

CONSTITUTIONAL AMENDMENT NO. 3

Attorney General's Explanatory Statement

This proposed amendment to the Montana Constitution would add a new section to the Article on Environment and Natural Resources. The amendment would create a trust fund which would be funded by one-fourth (1/4) of the money received from the coal severance tax beginning in 1980 one-half (1/2) of the coal severance tax would be paid to fund the trust income and interest from the trust could be used by a majority vote of the legislature. The proposal of this trust fund with the legislature has gained approval by a majority vote of a three-fourths (3/4) vote of the legislature.

A BILL TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO THE CONSTITUTION TO PROVIDE THE LEGISLATURE TO DEDICATE A PORTION OF THE COAL SEVERANCE TAX TO A PERMANENT TRUST FUND.

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

Section 1. Article 17 of the Montana Constitution is amended by adding a new section to read as follows:

Section 2. Revenues set in coal - trust fund. The legislature shall create and use the trust fund (1/4) of the coal severance tax to a trust fund, the interest and income from which may be expended. The principal of the trust shall be preserved and the interest appropriated by vote of three-fourths (3/4) of the members of each house of the legislature. After December 31, 1979, at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund.

For a permanent trust fund from coal taxes.

Against a permanent trust fund from coal taxes.