

1 HOUSE BILL NO. 42

2 INTRODUCED BY G. HOLLENBAUGH

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

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5 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING A FUND TRANSFER FROM THE COAL BED
6 METHANE PROTECTION ACCOUNT TO THE STATE GENERAL FUND; AMENDING SECTION 76-15-904,
7 MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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11 **Section 1.** Section 76-15-904, MCA, is amended to read:

12 **"76-15-904. Coal bed methane protection account -- use.** (1) There is a coal bed methane protection
13 account in the state special revenue fund.

14 (2) There must be deposited in the account the proceeds from the distribution of oil and natural gas
15 production taxes, as provided in 15-36-331.

16 (3) All money paid into the account must be invested by the board of investments. Earnings from
17 investments must be deposited in the account.

18 (4) Subject to the conditions of subsection (5), money deposited in the account must be used to
19 compensate landowners and water right holders for damages attributable to coal bed methane development as
20 provided in this part.

21 (5) Money deposited in the fund and earnings of the fund may not be expended until after June 30, 2005.
22 For fiscal years beginning after June 30, 2005, principal and earnings may be expended only in the case of an
23 emergency. For fiscal years beginning after June 30, 2011, principal and earnings in the account may be
24 expended for any purpose authorized pursuant to this part.

25 (6) ~~Money~~ Subject to legislative fund transfers, money in the account must be appropriated to the
26 department for use by conservation districts that have private landowners or water right holders who qualify for
27 compensation as provided in 76-15-905. (Subsection (2) terminates June 30, 2011--sec. 10, Ch. 531, L. 2001.)"

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29 **NEW SECTION. Section 2. Transfer of funds.** By August 15, 2011, the state treasurer shall transfer
30 \$6 million from the coal bed methane protection account provided for in 76-15-904 to the state general fund.

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2 NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2011.

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