_____ BILL NO. _____

INTRODUCED BY _____
(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: “AN ACT REVISING SALES TAX LAWS; PROVIDING FOR THE LOCAL OPTION PROPERTY TAX RELIEF ACT; PROVIDING FOR A LOCAL OPTION TAX; AUTHORIZING CERTAIN LOCAL GOVERNMENTS BY VOTE OF THE ELECTORATE TO ADOPT A LOCAL OPTION TAX; PROVIDING THAT THE LOCAL OPTION TAX REVENUE MUST BE USED FOR PROPERTY TAX RELIEF FOR PRIMARY RESIDENCES AND LONG-TERM RENTALS; PROVIDING THAT A PORTION OF THE REVENUE IS DISTRIBUTED TO LOCAL GOVERNMENTS THAT DO NOT LEVY A LOCAL OPTION TAX; PROVIDING FOR DISTRIBUTION OF A PORTION OF LODGING AND RENTAL CAR SALES TAX REVENUE TO A LOCAL GOVERNMENT THAT LEVIES A LOCAL OPTION TAX; PROVIDING DEFINITIONS; PROVIDING A STATUTORY APPROPRIATION; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 2-7-503, 15-65-112, 15-68-502, 15-68-820, 17-7-502, 22-3-1303, 22-3-1304, AND 22-3-1307, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE.”

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

NEW SECTION. **Section 1. Short title.** [Sections 1 through 10] may be cited as the "Local Option Property Tax Relief Act".

NEW SECTION. **Section 2. Local option tax -- definitions.** As used in [sections 1 through 10], the following definitions apply:

(1) "Governing body" means the governing body of a consolidated city-county or a county in which a local option tax is proposed or approved.

(2) "Grooming and hygiene products" means soaps and cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants, feminine hygiene products, and suntan lotions and sunscreens.

(3) "Long-term rental" means class four residential property:

(a) that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home,

or mobile home and the parcel on which the long-term rental improvements are located but not including any contiguous or adjacent parcels;

(b) that an owner can demonstrate was rented for periods of 28 days or more for at least 9 months in each tax year for which property tax relief is claimed;

(c) that is occupied by tenants who use the dwelling as a residence during the year in which property tax relief is claimed; and

(d) for which the owner is current on payment of the assessed Montana property taxes when claiming the property tax relief.

(4) "Medical supplies" means items that are sold to be used for curative, prosthetic, or medical maintenance purposes, whether or not prescribed by a physician.

(5) "Medicine" means substances sold for curative or remedial properties, including both physician prescribed and over-the-counter medications.

(6) "Outfitting or guiding service" means a service provided for money by a guide or outfitter as those terms are defined in 37-47-101

(7) "Owner" includes a purchaser under a contract for deed as defined in 70-20-115, a grantor of a trust indenture as defined in 71-1-303, and the trustee of a grantor trust that is revocable as defined in 72-38-103.

(8) (a) "Primary residence" means a class four residential property:

(i) that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home and the parcel on which the principal residence improvements are located but not including any contiguous or adjacent parcels;

(ii) in which an owner can demonstrate the owner owned and lived for at least 7 months of the year;

(iii) that is the only residence the owner claims as a primary residence for the year; and

(iv) for which the owner made payment of the assessed Montana property taxes.

(b) An owner who cannot meet the requirements of subsection (8)(a)(ii) because the owner's primary residence changed during the tax year to another primary residence may still qualify as a primary residence if the owner paid the Montana property taxes while residing in each primary residence for a total of at

least 7 consecutive months for each tax year.

(9) "SNAP-eligible" means a food product eligible for the supplemental nutrition assistance program under 7 U.S.C. 51.

NEW SECTION. **Section 3. Local option taxing authority -- specific delegation.** (1) As required by 7-1-112, [sections 1 through 10] specifically delegate to the qualified electors of each respective consolidated city-county or county the power to authorize their consolidated city-county or county to impose a local option tax within the boundary of the consolidated city-county or county.

(2) The power to impose a local option tax does not include the power to levy a franchise fee on utilities or cooperatives based on their revenue.

NEW SECTION. **Section 4. Limit on local option tax rate -- goods and services subject to tax.** (1) Except as provided in [section 10(2)], the rate of a local option tax and the goods and services subject to the tax must be established by the election petition or resolution provided for in [section 5], but the rate may not exceed 4%.

(2) (a) The local option tax is a tax on the retail value of goods and services sold, except for goods and services sold for resale, within the boundary of the consolidated city-county or county, and may include:

(i) purchases at restaurants, fast food stores, and other food service establishments;

(ii) purchases at taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink;

(iii) food products that are not SNAP-eligible;

(iv) airport landings; and

(v) outfitting or guiding services.

(b) A local option tax may not be levied on accommodations, sales of rental vehicles, cleaning supplies, grooming and hygiene products, medical supplies, medicine, paper products, or pet food.

(3) Establishments that sell goods or services subject to the tax shall collect the tax.

NEW SECTION. **Section 5. Local option tax -- election required -- procedure -- notice.** (1) A

consolidated city-county or county may not impose or, except as provided in [section 7], amend or repeal a local option tax unless the local option tax question has been submitted to the electorate of the consolidated city-county or county and approved by the electors voting on the question as provided in [section 6].

(2) The local option tax question may be presented to the electors of:

(a) a consolidated city-county by a petition of electors, as provided in 7-5-131 through 7-5-135 and 7-5-137, or by a resolution of the governing body of the consolidated city-county; or

(b) a county by a petition of electors, as provided in 7-5-131 through 7-5-135 and 7-5-137, or by a resolution of the board of county commissioners.

(3) The petition or resolution referring the local option tax question must state:

(a) the rate of the local option tax, which may not exceed 4%;

(b) the duration of the local option tax, which may not exceed 10 years;

(c) the date the local option tax becomes effective, which may not be earlier than 90 days after the election; and

(d) subject to [section 8], the purposes that may be funded by the local option tax revenue.

(4) On passage of a resolution or on receipt of an adequate petition, the governing body shall place the local option tax question on the ballot at the next regularly scheduled general election held in an even-numbered year.

(5) Notice of the election must be accomplished as provided in 13-1-108 and must include the information contained in subsection (3) of this section.

NEW SECTION. **Section 6. Determination of approval or rejection of local option tax.** (1) A local option tax question, including the imposition, amendment, or repeal of a local option tax, is determined as follows:

(a) The county clerk shall:

(i) determine the total number of electors of the consolidated city-county or county who are qualified to vote from the list of electors supplied by the county clerk on the local option tax question;

(ii) determine the total number of qualified electors voting in the election that includes the local option tax question from the tally sheets for the election; and

(iii) calculate the percentage of qualified electors voting in the election by dividing the amount determined in subsection (1)(a)(ii) by the amount determined in subsection (1)(a)(i).

(b) When the percentage calculated according to subsection (1)(a)(iii) is 40% or more, the local option tax question is approved if a majority of the votes were cast in favor of the question and is rejected if less than a majority were cast in favor.

(c) If fewer than 40% of qualified electors vote in the election that includes the local option tax question, the question is rejected.

(2) If the canvass of the vote establishes the approval of the local option tax question, the county clerk shall issue a certificate proclaiming the approval of the local option tax question.

NEW SECTION. **Section 7. Local option tax administration -- tax holiday -- penalties.** (1) Not less than 30 days prior to the date that the local option tax becomes effective, the governing body shall enact an administrative ordinance governing the collection and reporting of the local option tax. The administrative ordinance may be amended at any time as needed to effectively administer the local option tax.

(2) The administrative ordinance must specify:

(a) the times that local option taxes collected by businesses are to be remitted to the governing body;

(b) the office, officer, or employee of the governing body responsible for receiving and accounting for the local option tax receipts;

(c) the office, officer, or employee of the governing body responsible for enforcing the collection of the local option tax and the methods and procedures to be used in enforcing the collection of local option taxes due;

(d) an application process for claiming property tax relief under [section 9]; and

(e) the penalties for failure to report local option taxes due, failure to remit taxes due, and violations of the administrative ordinance. The penalties may include:

(i) criminal penalties not to exceed a fine of $1,000 or 6 months' imprisonment, or both;

(ii) if the governing body prevails in a suit for the collection of local option taxes, civil penalties not to exceed 50% of the local option taxes found due plus the costs and attorney fees incurred by the governing

body in the action;

(iii) revocation of a county business license held by the offender; and

(iv) any other penalties that may apply for violation of an ordinance.

(3) The administrative ordinance may include:

(a) further clarification and specificity in the categories of goods that are subject to the local option tax consistent with [section 4];

(b) authorization for business administration and prepayment discounts, including allowing each vendor and commercial establishment to:

(i) withhold up to 0.25% of the local option taxes collected to defray the costs of administering the tax collection; or

(ii) receive a refund of up to 0.25% of the local option tax payment received from the vendor or establishment by the governing body 10 days prior to the collection due date established by the administrative ordinance;

(c) a provision specifying 3 days per year when the local option tax will not be collected; and

(d) other administrative details needed to efficiently and effectively administer the tax.

(4) Not less than 90 days prior to the date that the local option tax becomes effective, the consolidated city-county or county shall notify the department of revenue of the results of the election and coordinate with the department to facilitate the transfer of local option tax revenue pursuant to [section 8].

NEW SECTION. **Section 8. Distribution of local option tax proceeds.** The proceeds of a local option tax imposed by a consolidated city-county or county must be used as follows:

(1) 90% to provide property tax relief as provided in [section 9];

(2) 9.75% to the local option tax distribution account provided for in [section 11] for property tax relief in consolidated city-counties and counties that do not levy a local option tax; and

(3) 0.25% of the proceeds for retailer administrative costs as provided in [section 7(3)(b)].

NEW SECTION. **Section 9. Local option tax -- property tax relief.** (1) A consolidated city-county or county shall use local option tax revenue distributed pursuant to [section 8(1) and section 11(2)] to provide

property tax relief to primary residences and long-term rentals. The consolidated-city county or county shall:

(a) determine the amount available for property tax relief under [section 8(1) and section 11(2)] in the prior year; and

(b) distribute the property tax relief as a credit on the property tax bill to eligible primary residences and long-term rentals based on the property's share of taxable value relative to the total taxable value of all primary residences and long-term rentals eligible to receive property tax relief under this subsection (1).

(2) (a) Except as provided in subsections (2)(b) and (2)(c), a consolidated city-county or county shall determine eligibility for property tax relief under subsection (1) using information on primary residences and long-term rentals provided by the department of revenue. The department shall annually by the first Monday in August send each consolidated city-county and county identifying information on primary residences and long-term rentals located within the consolidated city-county or county.

(b) If the department of revenue is not otherwise required to determine or certify primary residences or long-term rentals after [the effective date of this act], the department shall develop a list of primary residences from the following:

(i) properties eligible for the property tax assistance program provided for in 15-6-305, the disabled veteran program provided for in 15-6-311, or the intangible land value property exemption provided for in 15-6-240;

(ii) properties owned by a person who claimed the residential property tax credit for the elderly under 15-30-2337 through 15-30-2341; and

(iii) properties for which the owner claimed and received a property tax rebate for tax year 2023 pursuant to Chapter 47, Laws of 2023, and for which the ownership has not changed since 2023.

(c) For long-term rentals and for a primary residence not included in the list provided in subsection (2)(b), the owner may apply to the consolidated city-county or county for certification as a primary residence or long-term rental to receive property tax relief under subsection (1). The consolidated city-county or county shall develop an application process in the administrative ordinance provided for in [section 7].

(3) A portion of property tax relief provided to the owner of a long-term rental must be passed along to the renter. A consolidated city-county or county shall determine an amount of property tax relief between 25% and 75% that must be passed along to the renter.

(4) If the revenue distributed pursuant to [section 8(1) and section 11(2)] exceeds the property taxes due for primary residences and long-term rentals, the consolidated city-county or county may retain the excess to use for property tax relief in future years.

NEW SECTION. **Section 10. Coordination with other taxes.** (1) A local option tax imposed by a consolidated city-county or county applies within a resort community, a resort area, or a resort area district within the county.

(2) If the state adopts a statewide general sales tax, a consolidated city-county or a county that levies a local option tax pursuant to [sections 1 through 10] of more than 2% shall lower the tax to 2%.

NEW SECTION. **Section 11. Local option tax distribution account -- rulemaking -- definition.** (1) There is a local option tax distribution account in the state special revenue fund established in 17-2-102. The following revenue must be deposited in the account:

(a) revenue transferred to the department as provided in [section 8]; and

(b) rental car and lodging sales tax revenue distributed to the account pursuant to 15-68-820(4).

(2) The money in the account is statutorily appropriated, as provided in 17-7-502, to the department of revenue. Subject to subsection (3), the department shall retain 5% of the revenue provided to defray administrative costs. The department shall annually distribute the remaining revenue as follows:

(a) the revenue provided for in subsection (1)(a) to each consolidated city-county and county that does not levy a local option tax pursuant to [sections 1 through 10] using the distribution provided for in 15-70-101(2)(b). The road mileage, population, and land area of a consolidated city-county or a county that levies a local option tax must be excluded when determining the distribution amounts.

(b) the revenue provided for in subsection (1)(b) to the consolidated city-county or county where the rental car or lodging sale occurred.

(3) The revenue distributed under subsection (2) must be used by the consolidated city-county or county for property tax relief as provided in [section 9].

(4) The department of revenue shall establish by rule deadlines for transferring local option tax revenue to the account.

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2 **Section 12.** Section 2-7-503, MCA, is amended to read:

3 "**2-7-503. Financial reports and audits of local government entities.** (1) (a) The governing body or
4 managing or executive officer of a local government entity, other than a school district or associated
5 cooperative, shall ensure that a financial report is made every year. A school district or associated cooperative
6 shall comply with the provisions of 20-9-213.

7 (i) The financial report must cover the preceding fiscal year and be in a form prescribed by the
8 department or be in an alternative form acceptable to the department as provided in subsection (1)(a)(ii). The
9 completed report must be submitted to the department for review within 6 months of the end of the reporting
10 period. The department may grant a 3-month extension for the submittal of an audit in lieu of a financial report.

11 (ii) An alternative format of a financial report acceptable to the department may be used by local
12 government entities with a population of 10,000 or less as reported in the most recent decennial survey issued
13 by the United States census bureau and that meets the requirements outlined in department rule.

14 (b) The financial report of a local government that has authorized the use of tax increment
15 financing pursuant to 7-15-4282 must include a report of the financial activities related to the tax increment
16 financing provision.

17 (c) The financial report of a local government that has authorized a local option tax pursuant to
18 [sections 1 through 10] must include the following information:

19 (i) the amount of revenue collected from the local option tax;

20 (ii) the categories of retailers from which the local option tax was collected; and

21 (iii) how the local option tax revenue was distributed.

22 (2) The department shall prescribe a uniform reporting system for all local government entities
23 subject to financial reporting requirements, other than school districts. The superintendent of public instruction
24 shall prescribe the reporting requirements for school districts.

25 (3) (a) The governing body or managing or executive officer of each local government entity
26 receiving revenue or financial assistance in the period covered by the financial report that is in excess of the
27 threshold dollar amount established by the director of the office of management and budget pursuant to 31
28 U.S.C. 7502(a)(3), regardless of the source of revenue or financial assistance, shall cause an audit to be made.

The audit may cover the entity's preceding 2 fiscal years and must commence within 9 months from the close of the last fiscal year of the audit period. The audit must be completed and submitted to the department for review within 1 year from the close of the last fiscal year covered by the audit.

(b) The governing body or managing or executive officer of a local government entity that does not meet the criteria established in subsection (3)(a) shall at least once every 4 years, if directed by the department, or, in the case of a school district, if directed by the department at the request of the superintendent of public instruction, cause a financial review, as defined by department rule, to be conducted of the financial statements of the entity for the preceding fiscal year.

(4) An audit conducted in accordance with this part is in lieu of any financial or financial and compliance audit of an individual financial assistance program that a local government is required to conduct under any other state or federal law or regulation. If an audit conducted pursuant to this part provides a state agency with the information that it requires to carry out its responsibilities under state or federal law or regulation, the state agency shall rely upon and use that information to plan and conduct its own audits or reviews in order to avoid a duplication of effort.

(5) In addition to the audits required by this section, the department may at any time conduct or contract for a special audit or review of the affairs of any local government entity referred to in this part. The special audit or review must, to the extent practicable, build upon audits performed pursuant to this part.

(6) The fee for the special audit or review must be a charge based upon the costs incurred by the department in relation to the special audit or review. The audit fee must be paid by the local government entity to the state treasurer and must be deposited in the enterprise fund to the credit of the department.

(7) Failure to comply with the provisions of this section subjects the local government entity to the penalties provided in 2-7-517."

Section 13. Section 15-65-112, MCA, is amended to read:

"**15-65-112. Collection and reporting.** (1) The seller of accommodations shall collect the tax imposed by 15-65-111.

(2) The seller shall report to the department of revenue, at the end of each calendar quarter, the gross receipts collected during that quarter attributable to the sales price paid by the purchaser. The report is

due on or before the last day of the month following the end of the calendar quarter and must be accompanied by a payment in an amount equal to the tax required to be collected under this section. The report must include the physical address of the accommodation."

Section 14. Section 15-68-502, MCA, is amended to read:

"**15-68-502. Returns -- payment -- authority of department.** (1) (a) Except as provided in subsection (2), on or before the last day of the month following the calendar quarter in which the transaction subject to the tax imposed by this chapter occurred, a return, on a form provided by the department, and payment of the tax for the preceding quarter must be filed with the department.

(b) Each person engaged in business within this state or using property or services within this state that are subject to tax under this chapter shall file a return.

(c) A person making retail sales at two or more places of business shall file a separate return for each separate place of business.

(d) A person selling accommodations shall include in the return the physical address of the accommodation.

(e) A person selling rental cars shall include in the return the physical address where rental vehicles are picked up.

(2) A person who has been issued a seasonal seller's permit shall file a return and pay the tax on the date or dates set by the department.

(3) (a) For the purposes of the sales tax or use tax, a return must be filed by:

(i) a retailer required to collect the tax; and

(ii) a person that:

(A) purchases any items the storage, use, or other consumption of which is subject to the sales tax or use tax; and

(B) has not paid the tax to a retailer required to pay the tax.

(b) Each return must be authenticated by the person filing the return or by the person's agent authorized in writing to file the return.

(4) (a) A person required to collect and pay to the department the taxes imposed by this chapter

shall keep records, render statements, make returns, and comply with the provisions of this chapter and the rules prescribed by the department. Each return or statement must include the information required by the rules of the department.

(b) For the purpose of determining compliance with the provisions of this chapter, the department is authorized to examine or cause to be examined any books, papers, records, or memoranda relevant to making a determination of the amount of tax due, whether the books, papers, records, or memoranda are the property of or in the possession of the person filing the return or another person. In determining compliance, the department may use statistical sampling and other sampling techniques consistent with generally accepted auditing standards. The department may also:

(i) require the attendance of a person having knowledge or information relevant to a return;

(ii) compel the production of books, papers, records, or memoranda by the person required to attend;

(iii) implement the provisions of 15-1-703 if the department determines that the collection of the tax is or may be jeopardized because of delay;

(iv) take testimony on matters material to the determination; and

(v) administer oaths or affirmations.

(5) Pursuant to rules established by the department, returns may be computer-generated and electronically filed."

Section 15. Section 15-68-820, MCA, is amended to read:

"**15-68-820. Sales tax and use tax proceeds.** (1) ~~Except as provided in subsections (2) through (6), all~~ All money collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by the department ~~into the general fund~~ as provided in subsections (2) through (4).

(2) ~~Twenty-five percent of the~~ The revenue collected on the base rental charge for rental vehicles under 15-68-102(1)(b) and ~~15-68-102~~(3)(a)(ii) must be deposited as follows:

(a) except as provided in subsection (4), 75% in the general fund; and

(b) 25% in the state special revenue fund to the credit of the senior citizen and persons with disabilities transportation services account provided for in 7-14-112.

(3) ~~Until December 31, 2024, a portion of the~~ The revenue collected on the sale or use of accommodations and campgrounds under 15-68-102(1)(a) and (3)(a)(i) must be deposited as follows:

~~(a) 20% in the account established in 22-3-1303 for construction of the Montana heritage center; and~~

~~(b) 5% in the account established in 22-3-1307 for historic preservation grants.~~

~~(4) Starting January 1, 2025, a portion of the revenue collected on the sale or use of accommodations and campgrounds under 15-68-102(1)(a) and (3)(a)(i) must be deposited or distributed as follows:~~

(a) except as provided in subsection (4), 75% in the general fund;

(b) 6% in the account established in 22-3-1304 for operation and maintenance of the Montana heritage center;

~~(b)~~ (c) 6% distributed as provided in subsection (5);

~~(c)~~ (d) 6% in the account established in 22-3-1307 for historic preservation grants; and

~~(d)~~ (e) 7% in the account established in 17-7-209.

(4) The tax collected under 15-68-102(1) and (3) in a consolidated city-county or county that levies a local option tax pursuant to [sections 1 through 10] must be distributed to the local option tax distribution account provided for in [section 11].

(5) (a) Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as provided in subsection (5)(b) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 1% of that amount from the tax proceeds received each reporting period. The department shall distribute the portion of the 1% that was paid with federal funds to the department of administration for return to the federal government and deposit 30% of the amount deducted less the portion paid with federal funds in the state general fund.

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

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

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

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

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

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

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

Section 16. Section 17-7-502, MCA, is amended to read:

"**17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-316; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; [section 11];

15-1-121; 15-1-142; 15-1-143; 15-1-218; 15-1-2302; 15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-128; 15-70-131; 15-70-132; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-6-214; 17-7-133; 17-7-215; 18-11-112; 19-3-319; 19-3-320; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-3-369; 20-7-1709; 20-8-107; 20-9-250; 20-9-534; 20-9-622; [20-15-328]; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; [22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-4-1506; 44-12-213; 44-13-102; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115; 61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-13-150; 76-13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006; 81-1-112; 81-1-113; 81-2-203; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603; 87-5-909; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and any costs or fees associated with issuing, paying, securing, redeeming, or defeasing all bonds, notes, or other obligations, as due in the ordinary course or when earlier called for redemption or defeased, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117 terminates June 30, 2025; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025; pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to sec. 10, Ch. 374, L. 2017, the inclusion of 76-17-103 terminates June 30, 2027; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June 30, 2027; pursuant to sec. 1, Ch.

408, L. 2019, the inclusion of 17-7-215 terminates June 30, 2029; pursuant to secs. 1, 2, 3, Ch. 139, L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200, L. 2021, the inclusion of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004 terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115 terminates June 30, 2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is effective July 1, 2027; pursuant to sec. 1, Ch. 20, L. 2023, sec. 2, Ch. 20, L. 2023, and sec. 3, Ch. 20, L. 2023, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2029; pursuant to sec. 9, Ch. 44, L. 2023, the inclusion of 15-1-142 terminates December 31, 2025; pursuant to sec. 10, Ch. 47, L. 2023, the inclusion of 15-1-2302 terminates June 30, 2025; pursuant to sec. 2, Ch. 374, L. 2023, the inclusion of 10-3-802 terminates June 30, 2031; pursuant to sec. 12, Ch. 558, L. 2023, the inclusion of 20-9-250 terminates December 31, 2029; pursuant to sec. 4, Ch. 621, L. 2023, the inclusion of 22-1-327 terminates July 1, 2029; pursuant to sec. 24, Ch. 722, L. 2023, the inclusion of 17-7-133 terminates June 30, 2027; pursuant to sec. 10, Ch. 758, L. 2023, the inclusion of 44-4-1506 terminates June 30, 2027; and pursuant to sec. 10, Ch. 764, L. 2023, the inclusion of 15-1-143 terminates December 31, 2025.)"

Section 17. Section 22-3-1303, MCA, is amended to read:

"**22-3-1303. Account -- Montana heritage center construction.** There is an account in the capital projects fund established in 17-2-102 known as the Montana heritage center construction account. The tax collections allocated in the former 15-68-820(3)(a) before the amendments of [this act] must be deposited in the account until December 31, 2024. The money in the account is authorized to the department of administration and may be used only for capital construction of the Montana heritage center."

Section 18. Section 22-3-1304, MCA, is amended to read:

"**22-3-1304. Account -- Montana heritage center operations.** There is an account in the state special revenue fund established in 17-2-102 known as the Montana heritage center operations account. The tax collections allocated in 15-68-820~~(4)(a)~~ must be deposited in the account. The money in the account may be used only for expenses incurred in the operation and maintenance of the Montana heritage center, which may include the veterans' and pioneer memorial building."

Section 19. Section 22-3-1307, MCA, is amended to read:

"**22-3-1307. Historic preservation grant program account.** (1) There is an account in the state special revenue fund established in 17-2-102 known as the historic preservation grant program account. The tax collections allocated in 15-68-820~~(3)(b) and (4)(c)~~ must be deposited in the account.

(2) Money deposited in the account is subject to appropriation by the legislature and may be used only for historic preservation grants to be administered by the department of commerce.

(3) The department shall allocate and disburse historic preservation account funds as appropriated by the legislature."

NEW SECTION. **Section 20. Codification instruction.** (1) [Sections 1 through 10] are intended to be codified as an integral part of Title 7, chapter 6, and the provisions of Title 7, chapter 6, apply to [sections 1 through 10].

(2) [Section 11] is intended to be codified as an integral part of Title 15, and the provisions of Title 15 apply to [section 11].

NEW SECTION. **Section 21. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

NEW SECTION. **Section 22. Effective date.** [This act] is effective July 1, 2026.

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