HOUSE BILL NO. 10

INTRODUCED BY ABRAMS

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE HOUSE

June 16, 1986

June 23, 1986

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Introduced and referred to Committee on Appropriations.

Committee recommend bill do pass. Report adopted.

Bill printed and placed on members' desks.

Second reading, do pass. Ayes, 89; Noes, 4.

Third reading, passed. Ayes, 88; Noes, 4.

Transmitted to Senate.

IN THE SENATE

June 24, 1986 June 25, 1986 June 25, 1986 June 26, 1986 Ju

Third reading, concurred in. Ayes, 47; Noes, 1.

Returned to House.

IN THE HOUSE

June 26, 1986

Received from Senate.

Sent to enrolling.

June 27, 1986

On motion, taken from enrolling and referred to Senate as requested.

IN THE SENATE

June 27, 1986

On motion, placed on third reading for recorded vote.

Third reading, concurred in. Ayes, 48; Noes, 2.

Returned to House.

IN THE HOUSE

June 28, 1986

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 10 INTRODUCED BY Abreme 2 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION 3 A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING AND 5 APPROPRIATING MONEY IN THE CAPITAL PROJECTS FUND TO THE 6 7 LONG-RANGE BUILDING DEBT SERVICE FUND: AMENDING SECTION 8 17-5-422, MCA; AND PROVIDING AN EFFECTIVE DATE." 9 WHEREAS, the Legislature, by Chapter 600, Laws of 1981, 10 authorized the issuance of \$5 million principal amount 11 12 long-range building program bonds to finance costs of 13 improvements to the state capitol; and WHEREAS, the bonds, with other long-range building 14 program bonds for other purposes, were issued and sold in 15 16 1981; and WHEREAS, unexpended proceeds of the bonds and 17 18 investment income thereon remain in the capital projects 19 fund for the capitol; and WHEREAS, improvements to the capitol, to the extent 20 presently agreed upon, have been completed or are near 21 completion; and 22 23 WHEREAS, approximately \$5.1 million remains in the capital projects fund and is not required to pay the costs 24 25 of such improvements.

Montana Legislative Council

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

Section 1. Section 17-5-422, MCA, is amended to read: 3 "17-5-422. Bonds for state capitol improvements. (1) 4 The board of examiners is authorized to issue and sell 5 long-range building program bonds, upon the conditions and 6 in the manner stated in this part, in the principal amount 7 not to exceed \$5 million, for the purpose of financing costs 8 of improvements to the state capitol. Proceeds of the bonds 9 and investment income thereon unexpended as of October 1, 10 1986, must be applied to the payment of principal and 11 interest next due on outstanding long-range building program 12 13 bonds of the state.

(2) There is appropriated to the debt service account 14 established pursuant to 17-5-405 from the revenues of the 15 capitol building land grant (exclusive of income derived 16 from investment of accumulated revenues) in each fiscal year 17 during the term of the bonds authorized by subsection (1) an 18 amount sufficient to pay the principal of and interest on 19 the bonds as due and to establish and maintain required 20 reserves therefor. The appropriation shall be reduced in 21 each fiscal year by the amount, if any, of income received 22 in that year from investment of the reserve attributable to 23 the bonds. The appropriation made by this section is solely 24 for the benefit of the state and is not enforceable by the 25

- 2 -

INTRODUCED BILL

HB 10

LC 0073/01

holders of the bonds. <u>The appropriation terminates October</u> 1, 1986."

3 of funds. NEW SECTION. Section 2. Transfer The 4 balance of the capital renovation account within a capital 5 projects fund, for improvements to the state capitol, is 6 transferred from that account to the long-range building 7 debt service fund and appropriated for the payment of 8 principal and interest on bonds payable from that debt 9 service fund.

NEW SECTION. Section 3. Two-thirds vote required.
Because the bond authority contained in 17-5-422 required
enactment by a two-thirds vote of each house, as mandated by
Article VIII, section 8, of the Montana Constitution, the
amendment provided by this bill requires a vote of
two-thirds of the members of each house for passage.

16 <u>NEW SECTION.</u> Section 4. Effective date. This act is
17 effective October 1, 1986.

-End-

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STATE OF MONTANA - FISCAL NOTE

Form B	D-15
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In compliance with a written request, there is hereby submitted a Fiscal Note for <u>HB010</u>, <u>as originally</u> introduced.

Description of Proposed Legislation:

To transfer and appropriate money in the capital projects fund to the Long-Range Building Debt Service Fund.

Assumptions:

- 1. The proposed legislation would be effective October 1, 1986.
- 2. The balance in the Capital Projects account Capitol Renovation would be transferred to the debt service account.
- 3. The amount would be transferred from the debt service account to the general fund until needed for debt service on outstanding bonds.
- 4. Effective October 1, 1986, the Capitol Land Grant account would no longer be responsible for debt service payment as appropriated in 17-5-422 on bonds issued for the Capitol Renovation.
- 5. The general fund would assume responsibility for debt service on the outstanding bonds issued for capitol renovation, effective October 1, 1986.
- 6. Approximately \$5,100,000 will be available for transfer. This amount could change depending on the investment rates between April and October, 1986.

Fiscal Impact:

General Fund Revenue:	<u>FY87</u>
Current Law	-0-
Proposed Law	\$5,100,000
General Fund Expenditures	\$ 150,698
General Fund Net	\$4,949,302

Office of Budget and Program Planning

PRIMARY SPONSOR

DATE

Fiscal Note for

APPROVED BY COMMITTEE ON APPROPRIATIONS

HOUSE BILL NO. 10 1 INTRODUCED BY 2 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION 3 4 "AN ACT TRANSFERRING AND A BILL FOR AN ACT ENTITLED: 5 APPROPRIATING MONEY IN THE CAPITAL PROJECTS FUND TO THE 6 LONG-RANGE BUILDING DEBT SERVICE FUND; AMENDING SECTION 7 17-5-422, MCA; AND PROVIDING AN EFFECTIVE DATE." 8 9 WHEREAS, the Legislature, by Chapter 600, Laws of 1981, 10 authorized the issuance of \$5 million principal amount 11 long-range building program bonds to finance costs of 12 improvements to the state capitol; and 13 WHEREAS, the bonds, with other long-range building 14 program bonds for other purposes, were issued and sold in 15 1981; and 16 WHEREAS, unexpended proceeds of the bonds and 17 investment income thereon remain in the capital projects 18 fund for the capitol; and 19 WHEREAS, improvements to the capitol, to the extent 20 presently agreed upon, have been completed or are near 21 22 completion; and WHEREAS, approximately \$5.1 million remains in the 23 capital projects fund and is not required to pay the costs 24 of such improvements. 25

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16 capitol building land grant (exclusive of income derived 17 from investment of accumulated revenues) in each fiscal year 18 during the term of the bonds authorized by subsection (1) an amount sufficient to pay the principal of and interest on 19 20 the bonds as due and to establish and maintain required reserves therefor. The appropriation shall be reduced in 21 each fiscal year by the amount, if any, of income received 22 23 in that year from investment of the reserve attributable to 24 the bonds. The appropriation made by this section is solely for the benefit of the state and is not enforceable by the 25

SECOND READING -2-HB10

LC 0073/01

holders of the bonds. <u>The appropriation terminates October</u>
1, 1986."

3 <u>NEW SECTION.</u> Section 2. Transfer of funds. The 4 balance of the capital renovation account within a capital 5 projects fund, for improvements to the state capitol, is 6 transferred from that account to the long-range building 7 debt service fund and appropriated for the payment of 8 principal and interest on bonds payable from that debt 9 service fund.

10 <u>NEW SECTION.</u> Section 3. Two-thirds vote required.
11 Because the bond authority contained in 17-5-422 required
12 enactment by a two-thirds vote of each house, as mandated by
13 Article VIII, section 8, of the Montana Constitution, the
14 amendment provided by this bill requires a vote of
15 two-thirds of the members of each house for passage.

16 <u>NEW SECTION.</u> Section 4. Effective date. This act is
17 effective October 1, 1986.

-End-

-3-

HOUSE BILL NO. 10

LC 0073/01

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INTRODUCED BY Abram

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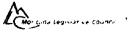
3	BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING AND
6	APPROPRIATING MONEY IN THE CAPITAL PROJECTS FUND TO THE
7	LONG-RANGE BUILDING DEBT SERVICE FUND; AMENDING SECTION
8	17-5-422, MCA; AND PROVIDING AN EFFECTIVE DATE."
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10	WHEREAS, the Legislature, by Chapter 600, Laws of 1981,
11	authorized the issuance of \$5 million principal amount
12	long-range building program bonds to finance costs of
13	improvements to the state capitol: and

14 WHEREAS, the bonds, with other long-range building
15 program bonds for other purposes, were issued and sold in
16 1981; and

WHEREAS, unexpended proceeds of the bonds and
investment income thereon remain in the capital projects
fund for the capital; and

20 WHEREAS, improvements to the capitol, to the extent 21 presently agreed upon, have been completed or are near 22 completion; and

WHEREAS, approximately \$5.1 million remains in the
capital projects fund and is not required to pay the costs
of such improvements.



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

3 Section 1. Section 17-5-422, MCA, is amended to read: 4 "17-5-422. Bonds for state capitol improvements. (1) The board of examiners is authorized to issue and sell 5 long-range building program bonds, upon the conditions and 6 7 in the manner stated in this part, in the principal amount 8 not to exceed \$5 million, for the purpose of financing costs 9 of improvements to the state capitol. Proceeds of the bonds 10 and investment income thereon unexpended as of October 1, 11 1986, must be applied to the payment of principal and interest next due on outstanding long-range building program 12 13 bonds of the state. (2) There is appropriated to the debt service account 14 15 established pursuant to 17-5-405 from the revenues of the 16 capitol building land grant (exclusive of income derived 17 from investment of accumulated revenues) in each fiscal year

during the term of the bonds authorized by subsection (1) an 18 amount sufficient to pay the principal of and interest on 19 20 the bonds as due and to establish and maintain required 21 reserves therefor. The appropriation shall be reduced in each fiscal year by the amount, if any, of income received 22 in that year from investment of the reserve attributable to 23 the bonds. The appropriation made by this section is solely 24 for the benefit of the state and is not enforceable by the 25

-2- THIRD READING

LC 0073/01

holders of the bonds. <u>The appropriation terminates October</u> 1, 1986."

NEW SECTION. Section 2. Transfer 3 of funds. The 4 balance of the capital renovation account within a capital 5 projects fund, for improvements to the state capitol, is transferred from that account to the long-range building 6 7 debt service fund and appropriated for the payment of 8 principal and interest on bonds payable from that debt 9 service fund.

10 <u>NEW SECTION.</u> Section 3. Two-thirds vote required.
11 Because the bond authority contained in 17-5-422 required
12 enactment by a two-thirds vote of each house, as mandated by
13 Article VIII, section 8, of the Montana Constitution, the
14 amendment provided by this bill requires a vote of
15 two-thirds of the members of each house for passage.

16 <u>NEW SECTION.</u> Section 4. Effective date. This act is
17 effective October 1, 1986.

-End-

-3-

INTRODUCED BY ABRAMS BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING AND APPROPRIATING MONEY IN THE CAPITAL PROJECTS FUND TO THE LONG-RANGE BUILDING DEBT SERVICE FUND; AMENDING SECTION

HOUSE BILL NO. 10

8 17-5-422, MCA; AND PROVIDING AN EFFECTIVE DATE."

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HB 10

HB 0010/02

holders of the bonds. <u>The appropriation terminates October</u>
 <u>1, 1986.</u>"

3 <u>NEW SECTION.</u> Section 2. Transfer of funds. The 4 balance of the capital renovation account within a capital 5 projects fund, for improvements to the state capitol, is 6 transferred from that account to the long-range building 7 debt service fund and appropriated for the payment of 8 principal and interest on bonds payable from that debt 9 service fund.

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