

HOUSE BILL NO. 158

INTRODUCED BY WANZENRIED, SQUIRES, DOWELL, DOLEZAL,  
FOSTER, J. BROWN, O'KEEFE, CONNELLY  
BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE HOUSE

JANUARY 12, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON STATE ADMINISTRATION.

JANUARY 14, 1991                   FIRST READING.

JANUARY 22, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS. REPORT ADOPTED.

POSTED ON CONSENT CALENDAR.

PRINTING REPORT.

JANUARY 23, 1991                   CONSENT CALENDAR QUESTIONS & ANSWERS.

ON MOTION, TAKEN FROM CONSENT CALENDAR  
AND REREFERRED TO COMMITTEE  
ON STATE ADMINISTRATION.

FEBRUARY 7, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 8, 1991                   PRINTING REPORT.

FEBRUARY 9, 1991                   SECOND READING, DO PASS.

FEBRUARY 11, 1991                  ENGROSSING REPORT.

FEBRUARY 12, 1991                  THIRD READING, PASSED.  
AYES, 97; NOES, 0.

TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 13, 1991                  INTRODUCED AND REFERRED TO COMMITTEE  
ON STATE ADMINISTRATION.

FIRST READING.

MARCH 11, 1991                   COMMITTEE RECOMMEND BILL BE  
CONCURRED IN. REPORT ADOPTED.

POSTED ON CONSENT CALENDAR.

MARCH 13, 1991 CONSENT CALENDAR, QUESTIONS AND ANSWERS.

MARCH 14, 1991 THIRD READING, CONCURRED IN.  
AYES, 48; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

MARCH 15, 1991 RECEIVED FROM SENATE.

SENT TO ENROLLING.

MARCH 19, 1991 REPORTED CORRECTLY ENROLLED.

MARCH 20, 1991 SIGNED BY SPEAKER.

SIGNED BY PRESIDENT.

DELIVERED TO GOVERNOR.

MARCH 22, 1991 RETURNED TO HOUSE FOR CLERICAL  
CORRECTION.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *HOUSE* BILL NO. *158*  
 2 INTRODUCED BY *James Small, Dalegal*  
 3 BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD *John*  
 4 *J. Brown* *Connelly*  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING LIMITATIONS ON  
 6 THE AMOUNTS AVAILABLE FOR INVESTMENT IN SHORT- AND LONG-TERM  
 7 INVESTMENTS FROM THE PUBLIC EMPLOYEES', HIGHWAY PATROL  
 8 OFFICERS', SHERIFFS', AND GAME WARDENS' RETIREMENT SYSTEMS;  
 9 AMENDING SECTIONS 19-3-602, 19-6-405, 19-7-405, AND  
 10 19-8-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

12 **Section 1.** Section 19-3-602, MCA, is amended to read:

13 "19-3-602. Investment of fund. (1) The fund shall must  
 14 be invested by the state board of investments as part of the  
 15 long-term--investment-fund unified investment fund described  
 16 in Title 17, chapter 6, part 2.

17 (2) Interest All income earned on any cash deposited-in  
 18 a-bank-by-the-state-treasurer-and income-on or other assets  
 19 constituting a part of the fund shall must be paid into the  
 20 fund as received. Income, of whatever nature, earned on--the  
 21 retirement--fund--during--any--fiscal--year-in-excess-of-the  
 22 interest-credited-to-contributions-during-that-year shall be  
 23 retained-in-the-fund-as-a-reserve--against--deficiencies--in  
 24 interest--earned--in--other-years, losses-under-investments,  
 25

1 and-other-contingencies."

2 **Section 2.** Section 19-6-405, MCA, is amended to read:

3 "19-6-405. Investment of retirement account fund. When  
 4 there--is-on-deposit-in-the-Montana-highway-patrol-officers'  
 5 retirement-account-a-sum-in-excess-of--\$25,000,--the--excess  
 6 will (1) The fund must be invested by the board of  
 7 investments as part of the long-term-investment-fund-and-any  
 8 of-the-account-less-than-\$25,000-in-amount shall-be-invested  
 9 by--the--board--of--investments--as--part--of-the-short-term  
 10 investment-fund--when--so--directed--by--the--board unified  
 11 investment fund described in Title 17, chapter 6, part 2.

12 (2) All income earned on any cash or other assets  
 13 constituting a part of the fund must be paid into the fund  
 14 as received."

15 **Section 3.** Section 19-7-405, MCA, is amended to read:

16 "19-7-405. Investment of account fund. Whenever there  
 17 is-over-\$25,000-on-deposit-in-the-account, that amount will  
 18 (1) The fund must be invested by the board of investments as  
 19 part of the long-term-investment-fund--Any-of-the-account-in  
 20 an-amount-of-\$25,000-or-less shall-be-invested-by-the-board  
 21 of-investments as part-of--the--short-term--investment--fund  
 22 when--so--directed--by--the--board unified investment fund  
 23 described in Title 17, chapter 6, part 2.

24 (2) All income earned on any cash or other assets  
 25 constituting a part of the fund must be paid into the fund

1 as received."

2 **Section 4.** Section 19-8-403, MCA, is amended to read:

3 "19-8-403. Investment of account fund. Whenever--there  
4 ~~is--on--deposit--in--the--account--a--sum--in--excess--of--\$25,000,~~  
5 ~~such--excess--shall~~ (1) The fund must be invested by the board  
6 of investments as part of the ~~long-term-investment-fund.~~ The  
7 ~~part--of--the--account--not--in--excess--of--\$25,000--shall--be~~  
8 ~~invested--by--the--board--of--investments--as--part--of--the~~  
9 ~~short-term--investment--fund--when--so--directed--by--the--board~~  
10 unified investment fund described in Title 17, chapter 6,  
11 part 2.

12 (2) All income earned on any cash or other assets  
13 constituting a part of the fund must be paid into the fund  
14 as received."

15 NEW SECTION. **Section 5.** Effective date. [This act] is  
16 effective on passage and approval.

-End-

Objection raised to consent calendar, re-referred and approved by State Administration Committee as amended.

HOUSE BILL NO. 158

INTRODUCED BY WANZENRIED, SQUIRES, DOWELL, DOLEZAL,

FOSTER, J. BROWN, O'KEEFE, CONNELLY

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING LIMITATIONS ON THE AMOUNTS AVAILABLE FOR INVESTMENT IN SHORT- AND LONG-TERM INVESTMENTS FROM THE PUBLIC EMPLOYEES', HIGHWAY PATROL OFFICERS', SHERIFFS', AND GAME WARDENS' RETIREMENT SYSTEMS; AMENDING SECTIONS 19-3-602, 19-6-405, 19-7-405, AND 19-8-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 19-3-602, MCA, is amended to read:

"19-3-602. Investment of fund. (1) The fund shall must be invested by the state board of investments as part of the long-term--investment--fund unified investment fund PROGRAM described in Title 17, chapter 6, part 2.

(2) Interest All income earned on any cash deposited in a bank by the state treasurer and income on or other assets constituting a part of the fund shall must be paid into the fund as received. Income of whatever nature, earned on the retirement--fund--during--any--fiscal--year--in--excess--of--the interest--credited--to--contributions--during--that--year--shall--be retained--in--the--fund--as--a--reserve--against--deficiencies--in

interest--earned--in--other--years,--losses--under--investments, and--other--contingencies."

Section 2. Section 19-6-405, MCA, is amended to read:

"19-6-405. Investment of retirement account fund. When there--is--on--deposit--in--the--Montana--highway--patrol--officers'--retirement--account--a--sum--in--excess--of--\$25,000,--the--excess will (1) The fund must be invested by the board of investments as part of the long-term--investment--fund--and--any of--the--account--less--than--\$25,000--in--amount--shall--be--invested by--the--board--of--investments--as--part--of--the--short--term investment--fund--when--so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.

(2) All income earned on any cash--or--other assets constituting a part of the fund must be paid into the fund as received."

Section 3. Section 19-7-405, MCA, is amended to read:

"19-7-405. Investment of account fund. Whenever--there is--over--\$25,000--on--deposit--in--the--account,--that--amount--will (1) The fund must be invested by the board of investments as part of the long-term--investment--fund. Any--of--the--account--in an--amount--of--\$25,000--or--less--shall--be--invested--by--the--board of--investments--as--part--of--the--short--term--investment--fund when--so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.



1       (2) All income earned on any cash--or--other assets  
2 constituting a part of the fund must be paid into the fund  
3 as received."

4       **Section 4.** Section 19-8-403, MCA, is amended to read:

5       "19-8-403. Investment of account fund. Whenever there  
6 ~~is on deposit in the account a sum in excess of \$25,000,~~  
7 ~~such excess shall~~ (1) The fund must be invested by the board  
8 of investments as part of the ~~long-term investment fund.~~ The  
9 ~~part of the account not in excess of \$25,000 shall be~~  
10 ~~invested by the board of investments as part of the~~  
11 ~~short-term investment fund when so directed by the board~~  
12 unified investment fund PROGRAM described in Title 17,  
13 chapter 6, part 2.

14       (2) All income earned on any cash--or--other assets  
15 constituting a part of the fund must be paid into the fund  
16 as received."

17       **NEW SECTION. Section 5.** Effective date. [This act] is  
18 effective on passage and approval.

-End-

*House* BILL NO. *158*

INTRODUCED BY *James Quinn, Dolezal*  
BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD *Keefe*  
*J. Brown* *Connelly*

A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING LIMITATIONS ON THE AMOUNTS AVAILABLE FOR INVESTMENT IN SHORT- AND LONG-TERM INVESTMENTS FROM THE PUBLIC EMPLOYEES', HIGHWAY PATROL OFFICERS', SHERIFFS', AND GAME WARDENS' RETIREMENT SYSTEMS; AMENDING SECTIONS 19-3-602, 19-6-405, 19-7-405, AND 19-8-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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**Section 1.** Section 19-3-602, MCA, is amended to read:

"19-3-602. Investment of fund. (1) The fund shall must be invested by the state board of investments as part of the long-term--investment-fund unified investment fund described in Title 17, chapter 6, part 2.

(2) interest All income earned on any cash deposited-in a-bank-by-the-state-treasurer-and income-on or other assets constituting a part of the fund shall must be paid into the fund as received. Income<sub>7</sub>-of-whatever-nature<sub>7</sub>-earned-on--the retirement--fund--during--any--fiscal--year-in-excess-of-the interest-credited-to-contributions-during-that-year-shall-be retained-in-the-fund-as-a-reserve--against--deficiencies--in interest--earned--in--other-years<sub>7</sub>-losses under investments<sub>7</sub>

and-other-contingencies."

**Section 2.** Section 19-6-405, MCA, is amended to read:

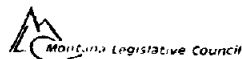
"19-6-405. Investment of retirement account fund. When there--is-on-deposit-in-the-Montana-highway-patrol-officers'-retirement-account-a-sum-in-excess-of--\$25,000<sub>7</sub>--the--excess will (1) The fund must be invested by the board of investments as part of the long-term-investment-fund-and-any of-the-account-less-than-\$25,000-in-amount-shall-be-invested by--the--board--of--investments--as--part--of--the-short-term investment-fund--when--so--directed--by--the--board unified investment fund described in Title 17, chapter 6, part 2.

(2) All income earned on any cash or other assets constituting a part of the fund must be paid into the fund as received."

**Section 3.** Section 19-7-405, MCA, is amended to read:

"19-7-405. Investment of account fund. Whenever there is-over-\$25,000-on-deposit-in-the-account<sub>7</sub>-that-amount--will (1) The fund must be invested by the board of investments as part of the long-term-investment-fund--Any-of-the-account-in an-amount-of-\$25,000-or-less-shall-be-invested-by-the-board of-investments-as-part-of--the--short-term--investment--fund when--so--directed--by--the--board unified investment fund described in Title 17, chapter 6, part 2.

(2) All income earned on any cash or other assets constituting a part of the fund must be paid into the fund



1 as received."

2 **Section 4.** Section 19-8-403, MCA, is amended to read:

3 "19-8-403. Investment of account fund. Whenever--there  
4 is--on--deposit--in--the--account--a--sum--in--excess--of--\$25,000,  
5 such--excess--shall (1) The fund must be invested by the board  
6 of investments as part of the ~~long-term-investment-fund~~--The  
7 ~~part-of-the-account--not--in--excess--of--\$25,000--shall--be~~  
8 ~~invested--by--the--board--of--investments--as--part--of--the~~  
9 ~~short-term--investment--fund--when--so--directed--by--the--board~~  
10 unified investment fund described in Title 17, chapter 6,  
11 part 2.

12 (2) All income earned on any cash or other assets  
13 constituting a part of the fund must be paid into the fund  
14 as received."

15 NEW SECTION. **Section 5.** Effective date. [This act] is  
16 effective on passage and approval.

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INTRODUCED BY WANZENRIED, SQUIRES, DOWELL, DOLEZAL,

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interest--earned--in--other-years, losses-under-investments, and-other-contingencies;"

Section 2. Section 19-6-405, MCA, is amended to read:

"19-6-405. Investment of retirement account fund. When there--is-on-deposit-in-the-Montana-highway-patrol-officers' retirement-account-a-sum-in-excess-of--\$25,000,--the--excess will (1) The fund must be invested by the board of investments as part of the long-term-investment-fund-and-any of-the-account-less-than-\$25,000-in-amount-shall-be-invested by--the--board--of--investments--as--part--of-the-short-term investment-fund--when--so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.

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"19-7-405. Investment of account fund. Whenever--there is--over-\$25,000-on-deposit-in-the-account,--that-amount-will (1) The fund must be invested by the board of investments as part of the long-term-investment-fund. Any-of-the-account-in an-amount-of-\$25,000-or-less-shall-be-invested-by-the--board of--investments--as--part--of-the-short-term-investment-fund when-so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.



1       (2) All income earned on any cash--or--other assets  
2       constituting a part of the fund must be paid into the fund  
3       as received."

4       **Section 4.** Section 19-8-403, MCA, is amended to read:

5       ~~"19-8-403. Investment of account fund. Whenever there~~  
6       ~~is-on-deposit-in-the-account-a-sum--in--excess--of--\$25,000,~~  
7       ~~such-excess-shall: (1) The fund must be invested by the board~~  
8       ~~of investments as part of the long-term-investment-fund. The~~  
9       ~~part--of--the--account--not--in--excess--of--\$25,000--shall--be~~  
10       ~~invested--by--the--board--of--investments--as--part--of--the~~  
11       ~~short-term-investment-fund-when-so--directed--by--the--board~~  
12       unified investment fund PROGRAM described in Title 17,  
13       chapter 6, part 2.

14       (2) All income earned on any cash--or--other assets  
15       constituting a part of the fund must be paid into the fund  
16       as received."

17       **NEW SECTION. Section 5.** Effective date. [This act] is  
18       effective on passage and approval.

-End-

HOUSE BILL NO. 158

INTRODUCED BY WANZENRIED, SQUIRES, DOWELL, DOLEZAL,

FOSTER, J. BROWN, O'KEEFE, CONNELLY

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING LIMITATIONS ON THE AMOUNTS AVAILABLE FOR INVESTMENT IN SHORT- AND LONG-TERM INVESTMENTS FROM THE PUBLIC EMPLOYEES', HIGHWAY PATROL OFFICERS', SHERIFFS', AND GAME WARDENS' RETIREMENT SYSTEMS; AMENDING SECTIONS 19-3-602, 19-6-405, 19-7-405, AND 19-8-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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(2) Interest All income earned on any cash deposited in a bank by the state treasurer and income on or other assets constituting a part of the fund shall must be paid into the fund as received. Income, of whatever nature, earned on the retirement--fund--during--any--fiscal--year in excess of the interest credited to contributions during that year shall be retained in the fund as a reserve against deficiencies in

interest--earned--in--other--years, losses under investments, and other contingencies."

Section 2. Section 19-6-405, MCA, is amended to read:

"19-6-405. Investment of retirement account fund. When there--is--on--deposit--in--the--Montana--highway--patrol--officers' retirement--account--a--sum--in--excess--of--\$25,000, the--excess will (1) The fund must be invested by the board of investments as part of the long-term investment fund and any of the account less than \$25,000 in amount shall be invested by--the--board--of--investments--as--part--of--the--short--term investment fund--when--so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.

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"19-7-405. Investment of account fund. Whenever--there is--over--\$25,000--on--deposit--in--the--account, that amount will (1) The fund must be invested by the board of investments as part of the long-term investment fund. Any of the account in an amount of \$25,000 or less shall be invested by the--board of--investments--as--part--of--the--short--term--investment--fund when--so--directed--by--the--board unified investment fund PROGRAM described in Title 17, chapter 6, part 2.

REFERENCE BILL



1       (2) All income earned on any cash--or-other assets  
2       constituting a part of the fund must be paid into the fund  
3       as received."

4       **Section 4.** Section 19-8-403, MCA, is amended to read:

5       ~~"19-8-403. Investment of account fund. Whenever there~~  
6       ~~is-on-deposit-in-the-account-a-sum--in--excess--of--\$25,000,~~  
7       ~~such-excess-shall (1) The fund must be invested by the board~~  
8       ~~of investments as part of the long-term-investment-fund--The~~  
9       ~~part--of--the--account--not--in--excess--of--\$25,000-shall-be~~  
10       ~~invested--by--the--board--of--investments--as--part--of--the~~  
11       ~~short-term-investment-fund-when-so--directed--by--the--board~~  
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13       chapter 6, part 2.

14       (2) All income earned on any cash--or--other assets  
15       constituting a part of the fund must be paid into the fund  
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17       NEW SECTION. Section 5. Effective date. [This act] is  
18       effective on passage and approval.

-End-