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SENATE BILL NO. 442

INTRODUCED BY M. LANG, M. CUFFE, T. MCGILLVRAY, R. LYNCH, S. HINEBAUCH, D. LOGE, D. BARTEL, C. KNUDSEN, B. USHER, R. TEMPEL, B. LER, J. SCHILLINGER, K. SEEKINS-CROWE, M. MALONE, C. HINKLE, M. BINKLEY, R. MARSHALL, S. ESSMANN, R. MINER, G. PARRY, N. NICOL, P. FIELDER

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE DISTRIBUTION OF MARIJUANA TAXES; REVISING THE ALLOCATION OF THE MARIJUANA STATE SPECIAL REVENUE ACCOUNT; TRANSFERRING TAX REVENUE FROM MARIJUANA SALES TO THE DEPARTMENT OF TRANSPORTATION FOR THE FUNDING OF COUNTY ROAD CONSTRUCTION AND MAINTENANCE; PROVIDING A CALCULATION BASED ON THE ROAD MILES, STATE AND FEDERAL LAND AREA, AND BLOCK MANAGEMENT ACRES IN COUNTIES AND CONSOLIDATED CITY-COUNTIES; ESTABLISHING A HABITAT LEGACY ACCOUNT; REVISING THE MONTANA WILDLIFE HABITAT IMPROVEMENT ACT; AMENDING SECTIONS 15-70-101, AND 16-12-111, 87-5-801, 87-5-802, 87-5-803, 87-5-804, 87-5-806, 87-5-807, AND 87-5-808, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. County road habitat access account. (1) There is a county road habitat access account in the state special revenue fund established in 17-2-102. All funds received pursuant to 16-12-111(4)(b)(i)(H) must be deposited in the account.

(2) Money deposited in the account is subject to appropriation by the legislature and may be used only for funding the construction, reconstruction, maintenance, and repair of county roads in the manner provided in 15-70-101(4).

NEW SECTION. SECTION 2. HABITAT LEGACY ACCOUNT. (1) THERE IS A HABITAT LEGACY ACCOUNT IN THE STATE SPECIAL REVENUE FUND ESTABLISHED IN 17-2-102. ALL FUNDS RECEIVED PURSUANT TO 16-12-111(4)(B) MUST BE DEPOSITED IN THE ACCOUNT and transferred to the department of fish, wildlife, and parks.



Amendment - 1st Reading/2nd House-blue - Requested by: Mike Lang - (H) Taxation

- 2023

68th Legislature 2023

Drafter: Casey Pallister, (406) 444-3067

SB0442.002.001

1 (2) AT THE END OF EACH FISCAL YEAR, 75% OF THE FUNDS RECEIVED PURSUANT TO 16-12-111(4)(B)
2 MUST BE TRANSFERRED ~~TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO BE and~~ USED SOLELY AS FUNDING FOR
3 WILDLIFE HABITAT IN THE SAME MANNER AS FUNDING ~~GENERATED~~ UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-
4 209.

5 (3) IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO
6 ADMINISTER FUNDING ~~GENERATED~~ UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 EQUALS OR EXCEEDS
7 \$50,000,000, ADJUSTED ANNUALLY FOR INFLATION, THE TRANSFER MAY NOT BE MADE.

8 (4) IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO
9 ADMINISTER FUNDING ~~GENERATED~~ UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 IS LESS THAN \$50 MILLION,
10 ADJUSTED ANNUALLY FOR INFLATION, THEN AN AMOUNT LESS THAN OR EQUAL TO THE DIFFERENCE BETWEEN THE
11 UNOBLIGATED CASH BALANCE AND \$50 MILLION, ADJUSTED ANNUALLY FOR INFLATION, BUT NOT TO EXCEED 75% OF THE
12 TAXES RECEIVED PURSUANT TO 16-12-11(4)(B), MUST BE TRANSFERRED TO THE ACCOUNT SET UP TO ADMINISTER
13 FUNDING ~~GENERATED~~ UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209.

14 (5) THE INFLATION ADJUSTMENTS MADE UNDER THIS SECTION MUST BE BASED ON ANY CHANGE TO THE
15 CONSUMER PRICE INDEX FROM THE PREVIOUS YEAR. THE CONSUMER PRICE INDEX TO BE USED FOR CALCULATIONS IS
16 THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U).

17 (6) Twenty-five percent, and Any any AMOUNT ~~NOT TRANSFERRED ACCORDING TO above the cap~~
18 established in SUBSECTIONS (2) THROUGH (4), IS RETAINED IN THE HABITAT LEGACY ACCOUNT AND MUST BE USED
19 EXCLUSIVELY in the same manner as funding under 87-5-806 or 87-1-209. FOR:

20 (A) WILDLIFE HABITAT IMPROVEMENT PROJECTS PURSUANT TO 87-5-806; AND

21 (B) WILDLIFE HABITAT IN THE SAME MANNER AS FUNDING GENERATED UNDER 87-1-242(3) AND USED
22 PURSUANT TO 87-1-209.

23 (7) ANY INTEREST OR INCOME EARNED ON THE MONEY IN THE HABITAT LEGACY ACCOUNT MUST BE
24 DEPOSITED INTO THE ACCOUNT.

25 (8) ANY UNSPENT OR UNENCUMBERED MONEY IN THE HABITAT LEGACY ACCOUNT AT THE END OF A FISCAL
26 YEAR MUST REMAIN IN THE ACCOUNT.

27

28 **Section 3.** Section 15-70-101, MCA, is amended to read:

1 project area;

2 (c) ~~include a commitment to match at least 25% of a grant in cash, goods, or services; and~~

3 (d) ~~include measurable objectives and a monitoring plan to allow the department to analyze how~~

4 ~~noxious weed management is restoring, rehabilitating, improving, or managing land as wildlife habitat.~~

5 ~~(2)(1)~~ The council shall rank wildlife habitat improvement project proposals ~~according pursuant to 87-~~

6 ~~5-806 according to~~ rules adopted by the department pursuant to 87-5-808 and make funding recommendations

7 to the department.

8 ~~(3)(2)~~ In ranking the ~~proposals~~ projects, the council shall give preference to projects in wildlife habitat

9 that include:

10 (a) ~~access for public hunting~~ public access;

11 (b) ~~multiple partners and landowners~~ the number of project partners; and

12 (c) the amount of additional funding provided to carry out a project.

13 ~~(3)~~ Factors providing preference under subsection (2) may not be considered mandatory.

14 (c) ~~a commitment to match at least 25% of the final grant in cash.~~

15 (4) ~~Additional preference must be given to a project that proposes to:~~

16 (a) ~~address the primary spread of noxious weeds to adjacent areas of wildlife habitat with native~~

17 ~~plants;~~

18 (b) ~~include a significant portion of ecologically important wildlife habitat that is in need of restoration;~~

19 (c) ~~include a significant portion of a watershed; or~~

20 (d) ~~maintain native plants after project completion. (Terminates June 30, 2023--sec. 11, Ch. 342, L.~~

21 2017.)"

22

23 **SECTION 9. SECTION 87-5-806, MCA, IS AMENDED TO READ:**

24 **"87-5-806. (Temporary) Administration and expenditure of funds --~~cooperation with other~~**

25 **entities.** (1) (a) State, tribal, and federal agencies, as well as conservation districts, irrigation districts, grazing

26 associations, county weed boards, and 501(c)(3) organizations, may apply for project funding.

27 (2) The department may expend funds deposited under [section 2] and pursuant to 87-5-805

28 through grants or contracts in order to: communities, noxious weed management districts, conservation

1 districts, nonprofit organizations exempt from taxation under 26 U.S.C. 501(c)(3), or other entities that it
2 considers appropriate for wildlife habitat improvement projects.

3 (b)(a) The department shall consider project recommendations from the council. improve, conserve,
4 protect, and maintain terrestrial habitat;

5 (c)(b) The department may cooperate in and coordinate the planning and disbursement of these
6 funds with federal, state, and local agencies responsible for the management of noxious weeds. improve,
7 conserve, and maintain aquatic habitat;

8 (c) participate in water enhancement projects to benefit aquatic habitat and allow for other
9 watershed enhancements that benefit fish, wildlife, and water conservation;

10 (d) improve and maintain range conditions, restoration of habitat, and drought resilience designed
11 to create habitat uplift on private, public, and tribal lands;

12 (e) address and mitigate impacts that are detrimental to wildlife habitat and the environment and
13 improve the condition of the land due to noxious weeds, soil disturbance, and loss of diverse habitat
14 communities;

15 (f) mitigate conflicts and reduce potential for disease transmission between wildlife and domestic
16 livestock;

17 (g) help fund activities and employees of the state tribal wildlife programs; and

18 (h) create habitat uplift and net conservation gain for species of conservation need.

19 (2) ~~A project is eligible to receive funds only if the county in which the project occurs has funded its~~
20 ~~own weed management program using one of the following methods, whichever is less:~~

21 (a) ~~levying an amount of not less than 1.6 mills or an equivalent amount from another source; or~~

22 (b) ~~appropriating an amount of not less than \$100,000 from any source.~~

23 (3) ~~The department may expend money deposited pursuant to 87-5-805 to:~~

24 (a) ~~restore, rehabilitate, improve, or manage areas of land as wildlife habitat by controlling noxious~~
25 ~~weeds;~~

26 (b) ~~acquire goods and services that will help control noxious weeds in order to restore, rehabilitate,~~
27 ~~improve, or manage land as wildlife habitat;~~

28 (c) ~~fund cost share noxious weed management programs with local noxious weed management~~

1 districts; or

2 ~~(d) provide special grants to local noxious weed management districts to eradicate or contain~~

3 ~~significant noxious weeds newly introduced into the county that affect wildlife habitat.~~

4 ~~(4) Expenditures allowed pursuant to subsection (3) are limited to:~~

5 ~~(a) biological or mechanical control of noxious weeds;~~

6 ~~(b) purchases and application of approved herbicides;~~

7 ~~(c) seed purchases and application of seed; and~~

8 ~~(d) grazing costs as a component of an overall integrated noxious weed management plan.~~

9 ~~(5)(3)~~ The department may expend the funds deposited pursuant to [section 2] 87-5-805 to pay costs

10 incurred by the department for administering this part and providing support to the council, including but not

11 limited to personal services costs, operating costs, and other administrative costs. ~~After fiscal year 2019,~~

12 ~~administrative~~ Administrative costs may not exceed 15% of the total amount expended pursuant to subsection

13 ~~(3) (2)~~. (Terminates June 30, 2023--sec. 11, Ch. 342, L. 2017.)

14 (4) Any funds used pursuant to an appropriation of special federal reserve funding as described in

15 87-5-505 must comply with 50 CFR, chapter 1, subchapter F, part 80."

16

17 **SECTION 10. SECTION 87-5-807, MCA, IS AMENDED TO READ:**

18 **"87-5-807. (Temporary) Reporting -- evaluations.** (1) A project sponsor shall:

19 (a) monitor and document the timelines, progress, and results of the project;

20 (b) evaluate the overall effectiveness of the project; and

21 (c) provide project and fiscal reports as required by contract.

22 (2) The ~~department~~ council department shall:

23 (a) conduct field evaluations of projects;

24 (b) require a project sponsor to initiate corrective action if an evaluation finds inadequacies in the

25 project's progress or fiscal reporting; and

26 (c) on or before September 1 of each year preceding the convening of a regular session of the

27 legislature, provide a report to the ~~environmental quality council~~ legislature in accordance with 5-11-210. The

28 report must include:

- 1 (i) an overview of the program;
- 2 (ii) a listing of projects funded during the reporting period;
- 3 (iii) an analysis of how projects funded are ~~improving wildlife habitat~~ meeting the goals of 87-5-804;
- 4 and
- 5 (iv) a summary of past and current funding. (Terminates June 30, 2023--sec. 11, Ch. 342, L.
- 6 2017.)"

7

8 **SECTION 11. SECTION 87-5-808, MCA, IS AMENDED TO READ:**

9 **"87-5-808. (Temporary) Rulemaking authority.** The department shall adopt rules as proposed by
 10 the council to implement this part, including a scoring system for ranking projects proposed to the council under
 11 87-5-804. (Terminates June 30, 2023--sec. 11, Ch. 342, L. 2017.)"

12

13 **NEW SECTION. SECTION 12. Codification instruction.** (1) [Section 1] is intended to be codified as
 14 an integral part of Title 15, chapter 70, part 1, and the provisions of Title 15, chapter 70, part 1, apply to [section
 15 1].

16 **(2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 87, CHAPTER 5, AND THE**
 17 **PROVISIONS OF TITLE 87, CHAPTER 5, APPLY TO [SECTION 2].**

18

19 **NEW SECTION. SECTION 13. SEVERABILITY.** IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT
 20 ARE SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS
 21 APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID
 22 APPLICATIONS.

23

24 **NEW SECTION. SECTION 14. Effective date.** [This act] is effective July 1, 2023.

25

- END -