

HOUSE BILL NO. 883

INTRODUCED BY L. JONES, T. MOORE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING STATE FINANCE; MODIFYING CALCULATIONS FOR TRANSFER AND TERMS OF USE OF THE FIRE SUPPRESSION ACCOUNT; PROVIDING FOR A TRANSFER OF FUNDS; ESTABLISHING REPORTING REQUIREMENTS; AMENDING SECTION 76-13-150, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 76-13-150, MCA, is amended to read:

**"76-13-150. Fire suppression account -- fund transfer.** (1) There is a fire suppression account in the state special revenue fund to the credit of the department.

(2) The legislature may transfer money from other funds to the account, and the money in the account is subject to legislative fund transfers.

(3) Funds received for restitution by private parties must be deposited in the account.

(4) Money in the account may be used only for:

(a) fire suppression costs;

(b) fuel reduction and mitigation;

(c) forest restoration;

(d) grants for the purchase of fire suppression equipment for county cooperatives;

(e) forest management projects on federal land;

(f) support for collaborative groups that include at least one representative of an affected county commission that is engaged with a federal forest project and for local governments engaged in litigation related to federal forest projects; ~~and~~

(g) road maintenance on federal lands; and

(h) fire preparedness.

~~(5) Interest earned on the balance of the account is retained in the account.~~

1           ~~(6)(5)~~ — Except as provided in subsections (7) and (8), by August 15 following the end of each fiscal  
2 year, an amount equal to the balance of unexpended and unencumbered general fund money appropriated in  
3 excess of 0.5% of the total general fund money appropriated for that fiscal year must be transferred by the state  
4 treasurer from the general fund to the fire suppression account. General fund appropriations that continue from  
5 a fiscal year to the next fiscal year and any general fund appropriations made pursuant to 10-3-310 or 10-3-312  
6 are excluded from the calculation.

7           ~~(6)(5)~~ In an even-numbered calendar year, after the transfers made pursuant to 17-7-130 and  
8 ~~subsection (5) of this section~~, if the preliminary general fund ending fund balance at fiscal yearend was greater  
9 ~~than 45% 8.3% of all general fund appropriations in the second year of the biennium and the fire fund balance~~  
10 ~~is less than 4% of all general fund appropriations in the second year of the biennium~~, then the state treasurer  
11 ~~shall transfer from the general fund to the fire suppression account funds sufficient to bring the fire suppression~~  
12 ~~fund balance to 5% 6% of all general fund appropriations in the second year of the biennium. THE TRANSFER~~  
13 ~~MAY NOT CAUSE THE GENERAL FUND ENDING FUND BALANCE TO HAVE A BALANCE OF LESS THAN 8.3% OF ALL GENERAL~~  
14 ~~FUND APPROPRIATIONS IN THE SECOND YEAR OF THE BIENNIUM.~~

15           ~~(7)(6)~~ The provisions of subsection ~~(6)(5)~~ do not apply in a fiscal year in which reductions required by  
16 17-7-140 occur or if a transfer pursuant to subsection ~~(6)(5)~~ would require reductions pursuant to 17-7-140.

17           ~~(8)~~ — The fund balance in the account may not exceed 4% of all general fund appropriations in the  
18 second year of the biennium.

19           ~~(9)~~ — By August 15 of each even-numbered fiscal year, ~~After the transfers made pursuant to 17-7-~~  
20 ~~130 and subsections (5) and (6) of this section~~, if

21           ~~(7)~~ ~~FOR ONLY THE BIENNIUM BEGINNING JULY 1, 2023, IF~~ IF the balance in the account at the end of  
22 the most recently completed ~~odd-numbered~~ ODD-NUMBERED fiscal year exceeds \$40 million, the excess, up to  
23 \$5 million, ~~exceeds 3% of all general fund appropriations in the second year of the biennium, then up to 0.5%~~  
24 ~~1% must be used in the biennium~~ OF ALL GENERAL FUND APPROPRIATIONS IN THE SECOND YEAR OF THE BIENNIUM  
25 MAY BE USED AND IS STATUTORILY APPROPRIATED FROM THE FIRE SUPPRESSION ACCOUNT for the purposes in  
26 subsections (4)(b) through (4)(g) ~~each year~~. Of that amount, no more than 5% may be used for the purposes of  
27 subsection (4)(f).

28           ~~(10)~~ — ~~The maximum annual expenditure for the item in subsection (4)(h) is 0.5% of all general fund~~

1 ~~appropriations in the second year of the biennium.~~

2 (8) FOR ONLY THE BIENNIUM BEGINNING JULY 1, 2023, UP TO 0.5% OF ALL GENERAL FUND

3 APPROPRIATIONS IN THE SECOND YEAR OF THE BIENNIUM IS STATUTORILY APPROPRIATED FROM THE FIRE SUPPRESSION

4 ACCOUNT EACH YEAR AND MAY BE USED EACH YEAR FOR THE ITEM IN SUBSECTION (4)(H).

5 ~~(10)(11)(9)~~ Money in the account is statutorily appropriated, as provided in 17-7-502, to the department  
6 for the purposes described in subsection (4)(A)."

7

8 NEW SECTION. SECTION 2. REPORTING BY THE DEPARTMENT OF NATURAL RESOURCES AND

9 CONSERVATION. BY NOVEMBER 1 OF EACH FISCAL YEAR OF THE BIENNIUM BEGINNING JULY 1, 2023, THE DEPARTMENT

10 OF NATURAL RESOURCES AND CONSERVATION SHALL REPORT TO THE ENVIRONMENTAL QUALITY COUNCIL AND THE

11 NATURAL RESOURCES AND TRANSPORTATION BUDGET COMMITTEE ABOUT THE EXPENDITURES MADE PURSUANT TO EACH

12 SUBSECTION OF 76-13-150(4) FOR THAT FISCAL YEAR.

13

14 NEW SECTION. Section 3. TRANSFER OF FUNDS. BY JUNE 30, 2023, THE STATE TREASURER SHALL

15 TRANSFER \$152 MILLION FROM THE GENERAL FUND TO THE FIRE SUPPRESSION ACCOUNT PROVIDED FOR IN 76-13-150.

16

17 ~~NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2023.~~

18

19 COORDINATION SECTION. SECTION 4. COORDINATION INSTRUCTION. IF BOTH HOUSE BILL NO. 587 AND

20 [THIS ACT] ARE PASSED AND APPROVED, THEN [SECTION 1 OF THIS ACT], AMENDING 76-13-150, IS VOID AND 76-13-150

21 MUST BE AMENDED AS FOLLOWS:

22 **"76-13-150. Fire suppression account -- fund transfer.** (1) There is a fire suppression account in  
23 the state special revenue fund to the credit of the department.

24 (2) The legislature may transfer money from other funds to the account, and the money in the  
25 account is subject to legislative fund transfers.

26 (3) Funds received for restitution by private parties must be deposited in the account.

27 (4) Money in the account may be used only for:

28 (a) fire suppression costs;

- 1 (b) fuel reduction and mitigation;  
2 (c) forest restoration;  
3 (d) grants for the purchase of fire suppression equipment for county cooperatives;  
4 (e) forest management projects on federal land;  
5 (f) support for collaborative groups that include at least one representative of an affected county  
6 commission that is engaged with a federal forest project and for local governments engaged in litigation related  
7 to federal forest projects; and

8 (g) road maintenance on federal lands; and

9 (h) fire preparedness.

10 ~~(5) Interest earned on the balance of the account is retained in the account.~~

11 ~~(6) Except as provided in subsections (7) and (8), by August 15 following the end of each fiscal year,~~  
12 ~~an amount equal to the balance of unexpended and unencumbered general fund money appropriated in excess~~  
13 ~~of 0.5% of the total general fund money appropriated for that fiscal year must be transferred by the state~~  
14 ~~treasurer from the general fund to the fire suppression account. General fund appropriations that continue from~~  
15 ~~a fiscal year to the next fiscal year and any general fund appropriations made pursuant to 10-3-310 or 10-3-312~~  
16 ~~are excluded from the calculation.~~

17 ~~(7)(5) In an even-numbered calendar year, after the transfers made pursuant to 17-7-130, if the~~  
18 ~~preliminary general fund ending balance at fiscal yearend was greater than 8.3% of all general revenue~~  
19 ~~appropriations in the second year of the biennium, then the state treasurer shall transfer from the general fund~~  
20 ~~to the fire suppression account funds sufficient to bring the fire suppression account fund balance to 6% of the~~  
21 ~~general revenue appropriations in the second year of the biennium. The transfer may not cause the general~~  
22 ~~fund ending fund balance to have a balance of less than 8.3% of all general revenue appropriations in the~~  
23 ~~second year of the biennium.~~

24 (6) The provisions of subsection ~~(6)~~ (5) do not apply in a fiscal year in which reductions required by  
25 17-7-140 occur or if a transfer pursuant to subsection ~~(6)~~ (5) would require reductions pursuant to 17-7-140.

26 ~~(8) The fund balance in the account may not exceed 4% of all general fund appropriations in the~~  
27 ~~second year of the biennium.~~

28 ~~(9)(7) By August 15 of each even-numbered fiscal year, if~~ If the balance in the account at the end of

1 the most recently completed odd-numbered fiscal year exceeds ~~\$40 million, the excess, up to \$5 million, 3% of~~  
2 all general revenue appropriations in the second year of the biennium, then up to 1% of all general revenue  
3 appropriations in the second year of the biennium may be used and is statutorily appropriated from the fire  
4 suppression account ~~must be used in the biennium~~ for the purposes in subsections (4)(b) through (4)(g). Of that  
5 amount, no more than 5% may be used for the purposes of subsection (4)(f).

6 (8) For the biennium beginning July 1, 2023, up to 0.5% of all general revenue appropriations in  
7 the second year of the biennium is statutorily appropriated from the fire suppression account each year and  
8 may be used each year to the department for the item in subsection (4)(h).

9 ~~(4)(9)~~ Money in the account is statutorily appropriated, as provided in 17-7-502, to the department for  
10 the purposes described in subsection (4)."  
11

12 COORDINATION SECTION. SECTION 5. COORDINATION INSTRUCTION. IF BOTH HOUSE BILL NO. 424 AND  
13 [THIS ACT] ARE PASSED AND APPROVED, AND BOTH CONTAIN A COORDINATION PROVISION AMENDING 76-13-150, THEN  
14 THE COORDINATION PROVISION AMENDING 76-13-150 IN HOUSE BILL NO. 424 IS VOID.

15  
16 NEW SECTION. Section 6. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

17 - END -