

HOUSE BILL NO. 375

INTRODUCED BY J. FITZPATRICK, T. WELCH, J. WINDY BOY, D. HAWK, G. FRAZER, K. WALSH, R.  
FITZGERALD, R. LYNCH, E. MCCLAFFERTY, J. WELBORN, J. LYNCH, D. HARVEY, T. VERMEIRE

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING FUNDS TO PAVE A PORTION OF LOST  
CREEK ROAD AT LOST CREEK STATE PARK; PROVIDING CONDITIONS FOR THE APPROPRIATION;  
PROVIDING AN APPROPRIATION; ~~ALLOWING THE STATE PARK FUND TO PAY FOR ACCESS TO STATE~~  
~~PARKS; AMENDING SECTION 23-1-105, MCA; ALLOWING ALLOCATIONS TO THE DEPARTMENT OF~~  
~~COMMERCE TO BE USED FOR IMPROVING A ROAD TO A STATE PARK; AMENDING SECTION 15-65-~~  
~~121, MCA; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE."~~

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

NEW SECTION. Section 1. Appropriation -- conditions. There is appropriated \$500,000 from the  
~~state parks miscellaneous-state special revenue account established in 23-1-105~~ FUNDS ALLOCATED IN 15-65-  
121(2)(E) to the department of ~~fish, wildlife, and parks~~ COMMERCE to pave the road to Lost Creek state park in  
coordination with Anaconda-Deer Lodge County.

NEW SECTION. Section 2. Conditions of appropriation. (1) The funds appropriated in [section 1]  
must, along with county matching funds, be used to pave the surface of 5.71 miles of the county road, popularly  
known as Lost Creek road, from its intersection with Galen road to the gate of Lost Creek state park.

(2) The department of ~~fish, wildlife, and parks~~ COMMERCE may enter into a memorandum of  
understanding by July 1, 2023, with Anaconda-Deer Lodge County to construct the project.

(3) Anaconda-Deer Lodge County shall contribute \$500,000 in cash to the project as a matching  
grant.

(4) Pursuant to the agreement between the parties, Anaconda-Deer Lodge County is responsible  
for managing all aspects of the project from design through construction.

(5) If the project costs more than \$1 million, the county is fully responsible for funding the cost

increase. Supplemental appropriation from state funds may not be granted.

(6) If the bids for the project exceed \$1 million, the parties may reduce the scope of the project to match the funds available or terminate the project and return the state's share of the funds for the project to the state.

(7) UPON RECEIPT OF BIDS FOR THE PROJECT AND SELECTION OF A PROSPECTIVE CONTRACTOR, ANACONDA-DEER LODGE COUNTY SHALL PROVIDE NOTICE AND SEND A COPY OF THE BIDS TO THE DEPARTMENT OF COMMERCE AND INDICATE ITS PREFERRED CONTRACTOR. THE DEPARTMENT SHALL PAY ANACONDA-DEER LODGE COUNTY HALF OF THE ACCEPTABLE BID, NOT TO EXCEED \$500,000, WITHIN 21 DAYS OF RECEIVING NOTICE FROM THE COUNTY.

**SECTION 3. SECTION 15-65-121, MCA, IS AMENDED TO READ:**

**"15-65-121. (Temporary) Distribution of tax proceeds.** (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as provided in subsections (2)(a) through (2)(i) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The department shall distribute the portion of the 4% that was paid with federal funds to the agency that made the in-state lodging expenditure and deposit 30% of the amount deducted less the portion paid with federal funds in the state general fund.

(2) The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the state general fund, distributed to agencies that paid the tax with federal funds, or deposited in the heritage preservation and development account 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 Montana historical interpretation state special revenue account, to the Montana historical society, to the university system, to the state-tribal economic development commission, and to the department of fish, wildlife,

and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in and roads into state parks that have both resident and nonresident use;

(d) 1.4% to the invasive species state special revenue account established in 80-7-1004;

(e) 60.3% to be used directly by the department of commerce, in part for providing access to a state park;

(f) (i) except as provided in subsection (2)(f)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% 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;

(g) 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;

(h) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-115; and

(i) 2.7% or \$1 million, whichever is less, to the Montana heritage preservation and development account provided for in 22-3-1004. The Montana heritage preservation and development commission shall report on the use of funds received pursuant to this subsection (2)(i) to the legislative finance committee on a semiannual basis, in accordance with 5-11-210.

(3) If a city, consolidated city-county, resort area, or resort area district qualifies under 15-68-820(5)(b)(iii) or this section for funds but fails to either recognize a nonprofit convention and visitors bureau or

1 submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be  
2 allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county,  
3 resort area, or resort area district is located.

4 (4) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual  
5 marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism  
6 corporation may be used by the department of commerce for tourism promotion and promotion of the state as a  
7 location for the production of motion pictures and television commercials.

8 (5) The tax proceeds received that are transferred to a state special revenue account pursuant to  
9 subsections (2)(a) through (2)(c), (2)(e), and (2)(f) are statutorily appropriated to the entities as provided in 17-  
10 7-502.

11 (6) The tax proceeds received that are transferred to the invasive species state special revenue  
12 account pursuant to subsection (2)(d), to the Montana historical interpretation state special revenue account  
13 pursuant to subsection (2)(h), and to the Montana heritage preservation and development account pursuant to  
14 subsection (2)(i) are subject to appropriation by the legislature. (Terminates June 30, 2027--sec. 12, Ch. 563, L.  
15 2021.)

16 **15-65-121. (Effective July 1, 2027) Distribution of tax proceeds.** (1) The proceeds of the tax  
17 imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the  
18 state special revenue fund to the credit of the department. The department may spend from that account in  
19 accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting  
20 and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with  
21 the provisions of 17-2-124 and as provided in subsections (2)(a) through (2)(h) of this section, the department  
22 shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4%  
23 of that amount from the tax proceeds received each reporting period. The department shall distribute the  
24 portion of the 4% that was paid with federal funds to the agency that made the in-state lodging expenditure and  
25 deposit 30% of the amount deducted less the portion paid with federal funds in the state general fund. The  
26 amount of \$400,000 each year must be deposited in the Montana heritage preservation and development  
27 account provided for in 22-3-1004.

28 (2) The balance of the tax proceeds received each reporting period and not deducted pursuant to

the expenditure appropriation, deposited in the state general fund, distributed to agencies that paid the tax with federal funds, or deposited in the heritage preservation and development account 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 Montana historical interpretation state special revenue account, to the Montana historical society, to the university system, to the state-tribal economic development commission, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 1.4% to the invasive species state special revenue account established in 80-7-1004;

(e) 63% to be used directly by the department of commerce;

(f) (i) except as provided in subsection (2)(f)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% 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;

(g) 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; and

(h) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-115.

(3) If a city, consolidated city-county, resort area, or resort area district qualifies under 15-68-

820(5)(b)(iii) or this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(4) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

(5) The tax proceeds received that are transferred to a state special revenue account pursuant to subsections (2)(a) through (2)(c), (2)(e), and (2)(f) are statutorily appropriated to the entities as provided in 17-7-502.

(6) The tax proceeds received that are transferred to the invasive species state special revenue account pursuant to subsection (2)(d) and to the Montana historical interpretation state special revenue account pursuant to subsection (2)(h) are subject to appropriation by the legislature."

**Section 3.** Section 23-1-105, MCA, is amended to read:

~~"23-1-105. Fees and charges -- use of motor vehicle registration fee. (1) (a) The department may levy and collect reasonable fees or other charges for the use of privileges and conveniences that may be provided and to grant concessions that it considers advisable, except as provided in subsections (2) and (6).~~

~~(b) There must be deposited into a state special revenue fund in the state treasury to the credit of the department:~~

~~(i) all money derived from the activities of the department, except as provided in subsection (5);~~  
~~and~~

~~(ii) money from marijuana taxes deposited under 16-12-111.~~

~~(2) Overnight camping fees established by the department under subsection (1) must be discounted 50% for a campsite rented by a person who is a resident of Montana, as defined in 87-2-102, and is:~~

~~(a) 62 years of age or older;~~

~~(b) certified as disabled in accordance with rules adopted by the department; or~~

1           ~~(c)——a veteran of the armed forces. While camping at a discounted rate, the veteran shall carry proof~~  
2   ~~of the person's veteran status, such as a DD form 214, U.S. department of veterans affairs identification card,~~  
3   ~~or a driver's license indicating the person's veteran status.~~

4           ~~(3)——For a violation of any fee collection rule involving a vehicle, the registered owner of the vehicle~~  
5   ~~at the time of the violation is personally responsible if an adult is not in the vehicle at the time the violation is~~  
6   ~~discovered by an authorized officer. A defense that the vehicle was driven into the fee area by another person~~  
7   ~~is not allowable unless it is shown that at that time, the vehicle was being used without the consent of the~~  
8   ~~registered owner.~~

9           ~~(4)——Money received from the collection of fees and charges is subject to the deposit requirements~~  
10   ~~of 17-6-105(6) unless the department has submitted and received approval for a modified deposit schedule~~  
11   ~~pursuant to 17-6-105(8).~~

12          ~~(5)——There is a fund of the enterprise fund type, as defined in 17-2-102(2)(a), for the purpose of~~  
13   ~~managing state park visitor services revenue. The fund is to be used by the department to serve the recreating~~  
14   ~~public by providing for the obtaining of inventory through purchase, production, or donation and for the sale of~~  
15   ~~educational, commemorative, and interpretive merchandise and other related goods and services at~~  
16   ~~department sites and facilities and may be used to provide improved access to state parks. The fund consists of~~  
17   ~~money from the sale of educational, commemorative, and interpretive merchandise and other related goods~~  
18   ~~and services and from donations. Gross revenue from the sale of educational, commemorative, and interpretive~~  
19   ~~merchandise and other related goods and services must be deposited in the fund. All interest and earnings on~~  
20   ~~money deposited in the fund must be credited to the fund for use as provided in this subsection.~~

21          ~~(6)——In recognition of the fact that individuals support state parks through the payment of certain~~  
22   ~~motor vehicle registration fees, persons who pay the fee provided for in 61-3-321(19)(a) may not be required to~~  
23   ~~pay a day use fee for access to state parks. Other fees for the use of state parks and fishing access sites, such~~  
24   ~~as overnight camping fees, are still chargeable and may be collected by the department.~~

25          ~~(7)——Any increase in the motor vehicle registration fee collected pursuant to 61-3-321(19)(a) on or~~  
26   ~~after January 1, 2012, that is dedicated to state parks must be used by the department for maintenance and~~  
27   ~~operation of state parks."~~

1        NEW SECTION. Section 4.    **Effective dates.** (1) Except as provided in subsection (2), [this act] is  
2        effective on passage and approval.

3 (2) [Sections 1 and 3] are effective July 1, 2023.

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5 NEW SECTION. Section 5. Termination. [Section 3] terminates June 30, 2025.

6 - END -