUE FUND; PROVIDING THAT THE REVENUE FROM THE SCHOOL EQUALIZATION		
9	LEVIES IS DEPOSITED IN THE ACCOUNT AND THAT THE ACCOUNT IS THE SECOND SOURCE OF		
10	FUNDING FOR STATE EQUALIZATION AID FOLLOWING THE GUARANTEE ACCOUNT; PROVIDING		
11	ADJUSTMENTS TO SCHOOL FUNDING EQUALIZATION MECHANISMS BASED ON REVENUE		
12	DEPOSITED IN THE ACCOUNT; INCREASING THE COUNTY RETIREMENT GTB MULTIPLIER TO LOWE		
13	COUNTY PROPERTY TAXES; CLARIFYING AND PROVIDING A CAP ON BASE GTB ADJUSTMENTS		
14	FROM MARIJUANA REVENUE; REVISING DEFINITIONS; AMENDING SECTIONS 20-9-331, 20-9-333, 20-9		
15	360, 20-9-366, 20-9-525, AND 20-9-622, MCA; AND PROVIDING AN EFFECTIVE DATE EFFECTIVE DATES		
16	AND AN APPLICABILITY DATE."		
17			
18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:		
19			
20	NEW SECTION. Section 1. School equalization and property tax reduction account uses. (1)		
21	There is a school equalization and property tax reduction account in the state special revenue fund. Contingen		
22	on appropriation by the legislature, money in the account is for distribution to school districts as the second		
23	source of funding for state equalization aid as provided in 20-9-343. At fiscal yearend, any fund balance in the		
24	account exceeding what was appropriated must be transferred to the guarantee account established in 20-9-		
25	622.		
26	(2) The account receives revenue as described in 20-9-331, 20-9-333, and 20-9-360.		
27	(3) Beginning in fiscal year 2025, each December the superintendent of public instruction shall		
28	forecast the amount of revenue the account will receive in that fiscal year by dividing the sum of the taxable		



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1	Section	7. Section 20-9-622, MCA, is amended to read:
2	"20-9-62	2. Guarantee account. (1) There is a guarantee account in the state special revenue fund.
3	The guarantee a	ccount is intended to:
4	(a) s	stabilize the long-term growth of the permanent fund; and
5	(b) r	maintain a constant and increasing distributable revenue stream. All realized capital gains and
6	all distributable re	evenue must be deposited in the guarantee account. The guarantee account is statutorily
7	appropriated, as	provided in 17-7-502, for distribution to school districts through school as the first source of
8	funding for state	equalization aid as provided in 20-9-343.
9	(2)	Any excess interest and income revenue deposited in the guarantee account for distribution
10	under this section	n must be transferred to the school major maintenance aid account provided for in 20-9-525."
11		
12	NEW SE	CTION. Section 8. Codification instruction. [Section 1] is intended to be codified as an
13	integral part of Ti	tle 20, chapter 9, part 3, and the provisions of Title 20, chapter 9, part 3, apply to [section 1].
14		
15	NEW SE	CTION. Section 9. Effective date. [This act] is effective July 1, 2023.
16		
17	NEW SE	ECTION. Section 9. Effective dates. (1) Except as provided in subsection (2), [this act] is
18	effective on pass	age and approval.
19	(2)	Sections 1 through 4 and sections 6 through 8] are effective July 1, 2023.
20		
21	NEW SE	CCTION. Section 10. Applicability. The revisions in [section 5] impacting school retirement
22	guaranteed tax b	ase aid calculations apply to and are intended to increase school retirement guaranteed tax
23	base aid distribut	ted to counties in fiscal years beginning on or after July 1, 2023.
24		- END -

