

**Amendment - 1st Reading/2nd House-blue - Requested by: Llew Jones - (S) Finance and Claims**

- 2023

68th Legislature 2023

Drafter: Julie Johnson, 406-444-4024

HB0883.002.001

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; 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.

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

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

~~(6)(5) In an even-numbered calendar year, after the transfers made pursuant to 17-7-130 and subsection (5) of this section, if the preliminary general fund ending fund balance at fiscal yearend was greater than 15% 8.3% of all general fund appropriations in the second year of the biennium and the fire fund balance is less than 4% of all general fund appropriations in the second year of the biennium, then the state treasurer shall transfer from the general fund to the fire suppression account funds sufficient to bring the fire suppression fund balance to 5%-6% of all general fund appropriations in the second year of the biennium. THE TRANSFER MAY NOT CAUSE THE GENERAL FUND ENDING FUND BALANCE TO HAVE A BALANCE OF LESS THAN 8.3% OF ALL GENERAL FUND APPROPRIATIONS IN THE SECOND YEAR OF THE BIENNIUM.~~

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

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

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

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

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~~(10) The maximum annual expenditure for the item in subsection (4)(h) is 0.5% of all general fund appropriations in the second year of the biennium.~~

~~(8) FOR ONLY THE BIENNIUM BEGINNING JULY 1, 2023, UP TO 0.5% OF ALL GENERAL FUND APPROPRIATIONS IN THE SECOND YEAR OF THE BIENNIUM IS STATUTORILY APPROPRIATED FROM THE FIRE SUPPRESSION ACCOUNT EACH YEAR FOR THE ITEM IN SUBSECTION (4)(H).~~

~~(40)(11)(9) Money in the account is statutorily appropriated, as provided in 17-7-502, to the department for the purposes described in subsection (4)(A)."~~

NEW SECTION. Section 2. TRANSFER OF FUNDS. BY JUNE 30, 2023, THE STATE TREASURER SHALL TRANSFER \$152 MILLION FROM THE GENERAL FUND TO THE FIRE SUPPRESSION ACCOUNT PROVIDED FOR IN 76-13-150.

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

COORDINATION SECTION. Section 3. Coordination instruction. If both House Bill No. 587 and [this act] are passed and approved, then [section 1 of this act], amending 76-13-150, is void and 76-13-150 must be amended as follows:

**"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;

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(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.~~

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

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

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

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

(9)(7) By August 15 of each even-numbered fiscal year For only the biennium beginning July 1, 2023,  
if the balance in the account at the end of the most recently completed odd-numbered fiscal year exceeds ~~\$40~~  
million, the excess, up to \$5 million, 3% of all general revenue appropriations in the second year of the  
biennium, then up to 1% of all general revenue appropriations in the second year of the biennium is statutorily

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1 ~~appropriated from the fire suppression account must be used in the biennium~~ for the purposes in subsections  
2 (4)(b) through (4)(g). Of that amount, no more than 5% may be used for the purposes of subsection (4)(f).

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

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

8  
9 NEW SECTION. Section 4. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

10 - END -