

HOUSE BILL NO. 6

INTRODUCED BY N. BALLANCE

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR FUND TRANSFERS; PROVIDING THAT CERTAIN ACCOUNTS AND FUNDS ARE SUBJECT TO LEGISLATIVE FUND TRANSFER; AMENDING SECTIONS 2-15-405, 15-70-125, 17-5-703, 17-7-205, 20-9-516, 20-9-525, 23-1-105, 30-10-115, 33-2-708, 33-28-120, 69-1-402, 75-25-101, AND 90-1-205, MCA; AMENDING SECTION 3, CHAPTER 259, LAWS OF 2017; PROVIDING FOR CONTINGENT VOIDNESS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

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

NEW SECTION. **Section 1. Fund transfers.** (1) By December 1, 2017, the state treasurer shall make

the following transfers:

(a) \$210,000 from the economic development special revenue account provided for in 90-1-205 to the general fund;

(b) \$2,000,000 from the capitol complex major maintenance account to the general fund;

(c) \$3,400,000 from the school facility and technology account provided for in 20-9-516 to the guarantee account provided for in 20-9-622;

(d) \$410,427 from the secretary of state enterprise fund account provided for in 2-15-405 to the general fund;

(e) \$276,964 from the public service commission state special revenue account provided for in 69-1-402 to the general fund.

(2) By August 30, 2018, the state treasurer shall make the following transfers:

(a) \$2,400,000 from the school facility and technology account provided for in 20-9-516 to the guarantee account provided for in 20-9-622;

(b) \$399,668 from the secretary of state enterprise fund account provided for in 2-15-405 to the general fund;

(c) \$248,251 from the public service commission state special revenue account provided for in 69-1-402 to the general fund; and



1 (d) \$4,000,000 from the highway nonrestricted account provided for in 15-70-125 to the general fund.

2 (3) By June 30, 2019, the state treasurer shall make the following transfers:

3 (a) \$2,400,000 from the school facility and technology account provided for in 20-9-516 to the guarantee
4 account provided for in 20-9-622; and

5 (b) \$4,000,000 from the highway nonrestricted account provided for in 15-70-125 to the general fund.

6
7 **NEW SECTION. Section 2. State auditor fund transfers.** Notwithstanding any other provision of law
8 directing use of its state special revenue funds, the state auditor shall remit \$530,825 to the state treasurer by
9 December 1, 2017, and \$535,026 by December 1, 2018, credited to the general fund.

10
11 **NEW SECTION. Section 3. Fund transfers.** (1) By December 1, 2017, the state treasurer shall make
12 the following transfers to the general fund:

13 (a) \$7 million from the economic development special revenue account provided for in 90-1-205;

14 (b) \$0.5 million from the school major maintenance aid account provided for in 20-9-525;

15 (c) \$1.2 million from the alternative energy revolving loan account provided for in 75-25-101;

16 (d) \$5 million from the long-range building program account in the capital projects fund type provided
17 for in 17-7-205;

18 (e) \$5 million from the treasure state endowment special revenue account provided for in 17-5-703(3);

19 (f) \$1 million from state parks miscellaneous fund provided for in 23-1-105.

20 (2) By June 30, 2018, the state treasurer shall transfer at least \$1.1 million from the energy conservation
21 capital projects account provided for in 90-4-617 to the general fund.

22 (3) By June 30, 2019, the state treasurer shall transfer:

23 (a) at least \$0.7 million from the energy conservation capital projects account provided for in 90-4-617
24 to the general fund; and

25 (b) \$1.2 million from the school major maintenance aid account provided for in 20-9-525 to the general
26 fund.

27
28 **Section 4.** Section 2-15-405, MCA, is amended to read:

29 **"2-15-405. Fees charged by secretary of state -- deposit to account -- rulemaking.** (1) The secretary
30 of state shall, for fees charged by the secretary of state, set by administrative rule each fee authorized by law.

- 1 (2) Unless otherwise specified by law, fees:
- 2 (a) must be commensurate with the overall costs of the office of the secretary of state; and
- 3 (b) must reasonably reflect the prevailing rates charged in the public and private sectors for similar
- 4 services.
- 5 (3) The secretary of state shall maintain records sufficient to support the fees established pursuant to
- 6 this section.
- 7 (4) Except as otherwise provided by law, fees collected by the secretary of state must be deposited to
- 8 an account in the enterprise fund type to the credit of the secretary of state. All income and interest earned on
- 9 money in the account must be credited to the account. Funds in the account are subject to legislative fund
- 10 transfer."

11

12 **Section 5.** Section 15-70-125, MCA, is amended to read:

13 **"15-70-125. Highway nonrestricted account.** (1) There is a highway nonrestricted account in the state

14 special revenue fund. All interest and penalties collected under this chapter, except those collected by a justice's

15 court, must, in accordance with the provisions of 17-2-124, be placed in the highway nonrestricted account. All

16 interest and income earned on the account must be deposited to the credit of the account and any unexpended

17 balance in the account must remain in the account.

18 (2) Funds in the account are subject to legislative fund transfer."

19

20 **Section 6.** Section 17-5-703, MCA, is amended to read:

21 **"17-5-703. (Temporary) Coal severance tax trust funds.** (1) The trust established under Article IX,

22 section 5, of the Montana constitution is composed of the following funds:

- 23 (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal
- 24 severance tax must be deposited;
- 25 (b) a treasure state endowment fund;
- 26 (c) a treasure state endowment regional water system fund;
- 27 (d) a coal severance tax permanent fund;
- 28 (e) a coal severance tax income fund;
- 29 (f) a big sky economic development fund; and
- 30 (g) a school facilities fund.

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

4 (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection
5 (2)(a) must be transferred from that fund as provided in subsections (4) and (5).

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

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

18 (4) (a) Starting July 1, 2017, the state treasurer shall quarterly transfer to the school facilities fund
19 provided for in 20-9-380(1) 75% of the amount in the coal severance tax bond fund in excess of the amount that
20 is specified in subsection (2) to be retained in the fund. The budget director shall certify to the state treasurer
21 when the balance of the school facilities fund is \$200 million. Beginning with the quarter following this certification,
22 the state treasurer shall instead transfer to the coal severance tax permanent fund 75% of the amount in the coal
23 severance tax bond fund that exceeds the amount that is specified in subsection (2) to be retained in the fund.

24 (b) The state treasurer shall monthly transfer from the school facilities fund to the account established
25 in 20-9-525 the amount of earnings, excluding unrealized gains and losses, required to meet the obligations of
26 the state that are payable from the account. Earnings not transferred to the account established in 20-9-525 must
27 be retained in the school facilities fund.

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

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

6 (6) Any amount in the coal severance tax bond fund in excess of the amount that is specified in
7 subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be
8 deposited in the coal severance tax permanent fund.(Terminates June 30, 2031--secs. 1 through 3, Ch. 305, L.
9 2015.)

10 **17-5-703. (Effective July 1, 2031) Coal severance tax trust funds.** (1) The trust established under
11 Article IX, section 5, of the Montana constitution is composed of the following funds:

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

14 (b) a treasure state endowment fund;

15 (c) a coal severance tax permanent fund;

16 (d) a coal severance tax income fund;

17 (e) a big sky economic development fund; and

18 (f) a school facilities fund.

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

22 (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection
23 (2)(a) must be transferred from that fund as provided in subsections (4) and (5).

24 (3) The state treasurer shall monthly transfer from the treasure state endowment fund to the treasure
25 state endowment special revenue account the amount of earnings, excluding unrealized gains and losses,
26 required to meet the obligations of the state that are payable from the account in accordance with 90-6-710.
27 Earnings not transferred to the treasure state endowment special revenue account must be retained in the
28 treasure state endowment fund.

29 (4) (a) Starting July 1, 2017, the state treasurer shall quarterly transfer to the school facilities fund
30 provided for in 20-9-380(1) 75% of the amount in the coal severance tax bond fund in excess of the amount that

1 is specified in subsection (2) to be retained in the fund. The budget director shall certify to the state treasurer
2 when the balance of the school facilities fund is \$200 million. Beginning with the quarter following this certification,
3 the state treasurer shall instead transfer to the coal severance tax permanent fund 75% of the amount in the coal
4 severance tax bond fund that exceeds the amount that is specified in subsection (2) to be retained in the fund.

5 (b) The state treasurer shall monthly transfer from the school facilities fund to the account established
6 in 20-9-525 the amount of earnings, excluding unrealized gains and losses, required to meet the obligations of
7 the state that are payable from the account. Earnings not transferred to the account established in 20-9-525 must
8 be retained in the school facilities fund.

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

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

17 (6) Any amount in the coal severance tax bond fund in excess of the amount that is specified in
18 subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be
19 deposited in the coal severance tax permanent fund."

20

21 **Section 7.** Section 17-7-205, MCA, is amended to read:

22 **"17-7-205. Long-range building program account.** (1) There is a long-range building program account
23 in the capital projects fund type. The account is subject to legislative fund transfer.

24 (2) Cigarette tax revenue is deposited in the account pursuant to 16-11-119.

25 (3) Coal severance taxes allocated to the account under 15-35-108 may be appropriated for the
26 long-range building program or debt service payments on building projects. Coal severance taxes required for
27 general obligation bond debt service may be transferred to the debt service fund.

28 (4) Interest earnings, project carryover funds, administrative fees, and miscellaneous revenue must be
29 retained in the account."

30

1 **Section 8.** Section 20-9-516, MCA, is amended to read:

2 **"20-9-516. School facility and technology account.** (1) There is a school facility and technology
3 account in the state special revenue fund provided for in 17-2-102. ~~The Subject to legislative fund transfer,~~
4 ~~the purpose of the account is to provide, contingent on appropriation from the legislature, funding for the following~~
5 in priority order:

6 (a) school technology purposes as provided in 20-9-534; and

7 (b) state debt service assistance as provided in 20-9-371.

8 (2) There must be deposited in the account:

9 (a) an amount of money equal to the income attributable to the difference between the average sale
10 value of 18 million board feet and the total income produced from the annual timber harvest on common school
11 trust lands during the fiscal year; and

12 (b) the income received from certain lands and riverbeds as provided in 17-3-1003(5).

13 ~~(3) For the biennium beginning July 1, 2017, no payments may be distributed as authorized under~~
14 ~~subsection (1)(b). Transfers required by [section 1] must be completed prior to any transfers authorized under~~
15 ~~subsection (4).~~

16 ~~(3)(4)~~ If in any fiscal year the amount of revenue in the school facility and technology account is sufficient
17 to fund debt service assistance without a proration reduction pursuant to 20-9-346(2)(b) and if in that same fiscal
18 year the amount of revenue available in the school major maintenance aid account established in 20-9-525 will
19 result in a proration reduction in school major maintenance aid pursuant to 20-9-525(5) for that fiscal year, the
20 state treasurer shall transfer any excess funds in the school facility and technology account to the school major
21 maintenance aid account not to exceed the amount required to avoid a proration reduction."

22

23 **Section 9.** Section 20-9-525, MCA, is amended to read:

24 **"20-9-525. School major maintenance aid account -- formula.** (1) There is a school major
25 maintenance aid account in the state special revenue fund provided for in 17-2-102.

26 (2) ~~The Subject to legislative fund transfer, the purpose of the account is to provide, contingent on~~
27 appropriation from the legislature, funding for school major maintenance aid as provided in subsection (3) for
28 school facility projects that support a basic system of free quality public elementary and secondary schools under
29 20-9-309 and that involve:

30 (a) first, making any repairs categorized as "safety", "damage/wear out", or "codes and standards" in the

1 facilities condition inventory for buildings of the school district as referenced in the K-12 public schools facility
2 condition and needs assessment final report prepared by the Montana department of administration pursuant to
3 section 1, Chapter 1, Special Laws of December 2005; and

4 (b) after addressing the repairs in subsection (2)(a), any of the following:

5 (i) updating the facility condition inventory as recommended in the final report referenced in subsection
6 (2)(a) with the scope and methods of the review to be determined by the trustees, employing experts as the
7 trustees determine necessary. The first update must be completed by July 1, 2019, and each district shall certify
8 the completion to the office of public instruction no later than October 31, 2019. Subsequent updates must be
9 certified to the office of public instruction no less than once every 5 years following the first certification.

10 (ii) undertaking projects designed to produce operational efficiencies such as utility savings, reduced
11 future maintenance costs, improved utilization of staff, and enhanced learning environments for students,
12 including but not limited to projects addressing:

13 (A) roofing systems;

14 (B) heating, air conditioning, and ventilation systems;

15 (C) energy-efficient window and door systems and insulation;

16 (D) plumbing systems;

17 (E) electrical systems and lighting systems;

18 (F) information technology infrastructure, including internet connectivity both within and to the school
19 facility; and

20 (G) other critical repairs to an existing school facility or facilities.

21 (3) (a) In any year in which the legislature has appropriated funds for distribution from the school major
22 maintenance aid account, the superintendent of public instruction shall administer the distribution of school major
23 maintenance aid from the school major maintenance aid account for deposit in the subfund of the building reserve
24 fund provided for in 20-9-502(3)(e). Subject to proration under subsection (5) of this section, aid must be annually
25 distributed no later than the last working day of May to a school district imposing a levy pursuant to 20-9-502(3)
26 in the current school fiscal year, with the amount of state support per dollar of local effort of the applicable
27 elementary and high school program of each district determined as follows:

28 (i) using the taxable valuation most recently certified by the department of revenue under 15-10-202:

29 (A) divide the total statewide taxable valuation by the statewide total of school major maintenance
30 amounts and multiply the result by 171%;

- 1 (B) multiply the result determined under subsection (3)(a)(i)(A) by the district's school major maintenance
2 amount;
- 3 (C) subtract the district's taxable valuation from the amount determined under subsection (3)(a)(i)(B);
4 and
- 5 (D) divide the amount determined under subsection (3)(a)(i)(C) by 1,000;
- 6 (ii) determine the greater of the amount determined in subsection (3)(a)(i) or 18% of the district's mill
7 value; and
- 8 (iii) multiply the result determined under subsection (3)(a)(ii) by the district's school major maintenance
9 amount, then divide the product by the sum of the result determined under subsection (3)(a)(ii) and the district's
10 school major maintenance amount.
- 11 (b) For a district with an adopted general fund budget in the prior year greater than or equal to 97% of
12 the district's general fund maximum budget in the prior year, the amount determined in subsection (3)(a)(iii)
13 rounded to the nearest cent is the amount of school major maintenance aid per dollar of local effort, not to exceed
14 an amount that would result in the state aid composing more than 80% of the district's school major maintenance
15 amount.
- 16 (c) For a district with an adopted general fund budget in the prior year less than 97% of the district's
17 maximum budget in the prior year, multiply the amount determined in subsection (3)(a)(iii) by the ratio of the
18 district's adopted general fund budget in the prior year to the district's maximum general fund budget in the prior
19 year. The result, rounded to the nearest cent, is the amount of state school major maintenance aid per dollar of
20 local effort, not to exceed an amount that would result in the state aid composing more than 80% of the district's
21 school major maintenance amount.
- 22 (4) Using the taxable valuation most recently certified by the department of revenue under 15-10-202,
23 the superintendent shall provide school districts with a preliminary estimated amount of state school major
24 maintenance aid per dollar of local effort for the ensuing school year no later than March 1 and a final amount
25 for the current school year no later than July 31.
- 26 (5) If the appropriation from or the available funds in the school major maintenance aid account in any
27 school fiscal year are less than the amount for which school districts would otherwise qualify, the superintendent
28 of public instruction shall proportionally prorate the aid distributed to ensure that the distributions do not exceed
29 the appropriated or available funds.
- 30 (6) If in any fiscal year the amount of revenue in the school major maintenance aid account is sufficient

1 to fund school major maintenance aid without a proration reduction pursuant to subsection (5) and if in that same
2 fiscal year the amount of revenue available in the school facility and technology account established in 20-9-516
3 will result in a proration reduction in debt service assistance pursuant to 20-9-346(2)(b) for that fiscal year, the
4 state treasurer shall transfer any excess funds in the school major maintenance aid account to the school facility
5 and technology account, not to exceed the amount required to avoid a proration reduction.

6 (7) For the purposes of this section, the following definitions apply:

7 (a) "Local effort" means an amount of money raised by levying no more than 10 mills pursuant to
8 20-9-502(3) and, provided that 10 mills have been levied, any additional amount of money deposited or
9 transferred by trustees to the subfund pursuant to 20-9-502(3).

10 (b) "School major maintenance amount" means the sum of \$15,000 and the product of \$100 multiplied
11 by the district's budgeted ANB for the prior fiscal year."
12

13 **Section 10.** Section 23-1-105, MCA, is amended to read:

14 **"23-1-105. Fees and charges -- use of motor vehicle registration fee.** (1) The department may levy
15 and collect reasonable fees or other charges for the use of privileges and conveniences that may be provided
16 and to grant concessions that it considers advisable, except as provided in subsections (2) and (6). All money
17 derived from the activities of the department, except as provided in subsection (5), must be deposited in the state
18 treasury in a state special revenue fund to the credit of the department. This state special revenue fund is subject
19 to legislative fund transfer.

20 (2) Overnight camping fees established by the department under subsection (1) must be discounted 50%
21 for a campsite rented by a person who is a resident of Montana, as defined in 87-2-102, and either 62 years of
22 age or older or certified as disabled in accordance with rules adopted by the department.

23 (3) For a violation of any fee collection rule involving a vehicle, the registered owner of the vehicle at the
24 time of the violation is personally responsible if an adult is not in the vehicle at the time the violation is discovered
25 by an authorized officer. A defense that the vehicle was driven into the fee area by another person is not
26 allowable unless it is shown that at that time, the vehicle was being used without the consent of the registered
27 owner.

28 (4) Money received from the collection of fees and charges is subject to the deposit requirements of
29 17-6-105(6) unless the department has submitted and received approval for a modified deposit schedule pursuant
30 to 17-6-105(8).

1 (5) There is a fund of the enterprise fund type, as defined in 17-2-102(2)(a), for the purpose of managing
2 state park visitor services revenue. The fund is to be used by the department to serve the recreating public by
3 providing for the obtaining of inventory through purchase, production, or donation and for the sale of educational,
4 commemorative, and interpretive merchandise and other related goods and services at department sites and
5 facilities. The fund consists of money from the sale of educational, commemorative, and interpretive merchandise
6 and other related goods and services and from donations. Gross revenue from the sale of educational,
7 commemorative, and interpretive merchandise and other related goods and services must be deposited in the
8 fund. All interest and earnings on money deposited in the fund must be credited to the fund for use as provided
9 in this subsection.

10 (6) In recognition of the fact that individuals support state parks through the payment of certain motor
11 vehicle registration fees, persons who pay the fee provided for in 61-3-321(19)(a) may not be required to pay a
12 day-use fee for access to state parks. Other fees for the use of state parks and fishing access sites, such as
13 overnight camping fees, are still chargeable and may be collected by the department.

14 (7) Any increase in the motor vehicle registration fee collected pursuant to 61-3-321(19)(a) on or after
15 January 1, 2012, that is dedicated to state parks must be used by the department for maintenance and operation
16 of state parks."

17

18 **Section 11.** Section 30-10-115, MCA, is amended to read:

19 **"30-10-115. Deposits to general fund -- exceptions.** (1) Except as provided in subsection (2), all fees
20 and miscellaneous charges received by the commissioner pursuant to parts 1 through 3 of this chapter must be
21 deposited in the general fund.

22 (2) (a) All notice filing fees collected under 30-10-209(1)(d) and examination costs collected under
23 30-10-210 must be deposited in the state special revenue fund in an account to the credit of the state auditor's
24 office. ~~The Subject to legislative fund transfer, the~~ funds allocated by this subsection (2)(a) to the state special
25 revenue account may be used only to defray the expenses of the state auditor's office in discharging its
26 administrative and regulatory powers and duties in relation to notice filing under 30-10-209(1)(d) and
27 examinations.

28 (b) Any fees in excess of the amount required for the purposes listed in subsection (2)(a) must be
29 deposited in the general fund.

30 (c) On or after July 1, 2019, 4.5% of the total fees collected annually under 30-10-209(1)(b) must be

1 deposited in the securities restitution assistance fund provided for in 30-10-1004. The remainder must be
2 deposited in the general fund. On or after July 1, 2021, all fees collected annually under 30-10-209(1)(b) must
3 be deposited in the general fund."

4

5 **Section 12.** Section 33-2-708, MCA, is amended to read:

6 **"33-2-708. Fees and licenses.** (1) (a) Except as provided in subsection (5), the commissioner shall
7 collect a fee of \$1,900 from each insurer applying for or annually renewing a certificate of authority to conduct
8 the business of insurance in Montana.

9 (b) The commissioner shall collect certain additional fees as follows:

10 (i) nonresident insurance producer's license:

11 (A) application for original license, including issuance of license, if issued, \$100;

12 (B) biennial renewal of license, \$50;

13 (C) lapsed license reinstatement fee, \$100;

14 (ii) resident insurance producer's license lapsed license reinstatement fee, \$100;

15 (iii) surplus lines insurance producer's license:

16 (A) application for original license and for issuance of license, if issued, \$50;

17 (B) biennial renewal of license, \$100;

18 (C) lapsed license reinstatement fee, \$200;

19 (iv) insurance adjuster's license:

20 (A) application for original license, including issuance of license, if issued, \$50;

21 (B) biennial renewal of license, \$100;

22 (C) lapsed license reinstatement fee, \$200;

23 (v) insurance consultant's license:

24 (A) application for original license, including issuance of license, if issued, \$50;

25 (B) biennial renewal of license, \$100;

26 (C) lapsed license reinstatement fee, \$200;

27 (vi) viatical settlement broker's license:

28 (A) application for original license, including issuance of license, if issued, \$50;

29 (B) biennial renewal of license, \$100;

30 (C) lapsed license reinstatement fee, \$200;

- 1 (vii) resident and nonresident rental car entity producer's license:
- 2 (A) application for original license, including issuance of license, if issued, \$100;
- 3 (B) quarterly filing fee, \$25;
- 4 (viii) an original notification fee for a life insurance producer acting as a viatical settlement broker, in
- 5 accordance with 33-20-1303(2)(b), \$50;
- 6 (ix) navigator certification:
- 7 (A) application for original certification, including issuance of certificate if issued, \$100;
- 8 (B) biennial renewal of certification, \$50;
- 9 (C) lapsed certification reinstatement fee, \$100;
- 10 (x) 50 cents for each page for copies of documents on file in the commissioner's office.
- 11 (c) The commissioner may adopt rules to determine the date by which a nonresident insurance producer,
- 12 a surplus lines insurance producer, an insurance adjuster, an insurance public adjuster, or an insurance
- 13 consultant is required to pay the fee for the biennial renewal of a license.
- 14 (2) (a) The commissioner shall charge a fee of \$75 for each course or program submitted for review as
- 15 required by 33-17-1204 and 33-17-1205, but may not charge more than \$1,500 to a sponsoring organization
- 16 submitting courses or programs for review in any biennium.
- 17 (b) Insurers and associations composed of members of the insurance industry are exempt from the
- 18 charge in subsection (2)(a).
- 19 (3) (a) Except as provided in subsection (3)(b), the commissioner shall promptly deposit with the state
- 20 treasurer to the credit of the general fund all fines and penalties and those amounts received pursuant to
- 21 33-2-311, 33-2-705, 33-28-201, and 50-3-109.
- 22 (b) The commissioner shall deposit 33% of the money collected under 33-2-705 in the special revenue
- 23 account provided for in 53-4-1115.
- 24 (c) All other fees collected by the commissioner pursuant to Title 33 and the rules adopted under Title
- 25 33 must be deposited in the state special revenue fund to the credit of the state auditor's office and are subject
- 26 to legislative fund transfer.
- 27 (4) All fees are considered fully earned when received. In the event of overpayment, only those amounts
- 28 in excess of \$10 will be refunded.
- 29 (5) The commissioner shall collect a licensing fee of \$500 for casualty insurance companies issuing
- 30 policies of legal professional liability insurance pursuant to 33-1-206."

1

2 **Section 13.** Section 33-28-120, MCA, is amended to read:

3 **"33-28-120. Captive insurance regulatory and supervision account.** (1) There is an account in the
4 state special revenue fund called the captive insurance regulatory and supervision account, which may be
5 referred to as the captive account.

6 (2) ~~The Subject to legislative fund transfer, the~~ purpose of the captive account is to provide the financial
7 means for the commissioner to administer this chapter and for reimbursement of reasonable expenses incurred
8 in promoting captive insurance in this state.

9 (3) (a) Five percent of the premium tax collected under 33-28-201 and all fees and assessments received
10 by the commissioner pursuant to the administration of this chapter must be deposited in the captive account.

11 (b) All fines and administrative penalties collected pursuant to this chapter must be deposited in the
12 general fund.

13 (4) All payments from the captive account for the maintenance of staff and associated expenses,
14 including necessary contractual services, may only be disbursed from the state treasury upon warrants issued
15 by the commissioner, after receipt by the commissioner of proper documentation regarding services rendered
16 and expenses incurred.

17 (5) At the end of each fiscal year, the balance in the captive account must be transferred to the general
18 fund."

19

20 **Section 14.** Section 69-1-402, MCA, is amended to read:

21 **"69-1-402. Funding of department of public service regulation.** (1) All fees collected under this
22 section and any other fees, except as provided in 69-1-114(3) and subject to legislative fund transfer, must be
23 deposited in an account in the state special revenue fund to the credit of the department. An appropriation to the
24 department may consist of a base appropriation for regular operating expenses and a contingency appropriation
25 for expenses due to an unanticipated caseload.

26 (2) In addition to all other licenses, fees, and taxes imposed by law, all regulated companies shall, within
27 30 days after the close of each calendar quarter, pay to the department of revenue a fee based on a percentage
28 of gross operating revenue reported pursuant to 69-1-223(2)(a), as determined by the department of revenue
29 under 69-1-403.

30 (3) The amount of money that may be raised by the fee on the regulated companies during a fiscal year

1 may not be increased, except as provided in 69-1-224(1)(c), from the amount appropriated to the department by
2 the legislature for that fiscal year, including both base and contingency appropriations. Any additional money
3 required for operation of the department must be obtained from other sources in a manner authorized by the
4 legislature."

5

6 **Section 15.** Section 75-25-101, MCA, is amended to read:

7 **"75-25-101. Alternative energy revolving loan account.** (1) There is a special revenue account called
8 the alternative energy revolving loan account to the credit of the department of environmental quality.

9 (2) The alternative energy revolving loan account consists of money deposited into the account from air
10 quality penalties from 75-2-401 and 75-2-413 and money from any other source. Any interest earned by the
11 account and any interest that is generated from a loan repayment must be deposited into the account and used
12 to sustain the program. The account is subject to legislative fund transfer.

13 (3) Funds from the alternative energy revolving loan account may be used to provide loans to individuals,
14 small businesses, units of local government, units of the university system, and nonprofit organizations for the
15 purpose of building alternative energy systems, as defined in 15-32-102:

16 (a) to generate energy for their own use;

17 (b) for net metering as defined in 69-8-103; and

18 (c) for capital investments by those entities for energy conservation purposes, as defined in 15-32-102,
19 when done in conjunction with an alternative energy system.

20 (4) The amount of a loan may not exceed \$40,000, and the loan must be repaid within 10 years."

21

22 **Section 16.** Section 90-1-205, MCA, is amended to read:

23 **"90-1-205. Economic development special revenue account.** (1) There is an economic development
24 state special revenue account. The account receives earnings from the big sky economic development fund as
25 provided in 17-5-703. The Subject to legislative fund transfer, the money in the account may be used only as
26 provided in this part.

27 (2) The money in the account is statutorily appropriated, as provided in 17-7-502, to the department. Of
28 the money that is deposited in the account that is not used for administrative expenses:

29 (a) 75% must be allocated for distribution to local governments and tribal governments to be used for
30 job creation efforts; and

1 (b) 25% must be allocated for distribution to certified regional development corporations, economic
2 development organizations that are located in a county that is not part of a certified regional development
3 corporation, and tribal governments."
4

5 **Section 17.** Section 3(3), Chapter 259, Laws of 2017, is amended to read:

6 "~~(3) If [this act], Senate Bill No. 260, and Senate Bill No. 307 are passed and approved, then up to \$2~~
7 ~~million of the earnings transferred from the school facilities fund provided for in [section 1(1) of Senate Bill No.~~
8 ~~260] to the account established in [section 8 of Senate Bill No. 307] is appropriated in fiscal year 2019 to the office~~
9 ~~of public instruction for the uses described in [section 8 of Senate Bill No. 307]."~~
10

11 NEW SECTION. **Section 18. Contingent voidness.** (1) If the general fund appropriations in House
12 Bill No. 2 exceed \$1,986,136,710 for fiscal year 2018 or exceed \$2,030,978,373 for fiscal year 2019, then [this
13 act] is void.
14

15 NEW SECTION. **Section 19. Contingent voidness.** If House Bill No. 2 does not reduce appropriations
16 from state special revenue funds to the department of commerce by at least \$100,000 in fiscal year 2018 and at
17 least \$100,000 in fiscal year 2019, then the transfers from the economic development special revenue account
18 provided for in 90-1-205 to the general fund in [this act] are void.
19

20 NEW SECTION. **Section 20. Contingent voidness.** If House Bill No. 2 does not reduce state special
21 appropriations to the office of public instruction for Program 09 by at least \$3.4 million in fiscal year 2018 and by
22 at least \$4.8 million in fiscal year 2019, then the transfers from the school facility and technology special revenue
23 fund provided for in 20-9-516 to the guarantee account provided for in 20-9-622 in [this act] are void.
24

25 NEW SECTION. **Section 21. Contingent voidness.** If House Bill No. 2 does not reduce appropriations
26 from state special revenue funds to the office of the state auditor by at least \$50,000 in fiscal year 2018 and at
27 least \$50,000 in fiscal year 2019, then the transfers in [section 2 of this act] are void.
28

29 NEW SECTION. **Section 22. Contingent voidness.** If House Bill No. 2 does not reduce appropriations
30 to the department of transportation maintenance program by at least \$50,000 in fiscal year 2018 or less than

1 \$50,000 in fiscal year 2019, then the transfers from the highway nonrestricted account provided for in 15-70-125
2 to the general fund in [this act] are void.

3
4 NEW SECTION. **Section 23. Severability.** If a part of [this act] is invalid, all valid parts that are
5 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,
6 the part remains in effect in all valid applications that are severable from the invalid applications.

7
8 NEW SECTION. **Section 24. Effective date.** [This act] is effective on passage and approval.

9
10 NEW SECTION. **Section 25. Termination.** [This act] terminates June 30, 2019.

11 - END -