

5-SESSION SUMMARY

BANK OF NORTH DAKOTA (STATE BANK) LEGISLATION

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; [Chapter 309, Laws of 2017](#)). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary: During the Bakken boom in oil and gas production across North Dakota and in parts of Montana, an interest arose in the North Dakota state bank model that emphasized using part of the state's income for local economic and rural development. Articles in *Mother Jones* and *The Wall Street Journal* increased that interest, albeit among different constituencies. The model was a turn-of-the-century (from the late 1800s into the 1900s) approach. The Bank of North Dakota mixes elements of State Treasurer activities and what in Montana includes activities of the Board of Investments. Legislation proposing to create a similar bank in Montana involved dissecting parts of the Board of Investments activities and dismantling some of the state regulatory authority in relation to state-chartered banks.

Legislative Services Division Materials: None

Other Materials:

Ryan Holeywell, "Meet Occupy Wall Street's Favorite Banker," [Governing](#), January 12, 2012

Josh Harkinson, "How the Nation's Only State-Owned Bank Became the Envy of Wall Street," [Mother Jones](#), March 28, 2009

Introduced Legislation

*Chapter number assigned means bill was passed and approved.

2019 (LC 292 requested but not introduced)

2017 – None

2015 – None

2013

[HB 474](#) – (Died in Standing Committee) “AN ACT CREATING A STATE BANK OF MONTANA KNOWN AS THE MONTANA RESOURCES BANK; REQUIRING THE BOARD OF INVESTMENTS TO REPORT TO THE 64TH LEGISLATURE REGARDING THE MANAGEMENT, OPERATIONAL STRUCTURE, AND CAPITALIZATION OF THE MONTANA RESOURCES BANK; PROVIDING A TRANSITION FOR CERTAIN ACTIVITIES FROM THE BOARD OF INVESTMENTS TO THE MONTANA RESOURCES BANK; EXEMPTING CERTAIN BANK OFFICERS FROM THE STATE CLASSIFICATION AND PAY PLAN; PROVIDING AN APPROPRIATION TO DEVELOP A REPORT; AMENDING SECTIONS 2-15-1808, 2-18-103, 17-5-1650, AND 32-1-102, MCA; AND PROVIDING EFFECTIVE DATES.”

[HB 482](#) - (Died in Standing Committee) "AN ACT CREATING A MONTANA PARTNERSHIP BANK GOVERNED BY THE BOARD OF INVESTMENTS; CREATING A MONTANA PARTNERSHIP BANK REVOLVING LOAN ACCOUNT; ALLOWING THE BOARD OF INVESTMENTS TO INVEST SHORT-TERM INVESTMENTS, THE PUBLIC EMPLOYEES' RETIREMENT FUNDS, AND A PORTION OF THE PERMANENT COAL TAX TRUST FUND IN THE MONTANA PARTNERSHIP BANK REVOLVING LOAN ACCOUNT FOR EITHER CAPITALIZATION OR LOAN-MAKING PURPOSES; EXEMPTING CERTAIN BANK OFFICERS FROM THE STATE CLASSIFICATION AND PAY PLAN; PROVIDING A STATUTORY APPROPRIATION; EXTENDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS 2-15-1808, 2-18-103, 17-5-1650, 17-6-101, 17-6-201, 17-6-305, 17-6-308, 17-6-322, AND 31-1-102, MCA."

2011

[HB 643](#) - (Died in Standing Committee) - "AN ACT CREATING A STATE BANK OF MONTANA AS A NEW AGENCY WITHIN STATE GOVERNMENT; PROVIDING DUTIES FOR THE STATE BANK; CREATING A STATE DEBT; EXEMPTING THE BANK PRESIDENT FROM THE STATE PAY CLASSIFICATION SYSTEM; REVISING DISTRIBUTION OF INTEREST INCOME ON COAL SEVERANCE TAX COLLECTIONS AND THE COAL SEVERANCE TAX TRUST FUND; REVISING DISTRIBUTION OF VOLUME CAP BONDS; REVISING DUTIES OF THE DEPARTMENT OF COMMERCE, THE BOARD OF HOUSING, THE MONTANA FACILITY FINANCE AUTHORITY, THE GROWTH THROUGH AGRICULTURE PROGRAM, AND VARIOUS ECONOMIC DEVELOPMENT PROGRAMS; PROVIDING FOR \$15 MILLION IN REVENUE BONDS FOR STARTUP FINANCING; PROVIDING FOR A TRANSITION FROM GRANTS TO LOANS FOR THE TREASURE STATE ENDOWMENT FUND, THE TREASURE STATE WATER FUND, AND THE ECONOMIC DEVELOPMENT FUND; PROVIDING A TRANSITION FOR THE BONDING AUTHORITY OF THE BOARD OF HOUSING AND THE MONTANA FACILITY FINANCE AUTHORITY; PROVIDING RULEMAKING AUTHORITY; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 2-15-104, 2-15-1814, 2-15-1815, 2-18-103, 15-35-108, 15-38-302, 17-2-105, 17-5-703, 17-5-704, 17-5-710, 17-5-711, 17-5-1302, 17-5-1312, 17-5-1325, 17-5-1502, 17-5-1503, 17-5-1507, 17-5-1508, 17-5-1509, 17-5-1511, 17-5-1521, 17-5-1524, 17-5-1526, 17-5-1527, 17-5-1624, 17-6-105, 17-6-201, 17-6-204, 17-6-211, 17-6-302, 17-6-305, 17-6-308, 17-6-309, 17-6-311, 17-6-313, 17-6-314, 17-6-316, 17-6-317, 17-6-318, 17-6-319, 17-6-321, 17-6-322, 17-6-324, 17-6-345, 17-6-347, 17-6-403, 17-6-406, 17-6-407, 17-7-502, 32-1-202, 85-1-102, 85-1-601, 85-1-602, 85-1-603, 85-1-605, 85-1-606, 85-1-608, 85-1-609, 85-1-610, 85-1-612, 85-1-613, 85-1-615, 85-1-616, 85-1-617, 85-1-618, 85-1-621, 85-1-622, 85-1-624, 85-2-105, 90-1-101, 90-1-116, 90-1-119, 90-1-201, 90-1-203, 90-1-204, 90-1-205, 90-1-501, 90-1-502, 90-3-1002, 90-3-1003, 90-6-103, 90-6-104, 90-6-106, 90-6-107, 90-6-108, 90-6-109, 90-6-110, 90-6-111, 90-6-112, 90-6-113, 90-6-115, 90-6-116, 90-6-119, 90-6-121, 90-6-123, 90-6-125, 90-6-126, 90-6-127, 90-6-132, 90-6-133, 90-6-134, 90-6-135, 90-6-136, 90-6-504, 90-6-701, 90-6-715, 90-7-102, 90-7-112, 90-7-113, 90-7-116, 90-7-202, 90-7-211, 90-7-212, 90-7-225, 90-7-228, 90-7-229, 90-7-230, 90-7-301, 90-7-302, 90-7-303, 90-7-304, 90-7-305, 90-7-307, 90-7-311, 90-7-312, 90-7-317, 90-7-318, 90-9-103, 90-9-202, 90-9-203, 90-9-301, 90-9-306, 90-9-307, 90-9-308, 90-9-309, AND 90-9-311, MCA; REPEALING SECTIONS 17-6-409, 90-1-104, 90-6-120, AND 90-7-319, MCA; AND PROVIDING EFFECTIVE DATES."

Prepared By:

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