

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REPEALING THE 3% MANAGEMENT RATE TRANSFER FROM  
5 THE BOARD OF INVESTMENTS ON CERTAIN INVESTMENT PORTFOLIOS FOR THE 2018 CALENDAR  
6 YEAR; AMENDING SECTION 5, CHAPTER 4, SPECIAL LAWS OF NOVEMBER 2017; REPEALING SECTION  
7 17-1-512, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY  
8 DATE."

9  
10 WHEREAS, Chapter 4, Special Laws of November 2017 (Senate Bill No. 4), created a 3% management  
11 rate transfer on certain portfolios managed by the Board of Investments; and

12 WHEREAS, the management rate transfer applied to calendar years 2017 and 2018; and

13 WHEREAS, the Board of Investments was required to make the 3% management rate transfer by April  
14 1, 2018, and April 1, 2019, respectively, into the fire suppression account; and

15 WHEREAS, the Board of Investments made a transfer for the 2017 calendar year but has not made the  
16 2018 transfer; and

17 WHEREAS, the current balance in the fire suppression account eliminates the need for the 2018 calendar  
18 year rate transfer; and

19 WHEREAS, this bill will preclude the 3% management rate transfer for the 2018 calendar year.

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

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23 **Section 1.** Section 39-71-2320, MCA, is amended to read:

24 **"39-71-2320. Property of state fund -- investment required -- exception.** ~~{Except for the management~~  
25 ~~rate transfer under 17-1-512,}~~ all All premiums and other money paid to the state fund, all property and securities  
26 acquired through the use of money belonging to the state fund, and all interest and dividends earned upon money  
27 belonging to the state fund are the sole property of the state fund and must be used exclusively for the operations  
28 and obligations of the state fund. ~~{Except for the management rate transfer,}~~ The The money collected by the state  
29 fund for claims for injuries occurring on or after July 1, 1990, may not be used for any other purpose and may not  
30 be transferred by the legislature to other funds or used for other programs. However, state fund money must be

1 invested by the board of investments provided for in 2-15-1808, and subject to the investment agreement with  
2 the board of investments, the earnings on investments are the sole property of the state fund as provided in this  
3 section. (~~Bracketed language terminates June 30, 2019--sec. 6, Ch. 4, Sp. L. November 2017.~~)"

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5 **Section 2.** Section 5, Chapter 4, Special Laws of November 2017, is amended to read:

6 **"Section 5. Applicability.** [This act] applies to calendar ~~years~~ year 2017 ~~and 2018~~, and the 3%  
7 management rate is payable to the fire suppression account provided for in 76-13-150 by April 1, 2018, ~~and April~~  
8 ~~1, 2019, respectively.~~"

9

10 NEW SECTION. **Section 3. Repealer.** The following section of the Montana Code Annotated is  
11 repealed:

12 17-1-512. Management rate transfer -- exceptions.

13

14 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

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16 NEW SECTION. **Section 5. Retroactive applicability.** [This act] applies retroactively, within the  
17 meaning of 1-2-109, to any 3% management rate transfer previously required by 17-1-512 for the 2018 calendar  
18 year.

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- END -