SENATE FINANCE & CLAIMS
Exhibit No. 8 8
Date 3-10-09
Bill No. HB 194

HB 194

RESOLUTION 2008 - 24

STATUTORY APPROPRIATION OF METALLIFEROUS MINE LICENSE TAX

It is the intent of the Montana Association of Counties to support legislation that will provide statutory appropriation for pass-through of metalliferous license taxes to counties of origin.

WHEREAS, according to 90-6-331, MCA, prior to each October 31, all money segregated by county in the hard-rock mining impact trust account following allocation to the hard-rock mining impact trust account established in 90-6-304(2) as of September immediately preceding must be transferred by the Department [of Commerce] to the county for which the funds have been held in deposit; and

WHEREAS, in recent years the prices of precious metals and resultant tax revenues have been erratic and also reflect a general trend of increasing value due in part to demand in China; and

WHEREAS, such volatility and growth has made it extremely difficult for the Montana Department of Commerce to systematically and accurately budget for the amount of funds to be transferred from the Hard Rock Mining Trust Account for the impacted counties; and

WHEREAS, the amount of metalliferous mines licenses taxes required to be transferred to the counties of origin has exceeded the authorized biennium spending authority provided by the Legislature; and

WHEREAS, the unanticipated growth and volatility, must be resolved in order to allow the Department to legally appropriate, using a more systematic and accurate process, all amounts owed to the counties of origin in order to allay fiscal harm to said counties; and,

WHERERAS, prior to 1999 this was a statutory appropriation; and

WHEREAS, the Department's continuing insufficient budget authority would be resolved by amending Sections 17-7-502 and 90-6-331, MCA, to provide a statutory appropriation for distributing to the counties of origin, mineral revenues, in excess of the sum of authorized operating expenses of the hard-rock mining impact board and the $100,000 reserve amount in the hard-rock mining impact trust account.

NOW, THEREFORE, BE IT RESOLVED that the Montana Association of Counties promulgate or support legislation that will allow the Department to systematically and completely transfer to the counties of origin the full mine tax revenues due these counties.

BE IT FURTHER RESOLVED, that MACo shall seek to restore the language that was removed in 1999: "The transfer of funds required by this section is a statutory appropriation pursuant to 17-7-502"

SPONSOR:	**Districts 6 and 7**
RECOMMENDATION:	**Do Pass**
PRIORITY:	**Medium**
REFERRED TO:	**Resolutions Committee** **Budget & Finance Committee** **Hard Rock Counties**
ADOPTED:	**Annual Conference, Hamilton, MT September 24, 2008**