

HOUSE BILL NO. 604

INTRODUCED BY R. COOK

1
2
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR FUND TRANSFERS AND AN APPROPRIATION;
5 AUTHORIZING ~~A FUND TRANSFERS~~ TRANSFER TRANSFERS FROM THE TELECOMMUNICATIONS
6 SERVICES AND SPECIALIZED TELECOMMUNICATIONS EQUIPMENT ACCOUNT, ~~AND THE OLDER~~
7 MONTANANS TRUST FUND, AND THE FIRE SUPPRESSION ACCOUNT; TO THE GENERAL FUND;
8 AUTHORIZING FUND TRANSFERS FROM THE MOTOR VEHICLE AND RECYCLING ACCOUNT, THE
9 ORPHAN SHARE ACCOUNT, THE COAL BED METHANE PROTECTION ACCOUNT, AND THE OIL AND GAS
10 CONSERVATION ACCOUNT TO THE GUARANTEE ACCOUNT FOR DISTRIBUTION TO SCHOOL
11 DISTRICTS; AUTHORIZING A FUND TRANSFER FROM THE OLDER MONTANANS TRUST FUND TO THE
12 HEALTH AND MEDICAID INITIATIVES ACCOUNT; AUTHORIZING A FUND TRANSFER TO THE OLD STATE
13 FUND WORKERS' COMPENSATION ACCOUNT FROM THE GENERAL FUND AND THE STATE
14 COMPENSATION INSURANCE FUND OLD FUND LIABILITY ACCOUNT; REVISING THE TRANSFER TO THE
15 RESEARCH AND COMMERCIALIZATION STATE SPECIAL REVENUE ACCOUNT FOR FISCAL YEARS 2012
16 AND 2013; IMPOSING A PREMIUM FEE ON CERTAIN WORKERS' COMPENSATION POLICIES; CREATING
17 A STATE SPECIAL REVENUE ACCOUNT; AMENDING SECTIONS 15-35-108, 39-71-2311, 39-71-2316,
18 39-71-2320, 39-71-2321, 39-71-2322, 39-71-2323, 39-71-2351, 39-71-2352, 52-3-115, 53-19-310, 75-10-532,
19 75-10-743, 76-13-150, 76-15-904, AND 82-11-135, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE,
20 AN APPLICABILITY DATE, AND A TERMINATION DATE TERMINATION DATES."

21
22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23
24 NEW SECTION. Section 1. Transfer of funds to guarantee account. (1) ~~By August 15, 2011, the~~
25 ~~state treasurer shall transfer \$1.85 million from the telecommunications services and specialized~~
26 ~~telecommunications equipment account provided for in 53-19-310 to the guarantee account provided for in~~
27 ~~20-9-622 GENERAL FUND.~~

28 ~~———~~(2) By August 15, 2011, the state treasurer (shall transfer \$2.5 million from the account that is established
29 for the motor vehicle recycling and disposal program under the provisions of 75-10-532 to the guarantee account
30 provided for in 20-9-622.

1 ~~(3)~~(2) By August 15, 2011, the state treasurer shall transfer ~~\$8~~ \$4.4 million from the orphan share
2 account provided for in 75-10-743 to the guarantee account provided for in 20-9-622.

3 ~~(4)~~(3) By August 15, 2011, the state treasurer shall transfer ~~\$8~~ \$8.5 million from the coal bed methane
4 protection account provided for in 76-15-904 to the guarantee account provided for in 20-9-622.

5 ~~(5)~~(4) By August 15, 2011, the state treasurer shall transfer \$12 million from the board of oil and gas
6 conservation account provided for in 82-11-135 to the guarantee account provided for in 20-9-622.

7

8 NEW SECTION. SECTION 2. TRANSFER OF FUNDS TO GENERAL FUND. (1) BY AUGUST 15, 2011, THE STATE
9 TREASURER SHALL TRANSFER \$1.85 MILLION FROM THE TELECOMMUNICATIONS SERVICES AND SPECIALIZED
10 TELECOMMUNICATIONS EQUIPMENT ACCOUNT PROVIDED FOR IN 53-19-310 TO THE GENERAL FUND.

11 (2) THE STATE TREASURER SHALL TRANSFER ~~\$9,166,502~~ \$6 MILLION FROM THE OLDER MONTANANS TRUST
12 FUND, PROVIDED FOR IN 52-3-115, TO THE GENERAL FUND FOR THE BIENNIUM BEGINNING JULY 1, 2011, FOR THE
13 PURPOSE OF FUNDING THE PRESCRIPTION DRUG PLUS DISCOUNT PROGRAM PROVIDED FOR IN TITLE 53, CHAPTER 6, PART
14 10, AND FOR PROVIDING GRANTS TO THE AREA AGENCIES ON AGING AND FUNDS FOR TOBACCO PREVENTION AND
15 CESSATION.

16 (3) BY AUGUST 15, 2011, THE STATE TREASURER SHALL TRANSFER \$3 MILLION FROM THE FIRE SUPPRESSION
17 ACCOUNT PROVIDED FOR IN 76-13-150 TO THE GENERAL FUND.

18

19 ~~NEW SECTION. Section 3. Transfer of funds to old state fund account.~~ (1) By June 30, 2011, the
20 state treasurer shall transfer the lesser of the amount required to pay off the unfunded liability of the old state fund
21 account or ~~\$50~~ \$13 million from the state general fund to the old state fund account.

22 ~~(2) (A) THE STATE FUND SHALL, BY AUGUST 12, 2012, TRANSFER FROM ITS SURPLUS TO THE OLD STATE FUND~~
23 ~~ACCOUNT THE AMOUNT OF THE OUTSTANDING LIABILITY DETERMINED IN SUBSECTION (2)(B) FROM EITHER OF THE~~
24 ~~FOLLOWING OR A COMBINATION OF BOTH:~~

25 ~~(i) INVESTMENT EARNINGS AND INTEREST ON PREMIUMS PAID BETWEEN FISCAL YEAR 1999 AND FISCAL YEAR~~
26 ~~2003; OR~~

27 ~~(ii) THE AMOUNT OF SURPLUS AS OF JUNE 30, 2012, THAT IS GREATER THAN A RESERVE-TO-SURPLUS RATIO OF~~
28 ~~2.5 TO 1.~~

29 ~~(B) THE GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING SHALL DETERMINE THE OUTSTANDING~~
30 ~~LIABILITY OF THE OLD STATE FUND ACCOUNT AS REPORTED IN THE FINANCIAL STATEMENTS AS OF JUNE 30, 2012, AND~~

1 ~~INFORM THE STATE FUND OF THE AMOUNT TO BE TRANSFERRED.~~

2 ~~———— (2)(3) For the purpose of this section "old state fund account" means the account in 39-71-2321 that is~~
 3 ~~used to pay for claims and administrative expenses for accidents occurring before July 1, 1990.~~

4

5 ~~———— **SECTION 4. SECTION 39-71-2311, MCA, IS AMENDED TO READ:**~~

6 ~~———— **"39-71-2311. Intent and purpose of plan -- expense constant defined.** (1) It is the intent and purpose~~
 7 ~~of the state fund to allow employers an option to insure their liability for workers' compensation and occupational~~
 8 ~~disease coverage with the state fund. The state fund must be neither more nor less than self-supporting. Premium~~
 9 ~~rates must be set at least annually at a level sufficient to ensure the adequate funding of the insurance program,~~
 10 ~~including the costs of administration, benefits, and adequate reserves, during and at the end of the period for~~
 11 ~~which the rates will be in effect. In determining premium rates, the state fund shall make every effort to adequately~~
 12 ~~predict future costs. When the costs of a factor influencing rates are unclear and difficult to predict, the state fund~~
 13 ~~shall use a prediction calculated to be more than likely to cover those costs rather than less than likely to cover~~
 14 ~~those costs. The prediction must take into account the goal of pooling risk and may not place an undue burden~~
 15 ~~on employers that are not eligible for the tier with the lowest-rated premium for workers' compensation purposes.~~

16 ~~———— (2) Unnecessary surpluses that are created by the imposition of premiums found to have been set higher~~
 17 ~~than necessary because of a high estimate of the cost of a factor or factors may be refunded, subject to~~
 18 ~~39-71-2316(1)(h), by the declaration of a dividend as provided in this part. For the purpose of keeping the state~~
 19 ~~fund solvent, the board of directors may implement multiple rating tiers as provided in 39-71-2330 and may~~
 20 ~~assess an expense constant, a minimum premium, or both.~~

21 ~~———— (3) As used in this section, "expense constant" means a premium charge applied to each workers'~~
 22 ~~compensation policy to pay expenses related to issuing, servicing, maintaining, recording, and auditing the~~
 23 ~~policy."~~

24

25 ~~———— **SECTION 5. SECTION 39-71-2316, MCA, IS AMENDED TO READ:**~~

26 ~~———— **"39-71-2316. Powers of state fund.** (1) For the purposes of carrying out its functions, the state fund~~
 27 ~~may:~~

28 ~~———— (a) insure any employer for workers' compensation and occupational disease liability as the coverage~~
 29 ~~is required by the laws of this state and, as part of the coverage, provide related employers' liability insurance~~
 30 ~~upon approval of the board;~~

- 1 ~~———(b) sue and be sued;~~
- 2 ~~———(c) enter into contracts relating to the administration of the state fund, including claims management,~~
3 ~~servicing, and payment;~~
- 4 ~~———(d) collect and disburse money received;~~
- 5 ~~———(e) adopt classifications and charge premiums for the classifications so that the state fund will be neither~~
6 ~~more nor less than self-supporting. Premium rates for classifications may be adopted and changed only by using~~
7 ~~a process, a procedure, formulas, and factors set forth in rules adopted under Title 2, chapter 4, parts 2 through~~
8 ~~4. After the rules have been adopted, the state fund need not follow the rulemaking provisions of Title 2, chapter~~
9 ~~4, when changing classifications and premium rates. The contested case rights and provisions of Title 2, chapter~~
10 ~~4, do not apply to an employer's classification or premium rate. The state fund is required to belong to a licensed~~
11 ~~workers' compensation advisory organization or a licensed workers' compensation rating organization under Title~~
12 ~~33, chapter 16, part 4, and may use the classifications of employment adopted by the designated workers'~~
13 ~~compensation advisory organization, as provided in Title 33, chapter 16, part 10, and corresponding rates as a~~
14 ~~basis for setting its own rates. Except as provided in Title 33, chapter 16, part 10, a workers' compensation~~
15 ~~advisory organization or a licensed workers' compensation rating organization under Title 33, chapter 16, part~~
16 ~~4, or other person may not, without first obtaining the written permission of the employer, use, sell, or distribute~~
17 ~~an employer's specific payroll or loss information, including but not limited to experience modification factors.~~
- 18 ~~———(f) pay the amounts determined to be due under a policy of insurance issued by the state fund;~~
- 19 ~~———(g) hire personnel;~~
- 20 ~~———(h) declare dividends if there is an excess of assets over liabilities. However, dividends may not be paid~~
21 ~~until, adequate actuarially determined reserves are have been set aside, and the reserve-to-surplus ratio is 2.5~~
22 ~~to 1 or better.~~
- 23 ~~———(i) adopt and implement one or more alternative personal leave plans pursuant to 39-71-2328;~~
- 24 ~~———(j) upon approval of the board, contract with licensed resident insurance producers;~~
- 25 ~~———(k) upon approval of the board, enter into agreements with licensed workers' compensation insurers,~~
26 ~~insurance associations, or insurance producers to provide workers' compensation coverage in other states to~~
27 ~~Montana-domiciled employers insured with the state fund;~~
- 28 ~~———(l) upon approval of the board, expend funds for scholarship, educational, or charitable purposes;~~
- 29 ~~———(m) upon approval of the board, including terms and conditions, provide employers coverage under the~~
30 ~~federal Longshore and Harbor Workers' Compensation Act, 33 U.S.C. 901, et seq., the federal Merchant Marine~~

1 Act, 1920 (Jones Act), 46 U.S.C. 688, and the federal Employers' Liability Act, 45 U.S.C. 51, et seq.;

2 ~~_____ (n) perform all functions and exercise all powers of a private insurance carrier that are necessary,~~

3 ~~appropriate, or convenient for the administration of the state fund.~~

4 ~~_____ (2) The state fund shall include a provision in every policy of insurance issued pursuant to this part that~~

5 ~~incorporates the restriction on the use and transfer of money premiums collected by the state fund as provided~~

6 ~~for in 39-71-2320."~~

7

8 ~~_____ **SECTION 6.** SECTION 39-71-2320, MCA, IS AMENDED TO READ:~~

9 ~~_____ "**39-71-2320. Property of state fund -- investment required -- exception.** All (1) Except as provided~~

10 ~~in subsection (2), all premiums and other money paid to the state fund, all property and securities acquired~~

11 ~~through the use of money belonging to the state fund, and all interest and dividends earned upon money~~

12 ~~belonging to the state fund are the sole property of the state fund and must be used exclusively for the operations~~

13 ~~and obligations of the state fund. The money premiums collected by the state fund for claims for injuries occurring~~

14 ~~on or after July 1, 1990, may not be used for any other purpose and may not be transferred by the legislature to~~

15 ~~other funds or used for other programs. However, state fund money premiums and other money paid to the state~~

16 ~~fund must be invested by the board of investments provided for in 2-15-1808, and subject to the investment~~

17 ~~agreement with the board of investments and the provisions of subsection (2) of this section, the earnings on~~

18 ~~investments are the sole property of the state fund except as provided in subsection (2) of this section.~~

19 ~~_____ (2) A transfer by the state fund from the account for injuries occurring on or after July 1, 1990, to the~~

20 ~~account for injuries occurring before July 1, 1990, is not a transfer as described in subsection (1) if the transfer~~

21 ~~involves interest income or other money paid prior to July 1, 2003, and does not include premiums paid after July~~

22 ~~1, 1990."~~

23

24 ~~_____ **SECTION 7.** SECTION 39-71-2321, MCA, IS AMENDED TO READ:~~

25 ~~_____ "**39-71-2321. What to be deposited in state fund.** (1) All premiums, penalties, recoveries by~~

26 ~~subrogation, interest earned upon money belonging to the state fund, securities acquired by or through use of~~

27 ~~premiums, interest, and other money earned or recovered by the state fund, and all interest and penalties on~~

28 ~~taxes in accordance with 17-2-124 must be deposited in the state fund. Except for a transfer authorized under~~

29 ~~39-71-2320(2) or 39-71-2352, the money must be separated into two accounts based upon whether they relate~~

30 ~~to claims for injuries resulting from accidents that occurred before July 1, 1990, or claims for injuries resulting from~~

1 accidents that occur on or after that date.

2 ~~———— (2) All funds premiums, penalties, recoveries, interest earned, and other money deposited in the state~~
 3 ~~fund may be spent as provided in 17-8-101(2)(b)."~~

4

5 ~~———— **SECTION 8.** SECTION 39-71-2322, MCA, IS AMENDED TO READ:~~

6 ~~———— "**39-71-2322. Money in state fund held in trust -- disposition of funds upon repeal of chapter.** The~~
 7 ~~money premiums, penalties, interest, and other money earned, as listed in 39-71-2321, and coming into the state~~
 8 ~~fund must be held in trust for the purpose for which the premiums and other money was were collected. If this~~
 9 ~~chapter is repealed, the money is premiums, penalties, interest, and other money earned are subject to the~~
 10 ~~disposition provided by the legislature repealing this chapter. In the absence of a legislative provision, distribution~~
 11 ~~must be in accordance with the justice of the matter, due regard being given to obligations of compensation~~
 12 ~~incurred and existing."~~

13

14 ~~———— **SECTION 9.** SECTION 39-71-2323, MCA, IS AMENDED TO READ:~~

15 ~~———— "**39-71-2323. Surplus in state fund -- payment of dividends.** Subject to the provisions of 39-71-2316,~~
 16 ~~if at the end of any fiscal year there exists in the state fund account created by 39-71-2321 for claims for injuries~~
 17 ~~resulting from accidents that occur on or after July 1, 1990, an excess of assets over liabilities, including~~
 18 ~~necessary actuarially adequate reserves set aside, and an appropriate surplus a reserve to surplus ratio of 2.5~~
 19 ~~to 1 as determined by the board in accordance with 39-71-2330, and if the excess may be refunded safely as~~
 20 ~~determined by the board, then the board, after consultation with the independent actuary engaged pursuant to~~
 21 ~~39-71-2330, may declare a dividend. The rules of the state fund must prescribe the manner of payment to those~~
 22 ~~employers who have paid premiums into the state fund in excess of liabilities."~~

23

24 ~~———— **SECTION 10.** SECTION 39-71-2351, MCA, IS AMENDED TO READ:~~

25 ~~———— "**39-71-2351. Purpose of separation of state fund liability as of July 1, 1990, and of separate**~~
 26 ~~**funding of claims before and on or after that date.** (1) An unfunded liability exists in the state fund. It has~~
 27 ~~existed since at least the mid-1980s and has grown each year. There have been numerous attempts to solve the~~
 28 ~~problem by legislation and other methods. These attempts have alleviated the problem somewhat, but the~~
 29 ~~problem has not been solved.~~

30 ~~———— (2) The legislature has determined that it is necessary to the public welfare to make workers'~~

1 compensation insurance available to all employers through the state fund as the insurer of last resort. In making
 2 this insurance available, the state fund has incurred the unfunded liability. The legislature has determined that
 3 the most cost-effective and efficient way to provide a source of funding for and to ensure payment of the unfunded
 4 liability and the best way to administer the unfunded liability is to separate the liability of the state fund on the
 5 basis of whether a claim is for an injury resulting from an accident that occurred before July 1, 1990, or an
 6 accident that occurs on or after that date. The legislature also recognizes that the separation of accounts does
 7 not absolve the unfunded liability of the state fund and that through the use of accrued interest, sound business
 8 practices, and savings that may be achieved there is an opportunity to provide limited transfers to the account
 9 for injuries that occurred before July 1, 1990, to help resolve the unfunded liability.

10 ———(3) The legislature further determines that in order to prevent the creation of a new unfunded liability with
 11 respect to claims for injuries for accidents that occur on or after July 1, 1990, certain duties of the state fund
 12 should be clarified and legislative oversight of the state fund should be increased."

13
 14 NEW SECTION. SECTION 3. TRANSFER OF FUNDS TO HEALTH AND MEDICAID INITIATIVE ACCOUNT. FOR THE
 15 BIENNIUM BEGINNING JULY 1, 2011, THE STATE TREASURER SHALL TRANSFER \$3,166,502 FROM THE OLDER MONTANANS
 16 TRUST FUND PROVIDED FOR IN 52-3-115 TO THE HEALTH AND MEDICAID INITIATIVES ACCOUNT PROVIDED FOR IN
 17 53-6-1201.

18
 19 SECTION 4. SECTION 15-35-108, MCA, IS AMENDED TO READ:

20 **"15-35-108. (Temporary) Disposal of severance taxes.** Severance taxes collected under this chapter
 21 must, in accordance with the provisions of 17-2-124, be allocated as follows:

22 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
 23 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
 24 17-6-203(6) and invested by the board of investments as provided by law.

25 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program
 26 account established in 17-7-205.

27 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
 28 by the legislature for provision of basic library services for the residents of all counties through library federations
 29 and for payment of the costs of participating in regional and national networking, conservation districts, and the
 30 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.

1 Money may not be transferred from this account to another account other than the general fund. Beginning July
2 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

3 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
4 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
5 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
6 described in 23-1-102.

7 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
8 resource loan debt service fund.

9 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
10 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
11 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
12 cultural and aesthetic projects.

13 (7) The amount of [5.8% through September 30, 2013, and beginning October 1, 2013, the amount of]
14 2.9% must be credited to the coal natural resource account established in 90-6-1001(2).

15 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
16 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

17 (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the
18 provisions of this chapter must be credited to the general fund of the state.

19 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited
20 in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

21 (i) \$65,000 to the cooperative development center;

22 (ii) \$625,000 for the growth through agriculture program provided for in Title 90, chapter 9;

23 (iii) \$1.275 million to the research and commercialization state special revenue account created in
24 90-3-1002, of which \$375,000 per year is appropriated for fiscal years 2012 and 2013 to the department of
25 commerce for the small business state matching grant program authorized in 90-1-117 to provide matching grants
26 for small business innovation research and small business technology transfer, \$125,000 per year is appropriated
27 for fiscal years 2012 and 2013 to the high-performance supercomputing program in the department of commerce,
28 and \$300,000 per year is appropriated for fiscal years 2012 and 2013 to the board of regents for the development
29 of energy and natural resources doctoral programs at Montana tech of the university of Montana;

30 (iv) to the department of commerce:

- 1 (A) \$125,000 for a small business development center;
- 2 (B) \$50,000 for a small business innovative research program;
- 3 (C) \$425,000 for certified regional development corporations;
- 4 (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;
- 5 and
- 6 (E) \$300,000 for export trade enhancement. (Terminates June 30, 2013--sec. 5, Ch. 459, L. 2009.)

7 **15-35-108. (Effective July 1, 2013) Disposal of severance taxes.** Severance taxes collected under
8 this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:

9 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
10 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
11 17-6-203(6) and invested by the board of investments as provided by law.

12 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program
13 account established in 17-7-205.

14 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
15 by the legislature for provision of basic library services for the residents of all counties through library federations
16 and for payment of the costs of participating in regional and national networking, conservation districts, and the
17 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
18 Money may not be transferred from this account to another account other than the general fund. Beginning July
19 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

20 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
21 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
22 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
23 described in 23-1-102.

24 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
25 resource loan debt service fund.

26 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
27 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
28 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
29 cultural and aesthetic projects.

30 (7) The amount of [5.8% through September 30, 2013, and beginning October 1, 2013, the amount of]

1 2.9% must be credited to the coal natural resource account established in 90-6-1001(2).

2 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
3 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

4 (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the
5 provisions of this chapter must be credited to the general fund of the state.

6 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited
7 in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

8 (i) \$65,000 to the cooperative development center;

9 (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

10 (iii) \$3.65 million to the research and commercialization state special revenue account created in
11 90-3-1002;

12 (iv) to the department of commerce:

13 (A) \$125,000 for a small business development center;

14 (B) \$50,000 for a small business innovative research program;

15 (C) \$425,000 for certified regional development corporations;

16 (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;

17 and

18 (E) \$300,000 for export trade enhancement. (Terminates June 30, 2019--secs. 2, 3, Ch. 459, L. 2009.)

19 **15-35-108. (Effective July 1, 2019) Disposal of severance taxes.** Severance taxes collected under
20 this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:

21 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
22 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
23 17-6-203(6) and invested by the board of investments as provided by law.

24 (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program
25 account established in 17-7-205.

26 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
27 by the legislature for provision of basic library services for the residents of all counties through library federations
28 and for payment of the costs of participating in regional and national networking, conservation districts, and the
29 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
30 Money may not be transferred from this account to another account other than the general fund. Beginning July

1 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

2 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
3 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
4 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
5 described in 23-1-102.

6 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
7 resource loan debt service fund.

8 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
9 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
10 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
11 cultural and aesthetic projects.

12 (7) The amount of 2.9% must be credited to the coal natural resource account established in
13 90-6-1001(2).

14 (8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must
15 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

16 (9) All other revenue from severance taxes collected under the provisions of this chapter must be
17 credited to the general fund of the state."

18

19 **SECTION 5. SECTION 39-71-2352, MCA, IS AMENDED TO READ:**

20 **"39-71-2352. Separate payment structure and sources for claims for injuries resulting from**
21 **accidents that occurred before July 1, 1990, and on or after July 1, 1990 -- spending limit -- authorizing**
22 **transfer of money.** (1) Premiums paid to the state fund based upon wages payable before July 1, 1990, may
23 be used only to administer and pay claims for injuries resulting from accidents that occurred before July 1, 1990.
24 Premiums paid to the state fund based upon wages payable on or after July 1, 1990, may be used only to
25 administer and pay claims for injuries resulting from accidents that occur on or after July 1, 1990.

26 (2) The state fund shall:

27 (a) determine the cost of administering and paying claims for injuries resulting from accidents that
28 occurred before July 1, 1990, and separately determine the cost of administering and paying claims for injuries
29 resulting from accidents that occur on or after July 1, 1990;

30 (b) keep adequate and separate accounts of the costs determined under subsection (2)(a); and

1 (c) fund administrative expenses and benefit payments for claims for injuries resulting from accidents
 2 that occurred before July 1, 1990, and claims for injuries resulting from accidents that occur on or after July 1,
 3 1990, separately from the sources provided by law.

4 (3) The state fund may not spend more than \$1.25 million a year to administer claims for injuries resulting
 5 from accidents that occurred before July 1, 1990.

6 (4) As used in this section, "adequately funded" means the present value of:

7 (a) the total cost of future benefits remaining to be paid; and

8 (b) the cost of administering the claims.

9 (5) An amount of funds in excess of the adequate funding amount established in subsection (4), based
 10 on audited financial statements adjusted for unrealized gains and losses, must be transferred to the general fund.

11 (6) If in any fiscal year after the old fund liability tax is terminated claims for injuries resulting from
 12 accidents that occurred before July 1, 1990, are not adequately funded, any amount necessary to pay claims from
 13 the account for injuries resulting from accidents that occurred before July 1, 1990, must be transferred to that
 14 account by the state fund, based on an adequate surplus as provided in 39-71-2323, or by the state treasurer
 15 from the general fund to the account provided for in 39-71-2324 TO THE OLD FUND ACCOUNT PROVIDED FOR IN
 16 [SECTION 14] IF THE AMOUNT IN [SECTION 13 OR 14] IS INSUFFICIENT.

17 (7) The independent actuary engaged by the state fund pursuant to 39-71-2330 shall project the unpaid
 18 claims liability for claims for injuries resulting from accidents that occurred before July 1, 1990, each fiscal year
 19 until all claims are paid."

20

21 **SECTION 6. SECTION 52-3-115, MCA, IS AMENDED TO READ:**

22 **"52-3-115. (Temporary) Older Montanans trust fund.** (1) There is an older Montanans trust fund within
 23 the permanent fund type. The trust fund is subject to legislative appropriation as provided in this section.

24 (2) (a) The money in the fund may be used to create new, innovative services or to expand existing
 25 services for the benefit of Montana residents 60 years of age or older that will enable those Montanans to live
 26 an independent lifestyle in the least restrictive setting and will promote the dignity of and respect for those
 27 Montanans. The interest and income produced by the trust fund and appropriated to the department by the
 28 legislature is intended to increase services referred to in this subsection and not to supplant other sources of
 29 revenue for those programs in the trended traditional level of appropriations for those services.

30 (b) As used in subsection (2)(a), the phrase "trended traditional level of appropriations" means the

1 appropriation amounts, including supplemental appropriations, as those amounts were set based on eligibility
2 standards, services authorized, and payment amount during the past five biennial budgets.

3 (3) The department may accept contributions and gifts for the trust fund in money or other forms, and
4 when accepted, the contributions and gifts must be deposited in the trust fund.

5 (4) Interest and income earned on money in the trust fund must be retained within the fund except as
6 provided in this section. Until the year 2015, if assets in the fund reach the following amounts, money may be
7 appropriated by the legislature and used in the following amounts for the programs specified in subsection (2):

8 (a) When the fund balance reaches \$20 million, 50% of the interest earned may be appropriated.

9 (b) When the fund balance reaches \$50 million, 60% of the interest earned may be appropriated.

10 (c) When the fund balance reaches \$100 million, 80% of the interest earned may be appropriated.

11 (5) On and after January 1, 2015, 90% of the interest earned on the trust fund may be appropriated for
12 the programs specified in subsection (2).

13 (6) The department shall provide to the legislature a biennial report of the expenditures of the money
14 appropriated from the older Montanans trust fund as provided in 5-11-210. (Terminates June 30, 2011--sec. 82,
15 Ch. 489, L. 2009.)

16 **52-3-115. (Effective July 1, 2011) Older Montanans trust fund.** (1) There is an older Montanans trust
17 fund within the permanent fund type. The trust fund is subject to legislative appropriation as provided in this
18 section.

19 (2) The money in the fund may be used to ~~create:~~

20 ~~—— (a) fund new, innovative services or to expand existing services for the benefit of Montana residents 60~~
21 ~~years of age or older that will enable those Montanans to live an independent lifestyle in the least restrictive~~
22 ~~setting and will promote the dignity of and respect for those Montanans; and. The interest and income produced~~
23 ~~by the trust fund and appropriated to the department by the legislature is intended to increase services referred~~
24 ~~to in this subsection and not to supplant other sources of revenue for those programs in the trended traditional~~
25 ~~level, as used in 53-6-1201, of appropriations for those services.~~

26 ~~—— (b) fund tobacco prevention and cessation activities.~~

27 (3) The department may accept contributions and gifts for the trust fund in money or other forms, and
28 when accepted, the contributions and gifts must be deposited in the trust fund.

29 (4) Interest and income earned on money in the trust fund must be retained within the fund except as
30 provided in this section. ~~Until the year 2015, if assets in the fund reach the following amounts, money~~ Money may

1 be appropriated by the legislature and used in the following amounts for the programs specified in subsection (2):
 2 ——— (a) When the fund balance reaches \$20 million, 50% of the interest earned may be appropriated.
 3 ——— (b) When the fund balance reaches \$50 million, 60% of the interest earned may be appropriated.
 4 ——— (c) When the fund balance reaches \$100 million, 80% of the interest earned may be appropriated.
 5 ——— (5) On and after January 1, 2015, 90% of the interest earned on the trust fund may be appropriated for
 6 the programs specified in subsection (2).

7 (6)(5) The department shall provide to the legislature a biennial report of the expenditures of the money
 8 appropriated from the older Montanans trust fund as provided in 5-11-210."

9

10 **Section 7.** Section 53-19-310, MCA, is amended to read:

11 **"53-19-310. Account for telecommunications services and specialized telecommunications**
 12 **equipment for persons with disabilities.** (1) There is an account for telecommunications services and
 13 specialized telecommunications equipment for persons with disabilities in the state special revenue fund in the
 14 state treasury. The account consists of:

15 (a) all monetary contributions, gifts, and grants received by the committee as provided in 53-19-309; and
 16 (b) all fees billed and collected pursuant to 53-19-311.

17 (2) ~~The Subject to legislative fund transfers,~~ money in the account is allocated to the committee for
 18 purposes of implementing this part. Gifts and grants received by the committee as provided in 53-19-309 are not
 19 subject to legislative fund transfers.

20 (3) All expenditures of the committee in administering this part must be paid from money deposited in
 21 the account."

22

23 **Section 8.** Section 75-10-532, MCA, is amended to read:

24 **"75-10-532. Disposition of money collected.** All money received from the sale of junk vehicles or from
 25 recycling of the material and all motor vehicle wrecking facility license fees must be remitted to the state, as
 26 provided in 15-1-504. ~~The Subject to legislative fund transfers, the~~ money must be used for the control, collection,
 27 recycling, and disposal of junk vehicles and component parts and for the removal of abandoned vehicles."

28

29 **Section 9.** Section 75-10-743, MCA, is amended to read:

30 **"75-10-743. Orphan share state special revenue account -- reimbursement of claims -- payment**

1 **of department costs.** (1) There is an orphan share account in the state special revenue fund established in
2 17-2-102 that is to be administered by the department. Money in the account is available to the department by
3 appropriation and, except as provided in subsections (9), ~~and (10)~~, and (11), must be used to reimburse remedial
4 action costs claimed pursuant to 75-10-742 through 75-10-751 and to pay costs incurred by the department in
5 defending the orphan share.

6 (2) There must be deposited in the orphan share account:

7 (a) all penalties assessed pursuant to 75-10-750(12);

8 (b) funds received from the distribution of oil and natural gas production taxes pursuant to 15-36-331;

9 (c) unencumbered funds remaining in the abandoned mines state special revenue account;

10 (d) interest income on the account;

11 (e) funds received from settlements pursuant to 75-10-719(7); and

12 (f) funds received from reimbursement of the department's orphan share defense costs pursuant to
13 subsection (6).

14 (3) If the orphan share fund contains sufficient money, valid claims must be reimbursed subsequently
15 in the order in which they were received by the department. If the orphan share fund does not contain sufficient
16 money to reimburse claims for completed remedial actions, a reimbursement may not be made and the orphan
17 share fund, the department, and the state are not liable for making any reimbursement for the costs. The
18 department and the state are not liable for any penalties if the orphan share fund does not contain sufficient
19 money to reimburse claims, and interest may not accrue on outstanding claims.

20 (4) Except as provided in subsections (6) and (7), claims may not be submitted and remedial action costs
21 may not be reimbursed from the orphan share fund until all remedial actions, except for operation and
22 maintenance, are completed at a facility.

23 (5) Except as provided in subsection (6), reimbursement from the orphan share fund must be limited to
24 actual documented remedial action costs incurred after the date of a petition provided for in 75-10-745.
25 Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs.

26 (6) (a) The department's costs incurred in defending the orphan share must be paid by the persons
27 participating in the allocation under 75-10-742 through 75-10-751 in proportion to their allocated shares. The
28 orphan share fund is responsible for a portion of the department's costs incurred in defending the orphan share
29 in proportion to the orphan share's allocated share, as follows:

30 (i) If sufficient funds are available in the orphan share fund, the department's costs incurred in defending

1 the orphan share must be paid from the orphan share fund in proportion to the share of liability allocated to the
2 orphan share.

3 (ii) If sufficient funds are not available in the orphan share fund, persons participating in the allocation
4 under 75-10-742 through 75-10-751 shall pay all the orphan share's allocated share of the department's costs
5 incurred in defending the orphan share in proportion to each person's allocated share of liability.

6 (b) A person who pays the orphan share's proportional share of costs has a claim against the orphan
7 share fund and must be reimbursed as provided in subsection (3).

8 (c) A state agency that is liable for remedial action costs incurred has a claim against the orphan share
9 fund and must be reimbursed as provided in subsection (3). The agency may submit a claim before or after
10 remedial action is complete. Reimbursement may not be made for attorney fees, legal costs, or operation and
11 maintenance costs. The agency may be reimbursed only after:

12 (i) its liability has been determined pursuant to 75-10-742 through 75-10-751 or by a court of competent
13 jurisdiction;

14 (ii) it has received a notice letter pursuant to 75-10-711; and

15 (iii) the department has approved the costs.

16 (7) (a) If the lead liable person under 75-10-746 presents evidence to the department that the person
17 cannot complete the remedial actions without partial reimbursement and that a delay in reimbursement will cause
18 undue financial hardship on the person, the department may allow the submission of claims and may reimburse
19 the claims prior to the completion of all remedial actions. A person is not eligible for early reimbursement unless
20 the person is in substantial compliance with all department-approved remedial action plans.

21 (b) The department may reimburse claims from a lead liable person upon completion and department
22 approval of a report evaluating the nature and extent of contamination and a report formulating and evaluating
23 final remediation alternatives. This early reimbursement is limited to those eligible costs incurred by the lead liable
24 person for the preparation of the reports.

25 (8) A person participating in the allocation process who received funds under the mixed funding pilot
26 program provided for in sections 14 through 20, Chapter 584, Laws of 1995, may not claim or receive
27 reimbursement from the orphan share fund for the amount of funds received under the mixed funding pilot
28 program that are later attributed to the orphan share under the allocation process.

29 (9) (a) For the biennium beginning July 1, 2005, up to \$1.25 million may be used by the department to
30 pay the costs incurred by the department in contracting for evaluating the extent of contamination and formulating

1 final remediation alternatives for releases at the Kalispell pole and timber, reliance refinery company, and Yale
2 oil corporation facility complex. If the department spends less than \$1.25 million for those purposes, the remaining
3 funds must be spent for remediation of the facility complex. The department may not seek recovery of the \$1.25
4 million from potentially liable persons.

5 (b) The money spent pursuant to subsection (9)(a) must be credited against the amount owed by the
6 state agency in a judgment or settlement agreement for payment of the remedial action costs at the facility for
7 which the money was spent.

8 (10) (a) The department shall transfer from the orphan share account to the long-term or perpetual water
9 treatment permanent trust fund provided for in 82-4-367 \$1.2 million in each fiscal year until the board of
10 investments makes the certification pursuant to subsection (10)(b) of this section.

11 (b) (i) The board of investments shall monitor the long-term or perpetual water treatment permanent trust
12 fund provided for in 82-4-367 to determine when the amount of money in the long-term or perpetual water
13 treatment permanent trust fund will be sufficient, with future earnings, to provide a fund balance of \$19.3 million
14 on January 1, 2018.

15 (ii) When the board of investments makes the determination pursuant to subsection (10)(b)(i), the board
16 of investments shall notify the department and certify to the department the amount of money, if any, that must
17 be transferred during the fiscal year in which the board of investments makes its determination pursuant to
18 subsection (10)(b)(i) in order to provide a fund balance of \$19.3 million on January 1, 2018.

19 (iii) In the fiscal year that the board of investments makes its determination and notifies the department,
20 the department shall transfer only the amount certified by the board of investments, if any, and may not make
21 additional transfers during subsequent fiscal years.

22 (11) The orphan share account is subject to legislative fund transfers."

23

24 **SECTION 10. SECTION 76-13-150, MCA, IS AMENDED TO READ:**

25 **"76-13-150. Fire suppression account -- fund transfer.** (1) There is a fire suppression account in the
26 state special revenue fund to the credit of the department.

27 (2) The legislature may transfer money from other funds to the account, and the money in the account
28 is subject to legislative fund transfers.

29 (3) Funds received for restitution by private parties must be deposited in the account.

30 (4) Money in the account may be used only for the purpose of paying expenses for fire prevention,

1 including fuel mitigation, grants for the purchase of fire suppression equipment for county cooperatives, and fire
2 suppression costs.

3 (5) Interest earned on the balance of the account is retained in the account."
4

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

6 **"76-15-904. Coal bed methane protection account -- use.** (1) There is a coal bed methane protection
7 account in the state special revenue fund.

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

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

12 (4) Subject to the conditions of ~~subsection~~ subsections (5) and (6), money deposited in the account must
13 be used to compensate landowners and water right holders for damages attributable to coal bed methane
14 development as provided in this part.

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

19 (6) ~~Money~~ Subject to legislative fund transfers, money in the account must be appropriated to the
20 department for use by conservation districts that have private landowners or water right holders who qualify for
21 compensation as provided in 76-15-905. (Subsection (2) terminates June 30, 2011--sec. 10, Ch. 531, L. 2001.)"
22

23 **Section 12.** Section 82-11-135, MCA, is amended to read:

24 **"82-11-135. Money earmarked for board expenses.** The state treasurer shall deposit all money
25 distributed to the board under 15-36-331 and collected under this chapter in the state special revenue fund. ~~The~~
26 Subject to legislative fund transfers, the money must be used for the purpose of paying all expenses of the board
27 and for no other purpose. The board shall use the money subject to biennial appropriations by the legislature.
28 Income and interest from investment of the board's money in the state special revenue fund must be credited to
29 the board."
30

1 NEW SECTION. SECTION 13. OLD FUND LIABILITY ACCOUNT. (1) THERE IS AN OLD FUND LIABILITY ACCOUNT
2 IN THE STATE SPECIAL REVENUE FUND ESTABLISHED BY 17-2-102 TO BE ADMINISTERED BY THE DEPARTMENT OF
3 ADMINISTRATION.

4 (2) UNTIL JULY 1, 2013, THE STATE FUND SHALL DEPOSIT IN THE ACCOUNT DESCRIBED IN SUBSECTION (1) THE
5 FEES COLLECTED AS PROVIDED IN [SECTION 14].

6 (3) INTEREST AND INCOME EARNED ON MONEY IN THE ACCOUNT MUST BE RETAINED WITHIN THE ACCOUNT
7 EXCEPT AS PROVIDED IN THIS SECTION.

8 (4) BEGINNING JULY 1, 2012, THE STATE TREASURER SHALL TRANSFER FUNDS IN THE OLD FUND LIABILITY
9 ACCOUNT ON AN AS-NEEDED BASIS INTO THE OLD FUND ACCOUNT PROVIDED FOR IN [SECTION 14] TO PAY CLAIMS FOR
10 INJURIES OCCURRING BEFORE JULY 1, 1990.

11
12 NEW SECTION. SECTION 14. OLD FUND PREMIUM FEE -- ASSESSMENT. (1) UNTIL JULY 1, 2013, THE STATE
13 FUND SHALL PAY INTO THE OLD FUND LIABILITY ACCOUNT, PROVIDED FOR IN [SECTION 13], A FEE ASSESSED UPON NET
14 PREMIUMS. BEGINNING JULY 1, 2013, THE STATE FUND SHALL DEPOSIT THE FEES ASSESSED UPON NET PREMIUMS INTO
15 THE OLD FUND ACCOUNT.

16 (2) A FEE MUST BE ASSESSED ON NET PREMIUMS AT A RATE OF 2.75% AND MUST BE INCLUDED IN RATES
17 ESTABLISHED IN 39-71-2330.

18 (3) (A) FOR THE PURPOSES OF THIS SECTION, THE TERM "NET PREMIUM" HAS THE MEANING PROVIDED BY THE
19 NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS.

20 (B) FOR THE PURPOSES OF THIS PART, THE TERM "OLD FUND ACCOUNT" MEANS THE ACCOUNT IN THE
21 PROPRIETARY FUND TYPE TO PAY CLAIMS FOR INJURIES RESULTING FROM ACCIDENTS THAT OCCURRED BEFORE JULY 1,
22 1990.

23
24 NEW SECTION. SECTION 15. APPROPRIATION. (1) THERE IS APPROPRIATED UP TO \$2 MILLION IN FISCAL YEAR
25 2011 FROM THE GENERAL FUND TO THE DEPARTMENT OF ADMINISTRATION ON A ONE-TIME-ONLY BASIS FOR TRANSFER
26 TO THE OLD FUND ACCOUNT PROVIDED FOR IN [SECTION 14].

27 (2) THERE IS APPROPRIATED \$11 MILLION ON A ONE-TIME-ONLY BASIS FOR THE FISCAL YEAR ENDING JUNE 30,
28 2012, TO THE DEPARTMENT OF ADMINISTRATION FOR TRANSFER TO THE OLD FUND ACCOUNT FOR UNFUNDED LIABILITIES,
29 IF NECESSARY. THESE FUNDS MAY BE USED ONLY FOR THE PURPOSES OF THIS SUBSECTION, EXCEPT AS PROVIDED IN
30 SUBSECTION (3).

1 (3) IF THE FUNDS APPROPRIATED IN SUBSECTION (2) ARE NOT NEEDED FOR THE PURPOSE SPECIFIED IN
 2 SUBSECTION (2), THE DEPARTMENT OF ADMINISTRATION MAY TRANSFER UP TO \$2.2 MILLION OF THE REMAINDER TO
 3 COMPENSATE STATE AGENCIES FOR ANY DIFFERENCE IN THE AMOUNT APPROPRIATED FROM THE GENERAL FUND FOR
 4 WORKERS' COMPENSATION PREMIUMS AND THE ACTUAL AMOUNT OF WORKERS' COMPENSATION PREMIUMS FUNDED FROM
 5 THE GENERAL FUND. THE METHODOLOGY FOR DETERMINING GENERAL FUND APPROPRIATIONS FOR WORKERS'
 6 COMPENSATION AND ACTUAL GENERAL FUND WORKERS' COMPENSATION PREMIUM COSTS MUST BE BASED ON AN
 7 AGREEMENT BETWEEN THE DIRECTOR OF THE OFFICE OF BUDGET AND PROGRAM PLANNING AND THE LEGISLATIVE FISCAL
 8 ANALYST.

9 (4) (A) THE APPROVING AUTHORITY, AS DEFINED IN 17-7-102, SHALL REVIEW AND MAY APPROVE THE TRANSFER
 10 UNDER SUBSECTION (3).

11 (B) THE LEGISLATIVE FINANCE COMMITTEE SHALL REVIEW THE PROPOSED TRANSFER PRIOR TO THE DISTRIBUTION
 12 OF FUNDS UNDER SUBSECTION (3).

13
 14 NEW SECTION. Section 16. Codification instruction. [SECTIONS 13 AND 14] ARE INTENDED TO BE
 15 CODIFIED AS AN INTEGRAL PART OF TITLE 39, CHAPTER 71, PART 23, AND THE PROVISIONS OF TITLE 39, CHAPTER 71,
 16 PART 23, APPLY TO [SECTIONS 13 AND 14].

17
 18 COORDINATION SECTION. Section 17. Coordination instruction. (1) If House Bill No. 42 is passed
 19 and approved in a form that contains a fund transfer from the coal bed methane protection account provided for
 20 in 76-15-904 to the state treasury, then the fund transfer in [section 4(4) 1(3)] is reduced by the amount of the
 21 difference between the amount specified in House Bill No. 42 and the amount specified in [section 1(4)]. FOR THE
 22 PURPOSE OF THIS SECTION, THE FUND TRANSFER IN [SECTION 4(4) 1(3)] MAY NOT BE DECREASED BELOW \$0.

23 (2) IF SENATE BILL NO. 424 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN SENATE BILL NO. 424 IS
 24 VOID.

25 (3) IF HOUSE BILL NO. 611 IS NOT PASSED AND APPROVED, THEN [SECTION 4 OF THIS ACT], AMENDING
 26 15-35-108, IS VOID.

27
 28 NEW SECTION. Section 18. Severability. If a part of [this act] is invalid, all valid parts that are
 29 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,
 30 the part remains in effect in all valid applications that are severable from the invalid applications.

