

SENATE BILL NO. 353

INTRODUCED BY LYBECK, HARP, MENAHAN, QUILICI, KRUEGER,  
COHEN, BRANDEWIE, CONNELLY, DRISCOLL, PAVLOVICH, C. SMITH,  
D. BROWN, JONES, B. BROWN

IN THE SENATE

February 8, 1985	Introduced and referred to Committee on Business and Industry.
February 22, 1985	Committee recommend bill do pass as amended. Report adopted.
February 23, 1985	Bill printed and placed on members' desks.
February 25, 1985	Second reading, do pass.
February 26, 1985	Considered correctly engrossed.
February 27, 1985	Third reading, passed. Ayes, 49; Noes, 1.  Transmitted to House.

IN THE HOUSE

March 7, 1985	Introduced and referred to Committee on Business and Labor.
March 27, 1985	Committee recommend bill be concurrent in. Report adopted.
March 30, 1985	Second reading, concurrent in.
April 1, 1985	Third reading, concurrent in.  Returned to Senate.

IN THE SENATE

April 1, 1985

Received from House.

April 2, 1985

Sent to enrolling.

Reported correctly enrolled.

Senate BILL NO. 353

INTRODUCED BY *Lybeck HARP Menahan Juljaitka*

*Don Lewis Connolly Donald Patrick*

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PREFERENCE TO  
EMPLOYEE-OWNED ENTERPRISES FOR LOANS UNDER THE MONTANA  
IN-STATE INVESTMENT ACT OF 1983; AMENDING SECTIONS 17-6-302  
AND 17-6-309, MCA."

*Bob Brown*

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

Section 1. Section 17-6-302, MCA, is amended to read:

"17-6-302. Definitions. As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Board" means the Montana economic development board established in 2-15-1805.

(2) "Clean and healthful environment" means an environment that is relatively free from pollution which threatens human health, including as a minimum, compliance with federal and state environmental and health standards.

(3) "Employee-owned enterprise" means any enterprise 51% of whose stock, partnership interests, or other ownership interests is owned and controlled by residents of Montana each of whose principal occupation is as an employee, officer, or partner of the enterprise.

(4) "Financial institution" includes but is not

limited to a state- or federally chartered bank or a savings and loan association, credit union, or development corporation created pursuant to Title 32, chapter 4.

(5) "Loan participation" means loans or portions thereof bought from a financial institution.

(6) "Locally owned enterprise" means any enterprise 51% of whose stock, partnership interests, or other ownership interests are owned and controlled by residents of Montana.

(7) "Long-term benefit to the Montana economy" means an activity that strengthens the Montana economy and that has the potential to maintain and create jobs, increase per capita income, or increase Montana tax revenues in the future to the people of Montana, either directly or indirectly.

(8) "Montana economy" means any business activity in the state of Montana, including those which continue existing jobs or create new jobs in Montana.

(9) "Montana in-state investment fund" means the fund established by 17-6-305.

(10) "Service fees" means the fees normally charged by a financial institution for servicing a loan, including amounts charged for collecting payments and remitting amounts to the fund."

Section 2. Section 17-6-309, MCA, is amended to read:



1 "17-6-309. Investment preferences. In deciding which  
 2 of several investments of equal or comparable security and  
 3 return are to be made when sufficient funds are not  
 4 available to fund all possible investments, the board shall  
 5 give preference to the business investments that:

6 {1} assist employee-owned enterprises in providing new  
 7 jobs or in preserving existing jobs for Montana residents or  
 8 in otherwise contributing to the long-term benefit of the  
 9 Montana economy;

10 {2} are for locally owned enterprises that are  
 11 either expanding or establishing new operations;

12 {3} provide jobs that will be substantially filled  
 13 by current Montana residents as opposed to providing jobs  
 14 that will be filled by nonresidents coming into the state to  
 15 fill such jobs;

16 {4} maintain and improve a clean and healthful  
 17 environment, with emphasis on energy efficiency;

18 {5} encourage or benefit the processing, refining,  
 19 marketing, and innovative use and promotion of Montana's  
 20 agricultural products; or

21 {6} benefit small- and medium-sized businesses as  
 22 defined in rules adopted by the board."

23 NEW SECTION. Section 3. Extension of authority. Any  
 24 existing authority of the Montana economic development board  
 25 to make rules on the subject of the provisions of this act

1 is extended to the provisions of this act.

-End-

APPROVED BY COMM. ON  
BUSINESS & INDUSTRY

SENATE BILL NO. 353

INTRODUCED BY LYBECK, HARP, MENAHAN, QUILICI,  
KRUEGER, COHEN, BRANDEWIE, CONNELLY, DRISCOLL,  
PAVLOVICH, C. SMITH, D. BROWN, JONES, B. BROWN

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ownership interests is owned and controlled by residents of  
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employee, officer, or partner of the enterprise.

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limited to a state- or federally chartered bank or a savings  
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thereof bought from a financial institution.

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ownership interests are owned and controlled by residents of  
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~~(6)~~(7) "Long-term benefit to the Montana economy"  
means an activity that strengthens the Montana economy and  
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future to the people of Montana, either directly or  
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in the state of Montana, including those which continue  
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fund established by 17-6-305.

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SECOND READING

SB 353



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11 Montana economy;

12 ~~(1)~~(2) are for locally owned enterprises that are  
13 either expanding or establishing new operations;

14 ~~(2)~~(3) provide jobs that will be substantially filled  
15 by current Montana residents as opposed to providing jobs  
16 that will be filled by nonresidents coming into the state to  
17 fill such jobs;

18 ~~(3)~~(4) maintain and improve a clean and healthful  
19 environment, with emphasis on energy efficiency;

20 ~~(4)~~(5) encourage or benefit the processing, refining,  
21 marketing, and innovative use and promotion of Montana's  
22 agricultural products; or

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PREFERENCE TO EMPLOYEE-OWNED ENTERPRISES FOR LOANS UNDER THE MONTANA IN-STATE INVESTMENT ACT OF 1983; AMENDING SECTIONS 17-6-302 AND 17-6-309, MCA."

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(4)(5) "Loan participation" means loans or portions thereof bought from a financial institution.

(5)(6) "Locally owned enterprise" means any enterprise 51% of whose stock, partnership interests, or other ownership interests are owned and controlled by residents of Montana.

(6)(7) "Long-term benefit to the Montana economy" means an activity that strengthens the Montana economy and that has the potential to maintain and create jobs, increase per capita income, or increase Montana tax revenues in the future to the people of Montana, either directly or indirectly.

(7)(8) "Montana economy" means any business activity in the state of Montana, including those which continue existing jobs or create new jobs in Montana.

(8)(9) "Montana in-state investment fund" means the fund established by 17-6-305.

(9)(10) "Service fees" means the fees normally charged by a financial institution for servicing a loan, including amounts charged for collecting payments and remitting

THIRD READING ;



1 amounts to the fund."

2 Section 2. Section 17-6-309, MCA, is amended to read:

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11 Montana economy;

12 (2) are for locally owned enterprises that are  
13 either expanding or establishing new operations;

14 (3) provide jobs that will be substantially filled  
15 by current Montana residents as opposed to providing jobs  
16 that will be filled by nonresidents coming into the state to  
17 fill such jobs;

18 (4) maintain and improve a clean and healthful  
19 environment, with emphasis on energy efficiency;

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22 agricultural products; or

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REFERENCE BILL  
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