

1 HOUSE BILL NO. 454

2 INTRODUCED BY B. MCCHESENEY

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FUNDING FOR THE PUBLIC EMPLOYEES'

6 RETIREMENT SYSTEM; ~~PROVIDING THAT THE UNALLOCATED PORTION OF COAL SEVERANCE TAX~~

7 ~~COLLECTIONS IS STATUTORILY APPROPRIATED TO THE PUBLIC EMPLOYEES' DEFINED BENEFIT~~

8 ~~RETIREMENT PLAN; REVISING THE ALLOCATION OF INTEREST INCOME FROM THE COAL TAX~~

9 ~~PERMANENT FUND AND PROVIDING A STATUTORY APPROPRIATION OF A PORTION OF THE INTEREST~~

10 ~~INCOME TO THE PUBLIC EMPLOYEES' DEFINED BENEFIT RETIREMENT PLAN; AMENDING THE~~

11 ~~TERMINATION DATE FOR THE TRANSFER OF CERTAIN MONEY FROM THE COAL SEVERANCE TAX~~

12 ~~BOND FUND TO THE TREASURE STATE ENDOWMENT FUND AND THE TREASURE STATE ENDOWMENT~~

13 ~~REGIONAL WATER SYSTEM FUND; PROVIDING THAT THE UNALLOCATED PORTION OF COAL~~

14 ~~SEVERANCE TAX COLLECTIONS IS STATUTORILY APPROPRIATED TO THE PUBLIC EMPLOYEES'~~

15 ~~DEFINED BENEFIT RETIREMENT PLAN; REVISING THE ALLOCATION OF INTEREST INCOME FROM THE~~

16 ~~COAL TAX PERMANENT FUND AND PROVIDING A STATUTORY APPROPRIATION OF A PORTION OF THE~~

17 ~~INTEREST INCOME TO THE PUBLIC EMPLOYEES' DEFINED BENEFIT RETIREMENT PLAN; AMENDING THE~~

18 ~~TERMINATION DATE FOR THE TRANSFER OF CERTAIN MONEY FROM THE COAL SEVERANCE TAX BOND~~

19 ~~FUND TO THE TREASURE STATE ENDOWMENT FUND AND THE TREASURE STATE ENDOWMENT~~

20 ~~REGIONAL WATER SYSTEM FUND;~~ TEMPORARILY INCREASING EMPLOYEE AND EMPLOYER

21 CONTRIBUTIONS TO THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM; REVISING THE GUARANTEED

22 ANNUAL BENEFIT ADJUSTMENT FOR NEW AND CURRENT MEMBERS; PROVIDING AN APPROPRIATION

23 ~~TO THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR EACH YEAR OF THE BIENNIUM; PROVIDING~~

24 ~~AN APPROPRIATION;~~ AMENDING SECTIONS ~~15-35-108, 17-5-703, 17-7-502, 15-35-108, 17-5-703, 19-3-315,~~

25 ~~19-3-316, 19-3-1605,~~ AND 19-3-2117, MCA; AMENDING SECTION 6, CHAPTER 495, LAWS OF 1999, AND

26 SECTIONS 15 AND 16, CHAPTER 389, LAWS OF 2011; ~~REPEALING SECTION 19-3-319, MCA; AMENDING~~

27 ~~SECTION 6, CHAPTER 495, LAWS OF 1999, AND SECTIONS 15 AND 16, CHAPTER 389, LAWS OF 2011; AND~~

28 PROVIDING AN EFFECTIVE DATE."

29

30 WHEREAS, Article VIII, section 15, of the Montana Constitution requires that "Public retirement systems

1 shall be funded on an actuarially sound basis" and that "Public retirement system assets, including income and
2 actuarially required contributions, shall not be encumbered, diverted, reduced, or terminated and shall be held
3 in trust to provide benefits to participants and their beneficiaries and to defray administrative expenses"; and

4 WHEREAS, the unprecedented collapse of the financial markets in 2008 through 2009 and the
5 subsequent slow rate of economic recovery have resulted in little or no prospect that current statutory contribution
6 rates together with future market returns will be sufficient to fund the Public Employees' Retirement System on
7 an actuarially sound basis, and current contributions remain insufficient to pay the past and future accruals of
8 retirement benefits for members currently in the system; and

9 WHEREAS, failure to return the system to a position of actuarially sound funding places the benefits to
10 be paid to current system participants in jeopardy and results in collection of employee contributions for which
11 future benefits may not be guaranteed; and

12 WHEREAS, the current and increasing level of unfunded liabilities has the potential to compromise the
13 credit ratings of the state of Montana and of local government entities, including public school districts; and

14 WHEREAS, because reasonable increases in employer contributions and reasonable reductions in
15 benefits for future participants alone will not be sufficient to return the system to a position of actuarially sound
16 funding, a reasonable increase in contributions for current participants is necessary to help return the system to
17 a position of actuarially sound funding; and

18 WHEREAS, during the past two legislative sessions and interims, the Legislature, interim committees,
19 the retirement system board and staff, and the Governor's office have analyzed and enacted alternatives for
20 returning the system to a position of actuarially sound funding without raising contract impairment issues for
21 current members, which have failed to reduce system costs enough to restore the system to actuarial soundness;
22 and

23 WHEREAS, in light of significant strains on the Montana economy, on state and local government
24 budgets, and on taxpayers, a modest supplemental contribution rate increase of 1% imposed on current
25 members, with an appropriate mechanism to terminate the supplemental contribution rate as system funding
26 improves and in conjunction with additional employer and state contributions, is, pursuant to the language of U.S.
27 Trust Company of New York v. New Jersey, 431 U.S. 1 (1977), concerning contract impairment, reasonable and
28 necessary, is for a valid public purpose, and is the least impairing alternative available to the Legislature as it
29 seeks to fulfill its constitutional obligation to ensure that the retirement system is funded in an actuarially sound
30 manner.

1
2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
3
4 ~~Section 1. Section 15-35-108, MCA, is amended to read:~~
5 ~~"15-35-108. (Temporary) Disposal of severance taxes. Severance taxes collected under this chapter~~
6 ~~must, in accordance with the provisions of 17-2-124, be allocated as follows:~~
7 ~~(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,~~
8 ~~section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under~~
9 ~~17-6-203(6) and invested by the board of investments as provided by law:~~
10 ~~(2) The amount of 12% of coal severance tax collections is allocated to the long-range building program~~
11 ~~account established in 17-7-205.~~
12 ~~(3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated~~
13 ~~by the legislature for provision of basic library services for the residents of all counties through library federations~~
14 ~~and for payment of the costs of participating in regional and national networking, conservation districts, and the~~
15 ~~Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.~~
16 ~~Money may not be transferred from this account to another account other than the general fund. Beginning July~~
17 ~~1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund:~~
18 ~~(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks~~
19 ~~acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,~~
20 ~~must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas~~
21 ~~described in 23-1-102.~~
22 ~~(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable~~
23 ~~resource loan debt service fund.~~
24 ~~(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art~~
25 ~~in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding~~
26 ~~unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other~~
27 ~~cultural and aesthetic projects.~~
28 ~~(7) The amount of 5.8% through September 30, 2013, and beginning October 1, 2013, the amount of~~
29 ~~2.9% must be credited to the coal natural resource account established in 90-6-1001(2).~~
30 ~~(8) After the allocations are made under subsections (2) through (7), \$250,000 for the fiscal year must~~

1 be credited to the coal and uranium mine permitting and reclamation program account established in 82-4-244.

2 ~~———— (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the~~

3 ~~provisions of this chapter must be credited to the general fund of the state.~~

4 ~~———— (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited~~

5 ~~in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:~~

6 ~~———— (i) \$65,000 to the cooperative development center;~~

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

8 ~~———— (iii) \$1.275 million to the research and commercialization state special revenue account created in~~

9 ~~90-3-1002, of which \$375,000 per year is appropriated for fiscal years 2012 and 2013 to the department of~~

10 ~~commerce for the small business state matching grant program authorized in 90-1-117 to provide matching grants~~

11 ~~for small business innovation research and small business technology transfer, \$125,000 per year is appropriated~~

12 ~~for fiscal years 2012 and 2013 to the high-performance supercomputing program in the department of commerce,~~

13 ~~and \$300,000 per year is appropriated for fiscal years 2012 and 2013 to the board of regents for the development~~

14 ~~of energy and natural resources doctoral programs at Montana tech of the university of Montana;~~

15 ~~———— (iv) to the department of commerce:~~

16 ~~———— (A) \$125,000 for a small business development center;~~

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

18 ~~———— (C) \$425,000 for certified regional development corporations;~~

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

20 ~~and~~

21 ~~———— (E) \$300,000 for export trade enhancement. (Terminates June 30, 2013--sec. 5, Ch. 459, L. 2009.)~~

22 ~~———— **15-35-108. (Effective July 1, 2013 Temporary) Disposal of severance taxes.** Severance taxes~~

23 ~~collected under this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:~~

24 ~~———— (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,~~

25 ~~section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under~~

26 ~~17-6-203(6) and invested by the board of investments as provided by law.~~

27 ~~———— (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program~~

28 ~~account established in 17-7-205.~~

29 ~~———— (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated~~

30 ~~by the legislature for provision of basic library services for the residents of all counties through library federations~~

1 and for payment of the costs of participating in regional and national networking, conservation districts, and the
 2 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
 3 Money may not be transferred from this account to another account other than the general fund. Beginning July
 4 1, 2012, any ~~Any~~ unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

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

9 ~~——— (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable~~
 10 ~~resource loan debt service fund.~~

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

15 ~~——— (7) The amount of 5.8% through September 30, 2013, and beginning October 1, 2013, the amount of~~
 16 ~~2.9% must be credited to the coal natural resource account established in 90-6-1001(2).~~

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

19 ~~——— (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the~~
 20 ~~provisions of this chapter must be credited to the general fund of the state and is statutorily appropriated, as~~
 21 ~~provided in 17-7-502, on July 1 each year to the trust fund for the public employees' retirement system defined~~
 22 ~~benefit plan established pursuant to 19-3-103.~~

23 ~~——— (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited~~
 24 ~~in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis July 1 each year~~
 25 ~~follows:~~

26 ~~——— (i) \$65,000 to the cooperative development center;~~

27 ~~——— (ii) \$1.25 million \$625,000 for the growth through agriculture program provided for in Title 90, chapter 9;~~

28 ~~——— (iii) \$3.65 \$1.275 million to the research and commercialization state special revenue account created~~
 29 ~~in 90-3-1002;~~

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; and~~
 7 ~~—— (v) up to \$21 million to the public employees' retirement system defined benefit plan trust fund.~~
 8 ~~(Terminates June 30, 2019--secs. 2, 3, Ch. 459, L. 2009.)~~
- 9 ~~—— **15-35-108. (Effective July 1, 2019) Disposal of severance taxes.** Severance taxes collected under~~
 10 ~~this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:~~
- 11 ~~—— (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,~~
 12 ~~section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under~~
 13 ~~17-6-203(6) and invested by the board of investments as provided by law.~~
- 14 ~~—— (2) The amount of 12% of coal severance tax collections is allocated to the long-range building program~~
 15 ~~account established in 17-7-205.~~
- 16 ~~—— (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated~~
 17 ~~by the legislature for provision of basic library services for the residents of all counties through library federations~~
 18 ~~and for payment of the costs of participating in regional and national networking, conservation districts, and the~~
 19 ~~Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.~~
 20 ~~Money may not be transferred from this account to another account other than the general fund. Beginning July~~
 21 ~~1, 2012, any Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.~~
- 22 ~~—— (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks~~
 23 ~~acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,~~
 24 ~~must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas~~
 25 ~~described in 23-1-102.~~
- 26 ~~—— (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable~~
 27 ~~resource loan debt service fund.~~
- 28 ~~—— (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art~~
 29 ~~in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding~~
 30 ~~unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other~~

1 cultural and aesthetic projects.

2 ~~—— (7) The amount of 2.9% must be credited to the coal natural resource account established in~~
3 ~~90-6-1001(2).~~

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

6 ~~—— (9) (a) All Subject to subsection (9)(b), all other revenue from severance taxes collected under the~~
7 ~~provisions of this chapter must be credited to the general fund of the state and is statutorily appropriated, as~~
8 ~~provided in 17-7-502, on July 1 each year to the trust fund for the public employees' retirement system defined~~
9 ~~benefit plan pursuant to 19-3-103.~~

10 ~~—— (b) Up to \$24 million of the interest income from the coal severance tax permanent fund that is deposited~~
11 ~~to the general fund is statutorily appropriated, as provided in 17-7-502, on July 1 each year to the public~~
12 ~~employees' retirement system defined benefit plan trust fund."~~

13

14 ~~—— **Section 2.** Section 17-5-703, MCA, is amended to read:~~

15 ~~—— **"17-5-703. (Temporary) Coal severance tax trust funds.** (1) The trust established under Article IX,~~
16 ~~section 5, of the Montana constitution is composed of the following funds:~~

17 ~~—— (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal~~
18 ~~severance tax must be deposited;~~

19 ~~—— (b) a treasure state endowment fund;~~

20 ~~—— (c) a treasure state endowment regional water system fund;~~

21 ~~—— (d) a coal severance tax permanent fund;~~

22 ~~—— (e) a coal severance tax income fund; and~~

23 ~~—— (f) a big sky economic development fund.~~

24 ~~—— (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all~~
25 ~~principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12~~
26 ~~months and retain that amount in the coal severance tax bond fund.~~

27 ~~—— (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection~~
28 ~~(2)(a) must be transferred from that fund as provided in subsections (3) and (4).~~

29 ~~—— (3) (a) Until June 30, 2020 2016, the state treasurer shall quarterly transfer to the treasure state~~
30 ~~endowment fund 50% of the amount in the coal severance tax bond fund in excess of the amount that is specified~~

1 in-subsection (2) to be retained in the fund.

2 ~~—— (b) Until June 30, 2020 2016, the state treasurer shall quarterly transfer to the treasure state endowment~~
 3 ~~regional water system fund 25% of the amount in the coal severance tax bond fund in excess of the amount that~~
 4 ~~is specified in subsection (2) to be retained in the fund.~~

5 ~~—— (c) The state treasurer shall monthly transfer from the treasure state endowment fund to the treasure~~
 6 ~~state endowment special revenue account the amount of earnings, excluding unrealized gains and losses,~~
 7 ~~required to meet the obligations of the state that are payable from the account in accordance with 90-6-710.~~
 8 ~~Earnings not transferred to the treasure state endowment special revenue account must be retained in the~~
 9 ~~treasure state endowment fund.~~

10 ~~—— (d) The state treasurer shall monthly transfer from the treasure state endowment regional water system~~
 11 ~~fund to the treasure state endowment regional water system special revenue account the amount of earnings,~~
 12 ~~excluding unrealized gains and losses, required to meet the obligations of the state that are payable from the~~
 13 ~~account for regional water systems authorized under 90-6-715. Earnings not transferred to the treasure state~~
 14 ~~endowment regional water system special revenue account must be retained in the treasure state endowment~~
 15 ~~regional water system fund.~~

16 ~~—— (4) (a) From July 1, 2005, through June 30, 2025, the state treasurer shall quarterly transfer to the big~~
 17 ~~sky economic development fund 25% of the amount in the coal severance tax bond fund in excess of the amount~~
 18 ~~that is specified in subsection (2) to be retained in the fund.~~

19 ~~—— (b) The state treasurer shall monthly transfer from the big sky economic development fund to the~~
 20 ~~economic development special revenue account, provided for in 90-1-205, the amount of earnings, excluding~~
 21 ~~unrealized gains and losses, required to meet the obligations of the state that are payable from the account in~~
 22 ~~accordance with 90-1-204. Earnings not transferred to the economic development special revenue account must~~
 23 ~~be retained in the big sky economic development fund.~~

24 ~~—— (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in~~
 25 ~~subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be~~
 26 ~~deposited in the coal severance tax permanent fund. (Terminates June 30, 2020 2016--secs. 15, 16, Ch. 389,~~
 27 ~~L. 2011.)~~

28 ~~—— **17-5-703. (Effective July 1, 2020 2016) Coal severance tax trust funds.** (1) The trust established~~
 29 ~~under Article IX, section 5, of the Montana constitution is composed of the following funds:~~

30 ~~—— (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal~~

1 severance tax must be deposited;

2 ~~—— (b) a treasure state endowment fund;~~

3 ~~—— (c) a coal severance tax permanent fund;~~

4 ~~—— (d) a coal severance tax income fund; and~~

5 ~~—— (e) a big sky economic development fund.~~

6 ~~—— (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all~~

7 ~~principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12~~

8 ~~months and retain that amount in the coal severance tax bond fund.~~

9 ~~—— (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection~~

10 ~~(2)(a) must be transferred from that fund as provided in subsections (3) and (4).~~

11 ~~—— (3) (a) Until June 30, 2020 2016, the state treasurer shall quarterly transfer to the treasure state~~

12 ~~endowment fund 50% of the amount in the coal severance tax bond fund in excess of the amount that is specified~~

13 ~~in subsection (2) to be retained in the fund.~~

14 ~~—— (b) The state treasurer shall monthly transfer from the treasure state endowment fund to the treasure~~

15 ~~state endowment special revenue account the amount of earnings, excluding unrealized gains and losses,~~

16 ~~required to meet the obligations of the state that are payable from the account in accordance with 90-6-710.~~

17 ~~Earnings not transferred to the treasure state endowment special revenue account must be retained in the~~

18 ~~treasure state endowment fund.~~

19 ~~—— (4) (a) From July 1, 2005, through June 30, 2025, the state treasurer shall quarterly transfer to the big~~

20 ~~sky economic development fund 25% of the amount in the coal severance tax bond fund in excess of the amount~~

21 ~~that is specified in subsection (2) to be retained in the fund.~~

22 ~~—— (b) The state treasurer shall monthly transfer from the big sky economic development fund to the~~

23 ~~economic development special revenue account, provided for in 90-1-205, the amount of earnings, excluding~~

24 ~~unrealized gains and losses, required to meet the obligations of the state that are payable from the account in~~

25 ~~accordance with 90-1-204. Earnings not transferred to the economic development special revenue account must~~

26 ~~be retained in the big sky economic development fund.~~

27 ~~—— (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in~~

28 ~~subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be~~

29 ~~deposited in the coal severance tax permanent fund."~~

30

1 ~~SECTION 1. SECTION 17-7-502, MCA, IS AMENDED TO READ:~~

2 ~~"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory~~
 3 ~~appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the~~
 4 ~~need for a biennial legislative appropriation or budget amendment.~~

5 ~~(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both~~
 6 ~~of the following provisions:~~

7 ~~(a) The law containing the statutory authority must be listed in subsection (3):~~

8 ~~(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory~~
 9 ~~appropriation is made as provided in this section.~~

10 ~~(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120;~~
 11 ~~5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312;~~
 12 ~~10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121;~~
 13 ~~15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101;~~
 14 ~~18-11-112; 19-3-319; 19-3-316; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305;~~
 15 ~~19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105;~~
 16 ~~23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-51-501; 39-71-503; 41-5-2011;~~
 17 ~~42-2-105; 44-4-1101; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-9-113; 53-24-108; 53-24-206; 60-11-115;~~
 18 ~~61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-416; 77-1-108; 77-2-362; 80-2-222;~~
 19 ~~80-4-416; 80-11-518; 81-1-112; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; 87-1-230; 87-1-603;~~
 20 ~~87-1-621; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.~~

21 ~~(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,~~
 22 ~~paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued~~
 23 ~~pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana~~
 24 ~~to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state~~
 25 ~~treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory~~
 26 ~~appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion~~
 27 ~~of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is~~
 28 ~~10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch.~~
 29 ~~459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 17, Ch. 593, L. 2005, and~~
 30 ~~sec. 1, Ch. 186, L. 2009, the inclusion of 15-31-906 terminates January 1, 2015; pursuant to sec. 73, Ch. 44, L.~~

1 2007, the inclusion of 19-6-410 terminates upon the death of the last recipient eligible under 19-6-709(2) for the
 2 supplemental benefit provided by 19-6-709; pursuant to sec. 8, Ch. 330, L. 2009, the inclusion of 87-1-621
 3 terminates June 30, 2013; pursuant to sec. 14, Ch. 374, L. 2009, the inclusion of 53-9-113 terminates June 30,
 4 2015; pursuant to sec. 8, Ch. 427, L. 2009, the inclusion of 87-1-230 terminates June 30, 2013; pursuant to sec.
 5 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019; pursuant to sec. 47, Ch. 19, L. 2011,
 6 the inclusion of 87-1-621 terminates June 30, 2013; pursuant to sec. 16, Ch. 58, L. 2011, the inclusion of
 7 30-10-1004 terminates June 30, 2017; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates
 8 June 30, 2019; and pursuant to sec. 13, Ch. 339, L. 2011, the inclusion of 81-1-112 and 81-7-106 terminates
 9 June 30, 2017.)^a

10

11 **SECTION 1. SECTION 15-35-108, MCA, IS AMENDED TO READ:**

12 **"15-35-108. (Temporary) Disposal of severance taxes.** Severance taxes collected under this chapter
 13 must, in accordance with the provisions of 17-2-124, be allocated as follows:

14 ~~———— (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
 15 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
 16 17-6-203(6) and invested by the board of investments as provided by law.~~

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

19 ~~———— (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
 20 by the legislature for provision of basic library services for the residents of all counties through library federations
 21 and for payment of the costs of participating in regional and national networking, conservation districts, and the
 22 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
 23 Money may not be transferred from this account to another account other than the general fund. Beginning July
 24 1, 2012, any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.~~

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

29 ~~———— (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
 30 resource loan debt service fund.~~

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

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

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

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

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

13 ~~———(i) \$65,000 to the cooperative development center;~~

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

15 ~~———(iii) \$1.275 million to the research and commercialization state special revenue account created in~~
 16 ~~90-3-1002, of which \$375,000 per year is appropriated for fiscal years 2012 and 2013 to the department of~~
 17 ~~commerce for the small business state matching grant program authorized in 90-1-117 to provide matching grants~~
 18 ~~for small business innovation research and small business technology transfer, \$125,000 per year is appropriated~~
 19 ~~for fiscal years 2012 and 2013 to the high-performance supercomputing program in the department of commerce,~~
 20 ~~and \$300,000 per year is appropriated for fiscal years 2012 and 2013 to the board of regents for the development~~
 21 ~~of energy and natural resources doctoral programs at Montana tech of the university of Montana;~~

22 ~~———(iv) to the department of commerce:~~

23 ~~———(A) \$125,000 for a small business development center;~~

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

25 ~~———(C) \$425,000 for certified regional development corporations;~~

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

27 ~~and~~

28 ~~———(E) \$300,000 for export trade enhancement. (Terminates June 30, 2013--sec. 5, Ch. 459, L. 2009.)~~

29 **15-35-108. (Effective July 1, 2013 Temporary) Disposal of severance taxes.** Severance taxes
 30 collected under this chapter must, in accordance with the provisions of 17-2-124, be allocated as follows:

1 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX,
2 section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
3 17-6-203(6) and invested by the board of investments as provided by law.

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

6 (3) The amount of 5.46% must be credited to an account in the state special revenue fund to be allocated
7 by the legislature for provision of basic library services for the residents of all counties through library federations
8 and for payment of the costs of participating in regional and national networking, conservation districts, and the
9 Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account.
10 Money may not be transferred from this account to another account other than the general fund. ~~Beginning July~~
11 ~~1, 2012, any~~ Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

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

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

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

22 (7) The amount of 5.8% through September 30, 2013, and beginning October 1, 2013, the amount of
23 2.9% must be credited to the coal natural resource account established in 90-6-1001(2).

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

26 (9) (a) Subject to subsection (9)(b), all other revenue from severance taxes collected under the
27 provisions of this chapter must be credited to the general fund of the state and is statutorily appropriated, as
28 provided in 17-7-502, on July 1 each year to the trust fund for the public employees' retirement system defined
29 benefit plan established pursuant to 19-3-103.

30 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited

1 in the general fund is statutorily appropriated, as provided in 17-7-502, on ~~an annual basis~~ July 1 each year as
 2 follows:

- 3 (i) \$65,000 to the cooperative development center;
- 4 (ii) ~~\$1.25 million~~ \$625,000 for the growth through agriculture program provided for in Title 90, chapter 9;
- 5 (iii) ~~\$3.65~~ \$1.275 million to the research and commercialization state special revenue account created
 6 in 90-3-1002;
- 7 (iv) to the department of commerce:
- 8 (A) \$125,000 for a small business development center;
- 9 (B) \$50,000 for a small business innovative research program;
- 10 (C) \$425,000 for certified regional development corporations;
- 11 (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;
- 12 and
- 13 (E) \$300,000 for export trade enhancement; and
- 14 (v) except as provided in subsection (9)(c), up to \$21 million to the public employees' retirement system
 15 defined benefit plan trust fund.

16 (c) If the legislative finance committee determines that the public employees' retirement board has failed
 17 to provide a sufficient report pursuant to [section 7], it shall recommend that \$5 million be subtracted from the
 18 amount allocated in subsection (9)(b)(v) subject to legislative approval. (Terminates June 30, 2019--secs. 2, 3,
 19 Ch. 459, L. 2009.)

20 **15-35-108. (Effective July 1, 2019) Disposal of severance taxes.** Severance taxes collected under
 21 this chapter 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~~ 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 2.9% must be credited to the coal natural resource account established in
 14 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) All~~ 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 and is statutorily appropriated, as
 19 provided in 17-7-502, on July 1 each year to the trust fund for the public employees' retirement system defined
 20 benefit plan pursuant to 19-3-103.

21 (b) Except as provided in subsection (9)(c), up to \$24 million of the interest income from the coal
 22 severance tax permanent fund that is deposited in the general fund is statutorily appropriated, as provided in
 23 17-7-502, on July 1 each year to the public employees' retirement system defined benefit plan trust fund.

24 (c) If the legislative finance committee determines that the public employees' retirement board has failed
 25 to provide a sufficient report pursuant to [section 7], it shall recommend that \$5 million be subtracted from the
 26 amount allocated in subsection (9)(b) subject to legislative approval."

27

28 **SECTION 2. SECTION 17-5-703, MCA, IS AMENDED TO READ:**

29 **"17-5-703. (Temporary) Coal severance tax trust funds.** (1) The trust established under Article IX,
 30 section 5, of the Montana constitution is composed of the following funds:

1 (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal
2 severance tax must be deposited;

3 (b) a treasure state endowment fund;

4 (c) a treasure state endowment regional water system fund;

5 (d) a coal severance tax permanent fund;

6 (e) a coal severance tax income fund; and

7 (f) a big sky economic development fund.

8 (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all
9 principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12
10 months and retain that amount in the coal severance tax bond fund.

11 (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection
12 (2)(a) must be transferred from that fund as provided in subsections (3) and (4).

13 (3) (a) Until June 30, ~~2020~~ 2016, the state treasurer shall quarterly transfer to the treasure state
14 endowment fund 50% of the amount in the coal severance tax bond fund in excess of the amount that is specified
15 in subsection (2) to be retained in the fund.

16 (b) Until June 30, ~~2020~~ 2016, the state treasurer shall quarterly transfer to the treasure state endowment
17 regional water system fund 25% of the amount in the coal severance tax bond fund in excess of the amount that
18 is specified in subsection (2) to be retained in the fund.

19 (c) The state treasurer shall monthly transfer from the treasure state endowment fund to the treasure
20 state endowment special revenue account the amount of earnings, excluding unrealized gains and losses,
21 required to meet the obligations of the state that are payable from the account in accordance with 90-6-710.
22 Earnings not transferred to the treasure state endowment special revenue account must be retained in the
23 treasure state endowment fund.

24 (d) The state treasurer shall monthly transfer from the treasure state endowment regional water system
25 fund to the treasure state endowment regional water system special revenue account the amount of earnings,
26 excluding unrealized gains and losses, required to meet the obligations of the state that are payable from the
27 account for regional water systems authorized under 90-6-715. Earnings not transferred to the treasure state
28 endowment regional water system special revenue account must be retained in the treasure state endowment
29 regional water system fund.

30 (4) (a) From July 1, 2005, through June 30, 2025, the state treasurer shall quarterly transfer to the big

1 sky economic development fund 25% of the amount in the coal severance tax bond fund in excess of the amount
2 that is specified in subsection (2) to be retained in the fund.

3 (b) The state treasurer shall monthly transfer from the big sky economic development fund to the
4 economic development special revenue account, provided for in 90-1-205, the amount of earnings, excluding
5 unrealized gains and losses, required to meet the obligations of the state that are payable from the account in
6 accordance with 90-1-204. Earnings not transferred to the economic development special revenue account must
7 be retained in the big sky economic development fund.

8 (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in
9 subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be
10 deposited in the coal severance tax permanent fund. (Terminates June 30, ~~2020~~ 2016--secs. 15, 16, Ch. 389,
11 L. 2011.)

12 **17-5-703. (Effective July 1, ~~2020~~ 2016) Coal severance tax trust funds.** (1) The trust established
13 under Article IX, section 5, of the Montana constitution is composed of the following funds:

14 (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal
15 severance tax must be deposited;

16 (b) a treasure state endowment fund;

17 (c) a coal severance tax permanent fund;

18 (d) a coal severance tax income fund; and

19 (e) a big sky economic development fund.

20 (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all
21 principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12
22 months and retain that amount in the coal severance tax bond fund.

23 (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection
24 (2)(a) must be transferred from that fund as provided in subsections (3) and (4).

25 (3) (a) Until June 30, ~~2020~~ 2016, the state treasurer shall quarterly transfer to the treasure state
26 endowment fund 50% of the amount in the coal severance tax bond fund in excess of the amount that is specified
27 in subsection (2) to be retained in the fund.

28 (b) The state treasurer shall monthly transfer from the treasure state endowment fund to the treasure
29 state endowment special revenue account the amount of earnings, excluding unrealized gains and losses,
30 required to meet the obligations of the state that are payable from the account in accordance with 90-6-710.

1 Earnings not transferred to the treasure state endowment special revenue account must be retained in the
2 treasure state endowment fund.

3 (4) (a) From July 1, 2005, through June 30, 2025, the state treasurer shall quarterly transfer to the big
4 sky economic development fund 25% of the amount in the coal severance tax bond fund in excess of the amount
5 that is specified in subsection (2) to be retained in the fund.

6 (b) The state treasurer shall monthly transfer from the big sky economic development fund to the
7 economic development special revenue account, provided for in 90-1-205, the amount of earnings, excluding
8 unrealized gains and losses, required to meet the obligations of the state that are payable from the account in
9 accordance with 90-1-204. Earnings not transferred to the economic development special revenue account must
10 be retained in the big sky economic development fund.

11 (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in
12 subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be
13 deposited in the coal severance tax permanent fund."
14

15 **Section 3.** Section 19-3-315, MCA, is amended to read:

16 **"19-3-315. Member's contribution to be deducted.** (1) (a) ~~Each~~ Except as provided in subsection (2),
17 each member's contribution is:

18 ~~—— (i) for a member hired prior to July 1, 2011, 6.9% of the member's compensation; and~~

19 ~~—— (ii) for a member hired on or after July 1, 2011, 7.9% of the member's compensation.~~

20 (b) ~~For members hired on or after July 1, 2011, the~~ The board shall ~~periodically~~ annually review the
21 required contributions and recommend future adjustments to the legislature as needed to maintain the
22 amortization schedule set by the board for the payment of the system's unfunded liability.

23 (2) Each member's contribution must be reduced to 6.9% on January 1 following the system's annual
24 actuarial valuation if the valuation determines that reducing the employee contribution pursuant to this subsection
25 and reducing the employer contribution pursuant to 19-3-316(4) would not cause the system's amortization period
26 to exceed 25 years.

27 ~~(2)(3)~~ (3) Payment of salaries or wages less the contribution is full and complete discharge and acquittance
28 of all claims and demands for the service rendered by members during the period covered by the payment,
29 except their claims to the benefits to which they may be entitled under the provisions of this chapter.

30 ~~(3)(4)~~ (4) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code, 26 U.S.C.

1 414(h)(2), shall pick up and pay the contributions that would be payable by the member under subsection (1) or
 2 (2) for service rendered after June 30, 1985.

3 ~~(4)~~(5) (a) The member's contributions picked up by the employer must be designated for all purposes
 4 of the retirement system as the member's contributions, except for the determination of a tax upon a distribution
 5 from the retirement system.

6 (b) In the case of a member of the defined benefit plan, these contributions must become part of the
 7 member's accumulated contributions but must be accounted for separately from those previously accumulated.

8 (c) In the case of a member of the defined contribution plan, these contributions must be allocated as
 9 provided in 19-3-2117.

10 ~~(5)~~(6) The member's contributions picked up by the employer must be payable from the same source
 11 as is used to pay compensation to the member and must be included in the member's wages, as defined in
 12 19-1-102, and compensation. The employer shall deduct from the member's compensation an amount equal to
 13 the amount of the member's contributions picked up by the employer and remit the total of the contributions to
 14 the board."

15

16 ~~Section 3.~~ Section 19-3-316, MCA, is amended to read:

17 ~~"19-3-316. Employer contribution rates~~ SUPPLEMENTAL EMPLOYER AND GENERAL FUND CONTRIBUTIONS

18 ~~STATUTORY APPROPRIATION.~~ (1) Each employer shall contribute to the system. Except as provided in subsection
 19 (2), the ~~THE~~ employer shall pay as employer contributions ~~6.9%~~ 6.8% of the compensation paid to all of the
 20 employer's employees plus any additional SUPPLEMENTAL EMPLOYER contribution under subsection (3) ~~(2)~~, except
 21 for those employees properly excluded from membership. Of employer contributions made under this subsection
 22 for both defined benefit plan and defined contribution plan members, a portion must be allocated for educational
 23 programs as provided in 19-3-112. Employer contributions for members under the defined contribution plan must
 24 be allocated as provided in 19-3-2117.

25 ~~(2)~~ Local government and school district employer contributions must be the total employer contribution
 26 rate provided in subsection (1) minus the state contribution rates under 19-3-319.

27 ~~(3)~~ Subject to subsection (4), each employer shall contribute to the system an additional employer
 28 contribution equal to ~~0.27%~~ 1.27% of the compensation paid to all of the employer's employees, except for those
 29 employees properly excluded from membership.

30 ~~(4)~~ (a) The board shall periodically annually review the additional employer contribution provided for

1 under subsection (3) and recommend adjustments to the legislature as needed to maintain the amortization
 2 schedule set by the board for payment of the system's unfunded liabilities:

3 ~~———— (b) The employer contribution required under subsection (3) terminates on July 1 January 1 following~~
 4 ~~the board's receipt of the system's actuarial valuation if:~~

5 ~~———— (i) the actuarial valuation determines that the period required to amortize the system's unfunded~~
 6 ~~liabilities, including adjustments made for any benefit enhancements enacted by the legislature after the valuation,~~
 7 ~~is less than 25 years; and~~

8 ~~———— (ii) terminating the additional employer contribution pursuant to this subsection (4)(b) and reducing the~~
 9 ~~employee contribution pursuant to 19-3-315(2) would not cause the system's amortization period as of the most~~
 10 ~~recent actuarial valuation to exceed 25 years:~~

11 ~~———— (2) SUBJECT TO SUBSECTION (3), EACH EMPLOYER AND THE GENERAL FUND SHALL CONTRIBUTE TO THE SYSTEM~~
 12 ~~A SUPPLEMENTAL CONTRIBUTION EQUAL TO A PERCENTAGE OF THE COMPENSATION PAID TO ALL OF THE EMPLOYER'S~~
 13 ~~EMPLOYEES, EXCEPT THOSE EMPLOYEES PROPERLY EXCLUDED FROM MEMBERSHIP, AS FOLLOWS:~~

14 ~~———— (A) ON THE COMPENSATION OF STATE AGENCY EMPLOYEES, INCLUDING THE UNIVERSITY SYSTEM:~~

15 ~~———— (i) BEGINNING JULY 1, 2013, THROUGH JUNE 30, 2015, 1.37% BY THE EMPLOYER AND 3.5% BY THE GENERAL~~
 16 ~~FUND;~~

17 ~~———— (ii) BEGINNING JULY 1, 2015, THROUGH JUNE 30, 2016, 2.07% BY THE EMPLOYER AND 2.8% BY THE GENERAL~~
 18 ~~FUND;~~

19 ~~———— (iii) BEGINNING JULY 1, 2016, THROUGH JUNE 30, 2017, 2.77% BY THE EMPLOYER AND 2.1% BY THE GENERAL~~
 20 ~~FUND;~~

21 ~~———— (iv) BEGINNING JULY 1, 2017, THROUGH JUNE 30, 2018, 3.47% BY THE EMPLOYER AND 1.4% BY THE GENERAL~~
 22 ~~FUND;~~

23 ~~———— (v) BEGINNING JULY 1, 2018, THROUGH JUNE 30, 2019, 4.17% BY THE EMPLOYER AND 0.7% BY THE GENERAL~~
 24 ~~FUND; AND~~

25 ~~———— (vi) BEGINNING JULY 1, 2019, 4.87% BY THE EMPLOYER;~~

26 ~~———— (B) ON THE COMPENSATION OF LOCAL GOVERNMENT EMPLOYEES:~~

27 ~~———— (i) BEGINNING JULY 1, 2013, THROUGH JUNE 30, 2015, 1.27% BY THE EMPLOYER AND 3.6% BY THE GENERAL~~
 28 ~~FUND;~~

29 ~~———— (ii) BEGINNING JULY 1, 2015, THROUGH JUNE 30, 2016, 1.47% BY THE EMPLOYER AND 3.4% BY THE GENERAL~~
 30 ~~FUND;~~

1 ~~—— (iii) BEGINNING JULY 1, 2016, THROUGH JUNE 30, 2017, 1.67% BY THE EMPLOYER AND 3.2% BY THE GENERAL~~
2 ~~FUND;~~

3 ~~—— (iv) BEGINNING JULY 1, 2017, THROUGH JUNE 30, 2018, 1.87% BY THE EMPLOYER AND 3.0% BY THE GENERAL~~
4 ~~FUND;~~

5 ~~—— (v) BEGINNING JULY 1, 2018, THROUGH JUNE 30, 2019, 2.07% BY THE EMPLOYER AND 2.8% BY THE GENERAL~~
6 ~~FUND; AND~~

7 ~~—— (vi) BEGINNING JULY 1, 2019, 2.27% BY THE EMPLOYER AND 2.6% BY THE GENERAL FUND;~~

8 ~~—— (c) ON THE COMPENSATION OF SCHOOL DISTRICT EMPLOYEES:~~

9 ~~—— (i) BEGINNING JULY 1, 2013, THROUGH JUNE 30, 2015, 1.0% BY THE EMPLOYER AND 3.87% BY THE GENERAL~~
10 ~~FUND;~~

11 ~~—— (ii) BEGINNING JULY 1, 2015, THROUGH JUNE 30, 2016, 1.2% BY THE EMPLOYER AND 3.67% BY THE GENERAL~~
12 ~~FUND;~~

13 ~~—— (iii) BEGINNING JULY 1, 2016, THROUGH JUNE 30, 2017, 1.4% BY THE EMPLOYER AND 3.47% BY THE GENERAL~~
14 ~~FUND;~~

15 ~~—— (iv) BEGINNING JULY 1, 2017, THROUGH JUNE 30, 2018, 1.6% BY THE EMPLOYER AND 3.27% BY THE GENERAL~~
16 ~~FUND;~~

17 ~~—— (v) BEGINNING JULY 1, 2018, THROUGH JUNE 30, 2019, 1.8% BY THE EMPLOYER AND 3.07% BY THE GENERAL~~
18 ~~FUND; AND~~

19 ~~—— (vi) BEGINNING JULY 1, 2019, 2.0% BY THE EMPLOYER AND 2.87% BY THE GENERAL FUND;~~

20 ~~—— (3) (A) WHEN THE SYSTEM IS 90% FUNDED AS OF THE LATEST ACTUARIAL VALUATION AND THE GUARANTEED~~
21 ~~ANNUAL BENEFIT ADJUSTMENT HAS BEEN INCREASED TO THE MAXIMUM ALLOWED UNDER 19-3-1605, THE BOARD SHALL~~
22 ~~DECREASE THE CONTRIBUTION PERCENTAGES PROVIDED IN SUBSECTION (2) BY A TOTAL PERCENTAGE THAT WILL PROVIDE~~
23 ~~THAT THE SYSTEM IS NOT LESS THAN 85% FUNDED. TWO-THIRDS OF THE TOTAL PERCENTAGE DECREASE MUST BE APPLIED~~
24 ~~TO THE GENERAL FUND CONTRIBUTION AND ONE-THIRD OF THE TOTAL PERCENTAGE DECREASE MUST BE APPLIED TO THE~~
25 ~~EMPLOYER CONTRIBUTION. IF THE GENERAL FUND CONTRIBUTION IS TOO LOW TO BE REDUCED BY THE TWO-THIRDS, THE~~
26 ~~GENERAL FUND CONTRIBUTION MUST BE DECREASED TO ZERO AND THE REMAINDER OF THE TOTAL REDUCTION MUST BE~~
27 ~~APPLIED TO THE EMPLOYER CONTRIBUTION. IF THE GENERAL FUND CONTRIBUTION IS ZERO, THE TOTAL PERCENTAGE~~
28 ~~REDUCTION MUST BE APPLIED ENTIRELY TO THE EMPLOYER CONTRIBUTION.~~

29 ~~—— (4) THE GENERAL FUND SUPPLEMENTAL CONTRIBUTIONS UNDER SUBSECTION (2) ARE STATUTORILY~~
30 ~~APPROPRIATED, AS PROVIDED IN 17-7-502, ON AN ANNUAL BASIS FROM THE GENERAL FUND TO THE SYSTEM'S PENSION~~

1 ~~TRUST FUND."~~

2

3 **SECTION 4. SECTION 19-3-316, MCA, IS AMENDED TO READ:**

4 **"19-3-316. Employer contribution rates.** (1) Each employer shall contribute to the system. Except as
5 provided in subsection (2), the employer shall pay as employer contributions 6.9% of the compensation paid to
6 all of the employer's employees plus any additional contribution under subsection (3), except for those employees
7 properly excluded from membership. Of employer contributions made under this subsection for both defined
8 benefit plan and defined contribution plan members, a portion must be allocated for educational programs as
9 provided in 19-3-112. Employer contributions for members under the defined contribution plan must be allocated
10 as provided in 19-3-2117.

11 (2) Local government and school district employer contributions must be the total employer contribution
12 rate provided in subsection (1) minus the state contribution rates under 19-3-319.

13 (3) (a) Subject to subsection (4), each employer shall contribute to the system an additional employer
14 contribution equal to ~~0.27%~~ the percentage specified in subsection (3)(b) of the compensation paid to all of the
15 employer's employees, except for those employees properly excluded from membership.

16 (b) The percentage of compensation to be contributed under subsection (3)(a) is 1.27% for fiscal year
17 2014 and increases by 0.1% each fiscal year through fiscal year 2024. For fiscal years beginning after June 30,
18 2024, the percentage of compensation to be contributed under subsection (3)(a) is 2.27%.

19 (4) (a) The board shall ~~periodically~~ annually review the additional employer contribution provided for
20 under subsection (3) and recommend adjustments to the legislature as needed to maintain the amortization
21 schedule set by the board for payment of the system's unfunded liabilities.

22 (b) The employer contribution required under subsection (3) terminates on ~~July 1~~ January 1 following
23 the board's receipt of the system's actuarial valuation if:

24 ~~—— (i) the actuarial valuation determines that the period required to amortize the system's unfunded~~
25 ~~liabilities, including adjustments made for any benefit enhancements enacted by the legislature after the valuation,~~
26 ~~is less than 25 years; and~~

27 ~~—— (ii) terminating the additional employer contribution pursuant to this subsection (4)(b) and reducing the~~
28 ~~employee contribution pursuant to 19-3-315(2) would not cause the amortization period as of the most recent~~
29 ~~actuarial valuation to exceed 25 years."~~

30

1 **SECTION 5. SECTION 19-3-1605, MCA, IS AMENDED TO READ:**

2 **"19-3-1605. Guaranteed annual benefit adjustment.** (1) Subject to subsection (2), on January 1 of
3 each year, the permanent monthly benefit payable during the preceding January to each recipient who is eligible
4 under subsection (3) must be increased by the applicable percentage provided in subsection (4).

5 (2) (a) If a recipient's benefit payable during the preceding January has been increased by one or more
6 adjustments not provided for in this section and the adjustments amount to less than an annualized increase of
7 the applicable percentage provided in subsection (4), then the recipient's benefit must be adjusted by an amount
8 that will provide a total annualized increase of the applicable percentage in the benefit paid since the preceding
9 January.

10 (b) If a recipient's benefit payable during the preceding January has been increased by one or more
11 adjustments not provided for in this section and the increases amount to more than an annualized increase of
12 the applicable percentage provided in subsection (4), then the benefit increase provided under this section must
13 be 0%.

14 (c) If a benefit recipient is a contingent annuitant receiving an optional benefit upon the death of the
15 original payee that occurred since the preceding January, the new recipient's monthly benefit must be increased
16 to the applicable percentage provided in subsection ~~(5)~~ (4)(B) more than the amount that the contingent annuitant
17 would have received had the contingent annuitant received a benefit during the preceding January.

18 (3) Except as provided in subsection (2)(b), a benefit recipient is eligible for and must receive the
19 minimum annual benefit adjustment provided for in this section if the benefit's commencement date is at least
20 12 months prior to January 1 of the year in which the adjustment is to be made.

21 ~~———— (4) (a) The applicable percentage is 3% for benefit recipients hired or assuming office:~~

22 ~~———— (i) before July 1, 2007; or~~

23 ~~———— (ii) on or after July 1, 2007, if the benefit recipient is an existing member of a benefit plan for which the~~
24 ~~applicable percentage is 3%.~~

25 ~~———— (b) Except as provided in subsection (4)(a)(ii), the applicable percentage is 1.5% for benefit recipients~~
26 ~~hired or assuming office on or after July 1, 2007.~~

27 ~~———— (5) (a) The applicable percentage rate for a contingent annuitant described in subsection (2)(c) is 3%~~
28 ~~if the original payee:~~

29 ~~———— (i) was hired or assumed office before July 1, 2007; or~~

30 ~~———— (ii) was an existing member of a benefit plan for which the applicable percentage is 3%.~~

1 ~~_____ (b) Except as provided in subsection (5)(a)(ii), the applicable percentage rate for a contingent annuitant~~
 2 ~~described in subsection (2)(c) is 1.5% if the original payee was hired or assumed office on or after July 1, 2007.~~

3 ~~_____ (4) (a) If the most recent actuarial valuation of the retirement system shows that retirement system~~
 4 ~~liabilities are less than 90% funded, the applicable percentage must be as follows:~~

5 ~~_____ (i) 1% for a member or a benefit recipient or contingent annuitant of a member hired or assuming office~~
 6 ~~before July 1, 2007; or~~

7 ~~_____ (ii) 0.5% for a member or a benefit recipient or contingent annuitant of a member hired or assuming office~~
 8 ~~on or after July 1, 2007, but before July 1, 2013.~~

9 ~~_____ (b) If the most recent actuarial valuation of the retirement system shows that retirement system liabilities~~
 10 ~~are at least 90% funded and the provision of the applicable percentage will not cause the system's liabilities to~~
 11 ~~be less than 85% funded, the applicable percentage must be as follows:~~

12 ~~_____ (i) for a member or a benefit recipient or contingent annuitant of a member hired or assuming office~~
 13 ~~before July 1, 2007, an amount set by the board that is greater than 1% but no more than 3%; or~~

14 ~~_____ (ii) for a member or a benefit recipient or contingent annuitant of a member hired or assuming office on~~
 15 ~~or after July 1, 2007, but before July 1, 2013, an amount set by the board that is greater than 0.5% but no more~~
 16 ~~than 1.5%.~~

17 ~~_____ (5) The applicable percentage for a member or a benefit recipient or contingent annuitant of a member~~
 18 ~~hired or assuming office on or after July 1, 2013, is as follows:~~

19 ~~_____ (a) 1.5% if the system's unfunded liabilities amortize in 25 years or less as of the system's latest actuarial~~
 20 ~~valuation and the increase is not projected to cause the amortization period to be greater than 25 years; or~~

21 ~~_____ (b) 1.5% minus 0.1% for each year the amortization period of the system's unfunded liabilities is greater~~
 22 ~~than 25 years as of the system's latest annual actuarial valuation. If the amortization period is 40 years or greater,~~
 23 ~~the retirement allowance may not be increased.~~

24 ~~_____ (4) (A) SUBJECT TO SUBSECTION (5), THE APPLICABLE PERCENTAGE RATE IS 1.5% FOR BENEFIT RECIPIENTS~~
 25 ~~HIRED OR ASSUMING OFFICE:~~

26 ~~_____ (I) BEFORE JULY 1, 2007;~~

27 ~~_____ (II) ON OR AFTER JULY 1, 2007, AND PRIOR TO [THE EFFECTIVE DATE OF THIS ACT] IF THE BENEFIT RECIPIENT IS~~
 28 ~~AN EXISTING MEMBER OF A BENEFIT PLAN FOR WHICH THE APPLICABLE PERCENTAGE BEFORE [THE EFFECTIVE DATE OF~~
 29 ~~THIS ACT] WAS EITHER 3% OR 1.5%; OR~~

30 ~~_____ (III) ON OR AFTER [THE EFFECTIVE DATE OF THIS ACT].~~

1 (B) THE APPLICABLE PERCENTAGE RATE FOR A CONTINGENT ANNUITANT DESCRIBED IN SUBSECTION (2)(C) IS THE
 2 SAME AS THE APPLICABLE PERCENTAGE RATE APPLICABLE TO THE ORIGINAL PAYEE UNDER SUBSECTION (4)(A).

3 (5) (A) EXCEPT AS PROVIDED IN SUBSECTION (5)(B), IF THE MOST RECENT ACTUARIAL VALUATION OF THE
 4 RETIREMENT SYSTEM SHOWS THAT RETIREMENT SYSTEM LIABILITIES ARE LESS THAN 90% FUNDED, THE APPLICABLE
 5 PERCENTAGE RATE IN SUBSECTION (4) MUST BE REDUCED BY 0.1% FOR EACH 2% BELOW THAT 90% FUNDING LEVEL.

6 (B) IF THE AMORTIZATION PERIOD IS 40 YEARS OR GREATER, THE APPLICABLE PERCENTAGE RATE IS 0% AND THE
 7 RETIREMENT ALLOWANCE MAY NOT BE INCREASED.

8 (6) The board shall adopt rules to administer the provisions of this section."
 9

10 ~~Section 5. Section 19-3-2117, MCA, is amended to read:~~

11 ~~"19-3-2117. Allocation of contributions and forfeitures. (1) The member contributions made under~~
 12 ~~19-3-315 and additional contributions paid by the member for the purchase of service must be allocated to the~~
 13 ~~plan member's retirement account.~~

14 ~~(2) Subject to adjustment by the board as provided in 19-3-2121, of the employer contributions under~~
 15 ~~19-3-316 received:~~

16 ~~(a) an amount equal to:~~

17 ~~(i) 4.19% of compensation must be allocated to the member's retirement account;~~

18 ~~(ii) 2.37% of compensation must be allocated to the defined benefit plan as the plan choice rate;~~

19 ~~(iii) 0.04% of compensation must be allocated to the education fund as provided in 19-3-112(1)(b); and~~

20 ~~(iv) 0.3% of compensation must be allocated to the long-term disability plan trust fund established~~
 21 ~~pursuant to 19-3-2141; and~~

22 ~~(b) on July 1, 2009, continuing until the additional employer contributions terminate pursuant to 19-3-316~~

23 ~~19-3-316(4)(b), 0.27% of compensation must be allocated in the following order THE EMPLOYER PORTION OF THE~~
 24 ~~SUPPLEMENTAL CONTRIBUTION PROVIDED FOR IN 19-3-316(2) MUST BE ALLOCATED AS FOLLOWS:~~

25 ~~(i) 0.27% OF COMPENSATION MUST BE ALLOCATED to the defined benefit plan to eliminate the plan choice~~
 26 ~~rate unfunded actuarial liability UNTIL IT HAS BEEN FULLY PAID; and~~

27 ~~(ii) WHEN THE PLAN CHOICE RATE UNFUNDED ACTUARIAL LIABILITY HAS BEEN FULLY PAID, 0.27% MUST BE~~
 28 ~~ALLOCATED to the long-term disability plan trust fund to provide disability benefits to eligible members; and~~

29 ~~(c) on July 1, 2013, continuing until the additional employer contributions terminate pursuant to~~
 30 ~~19-3-316(4)(b), 1% of compensation THE REMAINDER OF THE EMPLOYER SUPPLEMENTAL CONTRIBUTION AND THE~~

1 ~~GENERAL FUND SUPPLEMENTAL CONTRIBUTION UNDER 19-3-316(2) must be allocated to the defined benefit plan~~
2 ~~unfunded liabilities.~~

3 ~~———(3) Forfeitures of employer contributions and investment income on the employer contributions may not~~
4 ~~be used to increase a member's retirement account. The board shall allocate the forfeitures under 19-3-2116 to~~
5 ~~meet the plan's administrative expenses, including startup expenses."~~

6
7 ~~———Section 7. Section 6, Chapter 495, Laws of 1999, is amended to read:~~

8 ~~———"Section 6. Termination. [This act] terminates June 30, 2013 2016."~~

9
10 ~~———Section 8. Section 15, Chapter 389, Laws of 2011, is amended to read:~~

11 ~~———"Section 15. Section 6, Chapter 495, Laws of 1999, is amended to read:~~

12 ~~———"Section 6. Termination. [This act] terminates June 30, 2013 2020 2016.""~~

13
14 ~~———Section 9. Section 16, Chapter 389, Laws of 2011, is amended to read:~~

15 ~~———"Section 16. Section 1, Chapter 70, Laws of 2001, is amended to read:~~

16 ~~———"Section 1. Section 6, Chapter 495, Laws of 1999, is amended to read:~~

17 ~~———"Section 6. Termination. [This act] [This act] terminates terminates June 30, 2013 2016 2020 2016.""~~

18
19 ~~———NEW SECTION. Section 10. Appropriations. (1) For the fiscal year beginning July 1, 2013, there is~~

20 ~~appropriated for the purpose of making the additional employer contributions in [section 4]:~~

21 ~~———(a) to the office of budget and program planning the following amounts from the indicated fund:~~

22 ~~———(i) \$1,870,019 from the general fund;~~

23 ~~———(ii) \$1,688,905 from the state special revenue fund;~~

24 ~~———(iii) \$1,149,658 from the federal special revenue fund; and~~

25 ~~———(iv) \$669,831 from other funds; and~~

26 ~~———(b) to the Montana university system from the general fund, \$548,527.~~

27 ~~———(2) For the fiscal year beginning July 1, 2014, there is appropriated for the purpose of making the~~
28 ~~additional employer contributions in [section 4]:~~

29 ~~———(a) to the office of budget and program planning the following amounts from the indicated fund:~~

30 ~~———(i) \$1,870,019 from the general fund;~~

- 1 ~~—— (ii) \$1,688,905 from the state special revenue fund;~~
 2 ~~—— (iii) \$1,149,658 from the federal special revenue fund; and~~
 3 ~~—— (iv) \$669,831 from other funds; and~~
 4 ~~—— (b) to the Montana university system from the general fund, \$548,527.~~

5
 6 ~~—— NEW SECTION. SECTION 6. REPEALER. THE FOLLOWING SECTION OF THE MONTANA CODE ANNOTATED IS~~
 7 ~~REPEALED:~~

8 ~~19-3-319. STATE CONTRIBUTIONS FOR LOCAL GOVERNMENT AND SCHOOL DISTRICT EMPLOYERS:~~

9

10 **SECTION 6. SECTION 19-3-2117, MCA, IS AMENDED TO READ:**

11 **"19-3-2117. Allocation of contributions and forfeitures.** (1) The member contributions made under
 12 19-3-315 and additional contributions paid by the member for the purchase of service must be allocated to the
 13 plan member's retirement account.

14 (2) Subject to subsection (3) and adjustment by the board as provided in 19-3-2121, of the employer
 15 contributions under 19-3-316 received:

16 (a) an amount equal to:

- 17 (i) 4.19% of compensation must be allocated to the member's retirement account;
 18 (ii) 2.37% of compensation must be allocated to the defined benefit plan as the plan choice rate;
 19 (iii) 0.04% of compensation must be allocated to the education fund as provided in 19-3-112(1)(b); and
 20 (iv) 0.3% of compensation must be allocated to the long-term disability plan trust fund established
 21 pursuant to 19-3-2141; ~~and~~

22 (b) on July 1, 2009, continuing until the additional employer contributions terminate pursuant to ~~19-3-316~~
 23 19-3-316(4)(b), 0.27% the percentage specified in subsection (3) of compensation must be allocated in the
 24 following order:

- 25 (i) to the defined benefit plan to eliminate the plan choice rate unfunded actuarial liability; and
 26 (ii) to the long-term disability plan trust fund to provide disability benefits to eligible members; ~~and~~
 27 (c) on July 1, 2013, continuing until the additional employer contributions terminate pursuant to
 28 19-3-316(4)(b), 1% of compensation must be allocated to the defined benefit plan unfunded liabilities.

29 (3) The percentage of compensation to be contributed under subsection (2)(b) is 0.27% for fiscal year
 30 2014 and increases by 0.1% each fiscal year through fiscal year 2024. For fiscal years beginning after June 30,

1 2024, the percentage of compensation to be contributed under subsection (2)(b) is 1.27%.

2 ~~(3)(4)~~ Forfeitures of employer contributions and investment income on the employer contributions may
3 not be used to increase a member's retirement account. The board shall allocate the forfeitures under 19-3-2116
4 to meet the plan's administrative expenses, including startup expenses."
5

6 NEW SECTION. SECTION 7. BOARD REPORT REQUIRED. AS SOON AS POSSIBLE AFTER THE COMPLETION OF
7 EACH ANNUAL ACTUARIAL VALUATION FOR THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, THE BOARD SHALL HAVE ITS
8 ACTUARY PRESENT A DETAILED ACTUARIAL REPORT TO THE LEGISLATIVE FINANCE COMMITTEE, PROVIDED FOR IN
9 5-12-201, AND THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE, PROVIDED FOR IN 5-5-228.
10 THE ACTUARIAL REPORT MUST PROVIDE A TREND ANALYSIS OF THE SYSTEM'S PROGRESS TOWARD 100% FUNDING.
11

12 SECTION 8. SECTION 6, CHAPTER 495, LAWS OF 1999, IS AMENDED TO READ:

13 "Section 6. Termination. [This act] terminates June 30, 2013 2016."
14

15 SECTION 9. SECTION 15, CHAPTER 389, LAWS OF 2011, IS AMENDED TO READ:

16 "Section 15. Section 6, Chapter 495, Laws of 1999, is amended to read:

17 "Section 6. Termination. [This act] terminates June 30, 2013 2020 2016.""
18

19 SECTION 10. SECTION 16, CHAPTER 389, LAWS OF 2011, IS AMENDED TO READ:

20 "Section 16. Section 1, Chapter 70, Laws of 2001, is amended to read:

21 "Section 1. Section 6, Chapter 495, Laws of 1999, is amended to read:

22 "Section 6. Termination. [~~This act]~~ [This act] terminates terminates June 30, 2013 2016 2020 2016.""
23

24 NEW SECTION. SECTION 11. APPROPRIATIONS. (1) FOR THE FISCAL YEAR BEGINNING JULY 1, 2013, THERE
25 IS APPROPRIATED FOR THE PURPOSE OF MAKING THE ADDITIONAL EMPLOYER CONTRIBUTIONS IN 19-3-316:

26 (A) TO THE OFFICE OF BUDGET AND PROGRAM PLANNING, THE FOLLOWING AMOUNTS FROM THE INDICATED FUND:

27 (i) \$1,870,019 FROM THE GENERAL FUND;

28 (ii) \$1,688,905 FROM THE STATE SPECIAL REVENUE FUND;

29 (iii) \$1,149,658 FROM THE FEDERAL SPECIAL REVENUE FUND; AND

30 (iv) \$669,831 FROM OTHER FUNDS;

