

Amendments to Senate Bill No. 352
3rd Reading Copy

Requested by Representative Tom Burnett

For the House Appropriations Committee

Prepared by Sheri Scurr
April 8, 2019 (3:50pm)

1. Title, page 1, line 5.

Following: "BUDGET;"

Insert: "PROVIDING FOR TEMPORARY SUPPLEMENTAL STATE GENERAL FUND CONTRIBUTIONS FOR THE PUBLIC EMPLOYEES', HIGHWAY PATROL OFFICERS', GAME WARDENS' AND PEACE OFFICERS', AND TEACHERS' RETIREMENT SYSTEMS; PROVIDING FOR STATUTORY APPROPRIATIONS;"

2. Title, page 1, line 6.

Following: "FUNDS;"

Insert: "AMENDING SECTIONS 17-7-502, 19-3-320, 19-6-404, AND 19-20-607, MCA;"

3. Page 1.

Following: line 8

Insert: "Section 1. Section 17-7-502, MCA, is amended to read:

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

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

(a) The law containing the statutory authority must be listed in subsection (3).

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

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-1304; 10-4-304; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-130; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; [section 4]; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-9-905; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; 22-3-1004; 23-4-105; 23-5-306; 23-5-409;

23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-51-501; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213; 44-13-102; 50-1-115; 53-1-109; 53-6-148; 53-6-1304; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-321; 61-3-415; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-13-150; 76-13-416; 76-17-103; 76-22-109; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006; 81-1-112; 81-1-113; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded liability is 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. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates June 30, 2019; pursuant to sec. 11(2), Ch. 17, L. 2013, the inclusion of 17-3-112 terminates on occurrence of contingency; pursuant to sec. 27, Ch. 285, L. 2015, and sec. 1, Ch. 292, L. 2015, the inclusion of 53-9-113 terminates June 30, 2021; pursuant to sec. 6, Ch. 291, L. 2015, the inclusion of 50-1-115 terminates June 30, 2021; pursuant to sec. 28, Ch. 368, L. 2015, the inclusion of 53-6-1304 terminates June 30, 2019; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on occurrence of contingency; pursuant to sec. 5, Ch. 422, L. 2015, the inclusion of 17-7-215 terminates June 30, 2021; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117 terminates June 30, 2025; pursuant to sec. 10, Ch. 427, L. 2015, the inclusion of 37-50-209 terminates September 30, 2019; pursuant to sec. 33, Ch. 457, L. 2015, the inclusion of 20-9-905 terminates December 31, 2023; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30, 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025; pursuant to sec. 55, Ch. 151, L. 2017, the inclusion of 30-10-1004 terminates June 30, 2021; pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8, Ch. 284, L. 2017, the

inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec. 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023, and pursuant to sec. 2, Ch. 340, L. 2017, and sec. 32, Ch. 429, L. 2017, is void for fiscal years 2018 and 2019; and pursuant to sec. 10, Ch. 374, L. 2017, the inclusion of 76-17-103 terminates June 30, 2027.)"

{Internal References to 17-7-502:

2-17-105	5-11-120	5-11-407	5-13-403
7-4-2502	10-1-108	10-1-1202	10-1-1303
10-2-603	10-2-807	10-3-203	10-3-310
10-3-312	10-3-312	10-3-314	10-3-1304
10-4-304	15-1-121	15-1-218	15-35-108
15-36-332	15-36-332	15-37-117	15-37-117
15-39-110	15-65-121	15-70-101	15-70-130
15-70-433	16-11-119	16-11-509	17-1-508
17-3-106	17-3-112	17-3-212	17-3-222
17-3-241	17-6-101	17-7-215	17-7-501
18-11-112	19-3-319	19-3-320	19-6-404
19-6-410	19-9-702	19-13-604	19-17-301
19-18-512	19-19-305	19-19-506	19-20-604
19-20-607	19-21-203	20-8-107	20-9-534
20-9-534	20-9-622	20-9-905	20-26-617
20-26-1503	22-1-327	22-3-116	22-3-117
22-3-1004	23-4-105	23-4-105	23-5-306
23-5-409	23-5-612	23-7-301	23-7-402
23-7-402	23-7-402	30-10-1004	37-43-204
37-50-209	37-51-501	37-54-113	39-71-503
41-5-2011	42-2-105	44-4-1101	44-12-213
44-13-102	50-1-115	53-1-109	53-6-148
53-6-1304	53-6-1304	53-9-113	53-24-108
53-24-108	53-24-206	60-11-115	61-3-321
61-3-415	69-3-870	69-4-527	75-1-1101
75-5-1108	75-6-214	75-11-313	75-26-308
76-13-150	76-13-150	76-13-416	76-17-103
76-22-109	76-22-109	77-1-108	77-2-362
80-2-222	80-4-416	80-11-518	80-11-1006
81-1-112	81-1-113	81-7-106	81-10-103
82-11-161	82-11-161	85-20-1504	85-20-1504
85-20-1505	85-25-102	87-1-603	90-1-115
90-1-115	90-1-205	90-1-504	90-3-1003
90-6-331	90-9-306}		

Insert: "Section 2. Section 19-3-320, MCA, is amended to read:

"19-3-320. Supplemental state contribution contributions -- statutory appropriation -- termination. (1) (a) For the fiscal year beginning July 1, 2017, the state shall contribute \$31.386 million and for the fiscal year beginning July 1, 2018, the state shall contribute \$31.958 million from the general fund to the public employees' retirement system pension trust as a supplemental contribution to the public employees' retirement system.

(b) Starting in the fiscal year beginning July 1, 2019, the state shall contribute from the general fund to the public employees' retirement system pension trust 101% of the contribution from the previous years as a supplemental contribution to the public employees' retirement system.

(c) The 69th legislature shall review the performance of

subsection (1) (b) and make recommendations for adjustments as needed.

(2) (a) Subject to subsection (2) (b), in addition to all other contributions required by law, beginning July 1, 2019, the state shall contribute monthly from the general fund to the pension trust fund an amount equal to 0.87% of the compensation paid to all covered employees.

(b) The contribution under subsection (2) (a) terminates effective January 1 following the board's receipt of the system's actuarial valuation if the valuation determines that terminating the contribution would not cause the amortization period for the system's unfunded liabilities to exceed 30 years.

~~(2) (3) This contribution is~~ The contributions provided for in this section are statutorily appropriated, as provided in 17-7-502, from the general fund to the pension trust fund."

{Internal References to 19-3-320:
X17-7-502}"

Insert: "Section 3. Section 19-6-404, MCA, is amended to read:

"19-6-404. State employer contribution -- statutory appropriation -- termination. (1) The state shall pay as employer contributions 38.33% of compensation paid to all of the employer's employees, except those properly excluded from membership, from the following sources:

~~(1) (a)~~ (a) an amount equal to 28.15% of the total compensation of the members, which is payable, as appropriated by the legislature, from the same source that is used to pay compensation to the members; and

~~(2) (b)~~ (b) an amount equal to 10.18% of the total compensation of the members, ~~which is.~~

(2) (a) Subject to subsection (2) (b), in addition to all other contributions required by law, beginning July 1, 2019, the state shall contribute monthly from the general fund to the pension trust fund an amount equal to 3.72% of the compensation paid to all covered employees.

(b) The contribution under subsection (2) (a) terminates effective January 1 following the board's receipt of the system's actuarial valuation if the valuation determines that terminating the contribution would not cause the amortization period for the system's unfunded liabilities to exceed 30 years.

(3) The contributions under subsections (1) (b) and (2) (a) are statutorily appropriated, as provided in 17-7-502, from the general fund to the pension trust fund."

{Internal References to 19-6-404:
X17-7-502 X19-6-1005 X19-6-1007 X19-6-1101
X19-6-1101 X44-1-518}"

Insert: "NEW SECTION. Section 4. Supplemental state contribution -- statutory appropriation -- termination. (1) (a) Subject to subsection (2), in addition to all other contributions required by law, beginning July 1, 2019, the state shall contribute monthly from the general fund to the pension trust fund an amount equal to 1.15% of the compensation paid to all

covered employees.

(b) The contribution in subsection (1) terminates effective January 1 following the board's receipt of the system's actuarial valuation if the valuation determines that terminating the contribution would not cause the amortization period for the system's unfunded liabilities to exceed 30 years.

(2) The contribution under subsection (1)(a) is statutorily appropriated, as provided in 17-7-502, from the general fund to the pension trust fund."

Insert: "Section 5. Section 19-20-607, MCA, is amended to read:

"19-20-607. Supplemental state contribution -- statutory appropriation -- termination. (1) (a) Each month, the state shall contribute, as a supplemental contribution to the teachers' retirement system, from the general fund to the pension trust fund an amount equal to 2.38% of the total earned compensation of school district and community college active members participating in the system.

(b) (i) Except as provided in subsection (1)(b)(ii), beginning July 1, 2013, and on each July 1 thereafter, the state shall contribute from the general fund to the pension trust fund \$25 million as a supplemental contribution to the teachers' retirement system.

(ii) If the legislative finance committee determines that the board has failed to provide a sufficient report pursuant to 19-20-216, it shall recommend that \$5 million be subtracted from the amount allocated in subsection (1)(b)(i) subject to legislative approval.

(2) (a) Subject to subsection (2)(b), in addition to all other contributions required by law, beginning July 1, 2019, the state shall contribute monthly from the general fund to the pension trust fund an amount equal to 0.04% of the compensation paid to all covered employees.

(b) The contribution under subsection (2)(a) terminates effective January 1 following the board's receipt of the system's actuarial valuation if the valuation determines that terminating the contribution would not cause the amortization period for the system's unfunded liabilities to exceed 30 years.

~~(2)~~(3) The contributions are statutorily appropriated, as provided in 17-7-502, to the pension trust fund. The board shall determine and shall certify to the state treasurer amounts due under this section on a monthly basis. The state treasurer shall transfer the certified amounts to the pension trust fund within 1 week following receipt of the certification from the board."

{Internal References to 19-20-607:

X17-7-502 X19-20-716 X19-20-732}"

4. Page 1.

Following: line 11

Insert: "NEW SECTION. Section 7. {standard} Codification instruction. [Section 4] is intended to be codified as an integral part of Title 19, chapter 8, part 5, and the provisions of Title 19, chapter 8, part 5, apply to [section 4]."

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