

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE MONTANA WATER DEVELOPMENT STATE
5 SPECIAL REVENUE ACCOUNT; ALLOWING FOR AUTHORIZED EXPENDITURES RELATED TO WATER
6 DEVELOPMENTS; PROVIDING FOR FUND TRANSFERS; AMENDING SECTIONS 15-38-302 AND 85-1-631,
7 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 **NEW SECTION. Section 1. Montana water development state special revenue account.** (1) (a)

12 There is a Montana water development state special revenue fund as provided for in 17-2-102.

13 (b) The fund retains its own interest.

14 (c) The account is composed of revenue gifted to the state or transferred to the account by the
15 legislature and interest generated by the account.

16 (2) Ninety percent of the earnings from the investment must be distributed to the water storage
17 state special revenue account established in 85-1-631. Ten percent of the earnings from the investment must
18 be distributed to the natural resources projects state special revenue account established in 15-38-302 to be
19 used for water storage pilot projects and dam inspections required under 85-15-213.

20
21 **Section 2.** Section 15-38-302, MCA, is amended to read:

22 **"15-38-302. Natural resources projects state special revenue account created -- revenue**
23 **allocated -- limitations on appropriations from account.** (1) There is a natural resources projects state
24 special revenue account within the state special revenue fund established in 17-2-102.

25 (2) There must be paid into the natural resources projects state special revenue account ~~money~~
26 allocated from:

27 (a) the interest income of the resource indemnity trust fund under the provisions of 15-38-202;

28 (b) the resource indemnity and ground water assessment tax under the provisions of 15-38-106;

- 1 (c) the oil and natural gas production tax as provided in 15-36-331; and
- 2 (d) the excess of the coal severance tax proceeds allocated by 85-1-603 to the renewable
- 3 resource loan debt service fund above debt service requirements as provided in and subject to the conditions of
- 4 85-1-619; and
- 5 (e) ten percent of the interest earned from the Montana water development state special revenue
- 6 account established in [section 1] to be used for water storage pilot projects and dam inspections required
- 7 under 85-15-213.

8 (3) Appropriations may be made from the natural resources projects state special revenue account

9 for grants and loans for designated projects and the activities authorized in 85-1-602 and 90-2-1102."

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11 **Section 3.** Section 85-1-631, MCA, is amended to read:

12 **"85-1-631. Water storage state special revenue account created -- revenues allocated --**

13 **appropriations from account.** (1) There is a water storage state special revenue account within the state

14 special revenue fund established in 17-2-102.

15 (2) There must be paid into the water storage state special revenue account:

16 (a) for the biennium beginning July 1, 2007, the proceeds of the resource indemnity and ground

17 water assessment tax as provided in 15-38-106; and

18 (b) money allocated from the resource indemnity trust fund interest earnings pursuant to 15-38-202

19 and all revenue of the works and other money as provided in 85-1-332; and

20 (c) ninety percent of the interest earned from the Montana water development state special

21 revenue account established in [section 1].

22 (3) All revenue provided from 85-1-332(1)(e) and (1)(f) deposited in the water storage state special

23 revenue account must be appropriated solely for the construction, operation, rehabilitation, expansion,

24 maintenance, and modification of state-owned water storage projects.

25 (4) Money that was not encumbered or expended from the water storage state special revenue

26 account during the previous biennium must remain in the account.

27 (5) Deposits to the water storage state special revenue account must be placed in short-term

28 investments and accrue interest, which must be deposited in the water storage state special revenue account.

