

1 SENATE BILL NO. 28
2 INTRODUCED BY M. LANG
3 BY REQUEST OF THE ENVIRONMENTAL QUALITY COUNCIL
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING TAX REVENUE FROM MARIJUANA SALES TO
6 THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS TO
7 CONSERVATION DISTRICTS; PROVIDING FOR AN INFLATION-ADJUSTED INCREASE; AMENDING
8 SECTIONS 16-12-111 AND 76-15-106, MCA; AND PROVIDING AN EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
11

12 **Section 1.** Section 16-12-111, MCA, is amended to read:

13 **"16-12-111. Marijuana state special revenue account -- operating reserve -- transfer of excess**
14 **funds.** (1) There is a dedicated marijuana state special revenue account ~~within~~ in the state special revenue
15 fund established in 17-2-102, to be administered by the department.

16 (2) The account consists of:

17 (a) money deposited into the account pursuant to this chapter;

18 (b) the taxes collected pursuant to Title 15, chapter 64, part 1;

19 (c) license and registered cardholder fees deposited into the account pursuant to this chapter;

20 (d) taxes deposited into the account pursuant to 16-12-310; and

21 (e) civil penalties collected under this chapter.

22 (3) Except as provided in subsection (4), money in the account must be used by the department
23 for the purpose of administering the provisions of this chapter.

24 (4) At the end of each fiscal year, the department shall transfer funds in excess of a 3-month
25 operating reserve necessary to fund operating costs at the beginning of the next fiscal year in the following
26 order:

27 (a) an amount not to exceed \$6 million must be transferred to the healing and ending addiction
28 through recovery and treatment (HEART) account established in 16-12-122;

Amendment - 1st Reading-white - Requested by: John Esp - (S) Finance and Claims

68th Legislature

Drafter: Joe Kolman, 406-444-3747

SB0028.001.001

1 ~~revenue with actual revenue received. If revenue is received above the anticipated amount, the transfer in the~~
2 ~~following fiscal year shall adjust for the unanticipated amount. If revenue is received below the anticipated~~
3 ~~amount, the state treasurer shall transfer the amount of the revenue shortfall from the general fund to the~~
4 ~~conservation district special revenue account. (Terminates June 30, 2023—sec. 5, Ch. 138, L. 2021.)~~

5 **76-15-106. (Effective July 1, 2023) Conservation district account.** (1) There is a conservation
6 district account in the state special revenue fund established by 17-2-102 to be administered by the department
7 of natural resources and conservation for providing funding for conservation districts.

8 (2) There must be deposited in the account:

9 (a) coal severance taxes pursuant to 15-35-108(4); and

10 (b) from the dedicated marijuana state special revenue account established in 16-12-111, the

11 difference between the amount allocated pursuant to subsection (2)(a) of this section and:

12 (i) \$3.75 million in fiscal year 2024;

13 (ii) \$4.5 million in fiscal year 2025;

14 (iii) \$5.25 million in fiscal year 2026;

15 (iv) \$6 million in fiscal year 2027; and

16 (v) \$6 million each year after adjusted annually for inflation using the method provided for in 15-10-

17 420(1)."

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19 **NEW SECTION. Section 3. Effective date.** [This act] is effective July 1, 2023.

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