

1 124 and as provided in subsection (5)(b) of this section, the department shall determine the expenditures by
 2 state agencies for in-state lodging for each reporting period and deduct 1% of that amount from the tax
 3 proceeds received each reporting period. The department shall distribute the portion of the 1% that was paid
 4 with federal funds to the agency that made the in-state lodging expenditure and deposit 30% of the amount
 5 deducted less the portion paid with federal funds in the state general fund.

6 (b) The balance of the tax proceeds received each reporting period and not distributed to agencies
 7 that paid the tax with federal funds must be transferred to an account in the state special revenue fund to the
 8 credit of the department of commerce for tourism promotion and promotion of the state as a location for the
 9 production of motion pictures and television commercials, to the department of fish, wildlife, and parks, and to
 10 the state-tribal economic development commission as follows:

11 (i) 7% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that
 12 have both resident and nonresident use;

13 (ii) 68.5% to be used directly by the department of commerce;

14 (iii) (A) except as provided in subsection (5)(b)(iii)(B), 24% to be distributed by the department of
 15 commerce to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism
 16 region to the total proceeds collected statewide; and

17 (B) if 24% of the proceeds collected annually within the limits of a city, consolidated city-county, resort
 18 area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional
 19 nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area
 20 district is located to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-
 21 county, resort area, or resort area district; and

22 (iv) 0.5% to the state special revenue account provided for in 90-1-135 for use by the state-tribal
 23 economic development commission established in 90-1-131 for activities in the Indian tourism region.

24 (6) The tax proceeds received that are transferred to a state special revenue account pursuant to
 25 subsection (5)(b) are allocated to the entities."

26

27 **Section 2.** Section 22-3-1303, MCA, is amended to read:

28 **"22-3-1303. (Effective January 1, 2020) Account -- Montana heritage center construction.** There

1 is an account in the capital projects fund established in 17-2-102 known as the Montana heritage center
2 construction account. The tax collections allocated in 15-68-820(3)(a) must be deposited in the account until
3 December ~~30~~31, 2024. The money in the account is authorized to the department of administration and may
4 be used only for capital construction of the Montana heritage center."
5
6

- END -

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