

SENATE BILL NO. 2

INTRODUCED BY FRITZ
BY REQUEST OF THE MONTANA HISTORICAL SOCIETY

IN THE SENATE

DECEMBER 22, 1992 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

JANUARY 4, 1993 FIRST READING.

JANUARY 5, 1993 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

PRINTING REPORT.

JANUARY 6, 1993 SECOND READING, DO PASS.

JANUARY 7, 1993 ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 46; NOES, 4.

TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 9, 1993 INTRODUCED AND REFERRED TO COMMITTEE
ON STATE ADMINISTRATION.

FIRST READING.

JANUARY 15, 1993 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

JANUARY 19, 1993 SECOND READING, CONCURRED IN.

THIRD READING, CONCURRED IN.
AYES, 97; NOES, 0.

RETURNED TO SENATE.

IN THE SENATE

JANUARY 21, 1993 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

SENATE BILL NO. 2

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A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA HISTORICAL SOCIETY ACQUISITIONS TRUST; PROVIDING THAT THE INTEREST EARNINGS OF THE TRUST MAY BE SPENT BY THE MONTANA HISTORICAL SOCIETY FOR THE PURPOSE OF ACQUIRING SOCIETY LIBRARY, MUSEUM, ARCHIVE, AND PHOTOARCHIVE ITEMS OR COLLECTIONS AND OTHER HISTORICAL RECORDS; EXEMPTING ACQUISITIONS TRUST REVENUE FROM THE REQUIREMENT THAT NONGENERAL FUND MONEY BE EXPENDED FIRST; AMENDING SECTIONS 17-2-108 AND 22-3-107, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, the Montana Historical Society fulfills a unique and vital role in the preservation and presentation of historical Montana records through the acquisition and maintenance of items and collections of public interest; and

WHEREAS, timely acquisitions are vital to the Montana Historical Society's ability to maintain the viability of collections and items for research and exhibit; and

WHEREAS, it is to the benefit of the Montana Historical Society's role and in the interest of all Montanans that the Society have a readily available source of funds to purchase

important historical records, items, and collections as they become available.

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

NEW SECTION. **Section 1.** Acquisitions trust. There is an account in the fiduciary fund category nonexpendable trust fund type to be known as the Montana historical society acquisitions trust, to be used exclusively for the acquisition of items or collections as provided in [section 2].

NEW SECTION. **Section 2.** Use of acquisitions trust funds -- principal nonexpendable -- investment of principal -- reversion of unspent revenue. (1) The principal of the acquisitions trust established in [section 1] is intended to be a permanent, nonexpendable trust subject to investment by the board of investments in accordance with investment principles established for the investment of state funds in Title 17, chapter 6, part 2.

(2) Unless otherwise provided by the donor, donations of \$500 or more received pursuant to 22-3-107(9) and revenue earned by the Montana historical society from sales provided for by 22-3-107(6) must be placed in the acquisitions trust.

(3) Interest earned on the principal of the acquisitions trust may be used only for the purpose of acquiring society library, museum, archive, and photoarchive

1 items or collections.

2 (4) Revenue that is not expended on appropriate
3 acquisitions authorized in subsection (3) and that remains
4 at the end of each fiscal year reverts to the principal of
5 the acquisitions trust for investment as provided in
6 subsection (1).

7 (5) The provisions of 17-2-108 that require the
8 expenditure of nongeneral fund money prior to the
9 expenditure of general fund money do not apply to the
10 expenditure of revenue made available to the society from
11 the acquisitions trust.

12 **Section 3.** Section 22-3-107, MCA, is amended to read:

13 "22-3-107. Authority of board. The powers and duties of
14 the trustees are as follows:

15 (1) to elect annually from among their number a
16 president, a ~~vice-president~~ vice president, and a secretary;

17 (2) to adopt bylaws for their own government and to
18 make rules, not inconsistent with law, for the proper
19 administration of the society in the interests of preserving
20 the rich heritage of this state and its people;

21 (3) to appoint a director, fix his the director's
22 salary, and prescribe his the director's duties and
23 responsibilities;

24 (4) to create such classes of memberships in the
25 society as they deem consider desirable, to determine the

1 qualifications for any class of membership, and to set the
2 fees to be paid for such memberships;

3 (5) to sell or exchange publications and other museum
4 or art objects and use the money arising from such sales for
5 the operation of the society and for the acquisition of
6 historical materials and objects of art;

7 (6) to sell or exchange surplus or duplicate books,
8 surplus museum or art objects or artifacts not pertinent to
9 the region encompassed by the Montana historical society
10 mission and to use the money arising from such the sales
11 exclusively for acquisitions of library, art, and museum
12 artifacts;

13 (7) to see that the collections and properties of the
14 society are maintained in good order and repair;

15 (8) to report to the governor and, as provided in
16 5-11-210, the legislature biennially. The report ~~shall~~ must
17 include a statement of all important transactions and
18 acquisitions, with suggestions and recommendations for the
19 better realization of the purposes of the society and the
20 improvement of its collections and services.

21 (9) to accept, receive, and administer in the name of
22 the society any gifts, donations, properties, securities,
23 bequests, and legacies that may be made to the society.
24 Moneys Money in the amount of less than \$500 received by
25 donation, gift, bequest, or legacy, unless otherwise

1 provided by the donor, ~~shall~~ must be deposited in the state
 2 treasury and used for the general operation of the society.
 3 Unless otherwise provided by donor, donations, gifts,
 4 bequests, or legacies in the amount of \$500 or more must be
 5 deposited in the acquisitions trust established in [section
 6 1].

7 (10) to collect, assemble, preserve, and display, where
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 9 charts, manuscripts, journals, diaries, papers, business
 10 records, paintings, drawings, engravings, photographs,
 11 statuary, models, relics, and all other materials
 12 illustrative of the history of Montana in particular and
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 14 and Northern Great Plains regions and of the United States
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16 (11) to procure from pioneers, early settlers, and
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 18 settlement of Montana, the Indian occupancy, Indian and
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 20 territories of the west, and all other related documents of
 21 Montana's history, development, and society;

22 (12) to gather contemporary information, specimens, and
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21 (20) to coordinate the administration of the historic
 22 records network established in 22-3-211."

23 **Section 4.** Section 17-2-108, MCA, is amended to read:

24 "17-2-108. Expenditure of nongeneral fund money first.

25 (1) An Except for the exemption applicable to the Montana

1 historical society in [section 2(5)], an office or entity of
 2 the executive, legislative, or judicial branch of state
 3 government shall apply expenditures against appropriated
 4 nongeneral fund money whenever possible before using general
 5 fund appropriations.

6 (2) The approving authority, as defined in 17-7-102,
 7 shall authorize the decrease of the general fund
 8 appropriation of an agency by the amount of money received
 9 from federal sources in excess of the appropriation in an
 10 appropriation act unless the decrease is contrary to federal
 11 law, federal rule, or a contract or unless the approving
 12 authority certifies that the services to be funded by the
 13 additional money are significantly different than those for
 14 which the agency received the general fund appropriation. If
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 23 appropriation. If the general fund appropriation of an
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 25 appropriation for the fund in which the money is received is

1 increased in the amount of the general fund decrease."

2 NEW SECTION. Section 5. Codification instruction.

3 [Sections 1 and 2] are intended to be codified as an
 4 integral part of Title 22, chapter 3, part 1, and the
 5 provisions of Title 22, chapter 3, part 1, apply to
 6 [sections 1 and 2].

7 NEW SECTION. Section 6. Effective date. [This act] is
 8 effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0002, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: This bill establishes the Montana Historical Society acquisitions trust and provides that the interest earnings may be spent for acquiring historical items.

ASSUMPTIONS:

1. Revenue and expenditures are based on an average of recent years.
2. Donations acquired are inconsistent each year.
3. The Montana Historical Society will be unable to spend the principal of the trust.

FISCAL IMPACT:Expenditures:

	FY '94			FY '95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Expendable Trust (08)	50	0	0	50	0	0
Non-Expendable Trust (09)	0	50	0	0	50	0
Total	50	50	0	50	50	0

Revenues:

	FY '94			FY '95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Expendable Trust (08)	250	0	0	250	0	0
Non-Expendable Trust (09)	0	250	0	0	250	0
Total	250	250	0	250	250	0
Net Impact:	250	250	0	250	250	0

David Lewis 1-8-93

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

H. Fritz 1/4/93
HARRY FRITZ, PRIMARY SPONSOR DATE

Fiscal Note for SB0002, as introduced

SB 2

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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 3 [Sections 1 and 2] are intended to be codified as an
 4 integral part of Title 22, chapter 3, part 1, and the
 5 provisions of Title 22, chapter 3, part 1, apply to
 6 [sections 1 and 2].

7 NEW SECTION. Section 6. Effective date. [This act] is
 8 effective July 1, 1993.

-End-

SENATE BILL NO. 2

INTRODUCED BY FRITZ

BY REQUEST OF THE MONTANA HISTORICAL SOCIETY

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA HISTORICAL SOCIETY ACQUISITIONS TRUST; PROVIDING THAT THE INTEREST EARNINGS OF THE TRUST MAY BE SPENT BY THE MONTANA HISTORICAL SOCIETY FOR THE PURPOSE OF ACQUIRING SOCIETY LIBRARY, MUSEUM, ARCHIVE, AND PHOTOARCHIVE ITEMS OR COLLECTIONS AND OTHER HISTORICAL RECORDS; EXEMPTING ACQUISITIONS TRUST REVENUE FROM THE REQUIREMENT THAT NONGENERAL FUND MONEY BE EXPENDED FIRST; AMENDING SECTIONS 17-2-108 AND 22-3-107, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, the Montana Historical Society fulfills a unique and vital role in the preservation and presentation of historical Montana records through the acquisition and maintenance of items and collections of public interest; and

WHEREAS, timely acquisitions are vital to the Montana Historical Society's ability to maintain the viability of collections and items for research and exhibit; and

WHEREAS, it is to the benefit of the Montana Historical Society's role and in the interest of all Montanans that the Society have a readily available source of funds to purchase

important historical records, items, and collections as they become available.

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

NEW SECTION. **Section 1.** Acquisitions trust. There is an account in the fiduciary fund category nonexpendable trust fund type to be known as the Montana historical society acquisitions trust, to be used exclusively for the acquisition of items or collections as provided in [section 2].

NEW SECTION. **Section 2.** Use of acquisitions trust funds -- principal nonexpendable -- investment of principal -- reversion of unspent revenue. (1) The principal of the acquisitions trust established in [section 1] is intended to be a permanent, nonexpendable trust subject to investment by the board of investments in accordance with investment principles established for the investment of state funds in Title 17, chapter 6, part 2.

(2) Unless otherwise provided by the donor, donations of \$500 or more received pursuant to 22-3-107(9) and revenue earned by the Montana historical society from sales provided for by 22-3-107(6) must be placed in the acquisitions trust.

(3) Interest earned on the principal of the acquisitions trust may be used only for the purpose of acquiring society library, museum, archive, and photoarchive

1 items or collections.

2 (4) Revenue that is not expended on appropriate
3 acquisitions authorized in subsection (3) and that remains
4 at the end of each fiscal year reverts to the principal of
5 the acquisitions trust for investment as provided in
6 subsection (1).

7 (5) The provisions of 17-2-108 that require the
8 expenditure of nongeneral fund money prior to the
9 expenditure of general fund money do not apply to the
10 expenditure of revenue made available to the society from
11 the acquisitions trust.

12 **Section 3.** Section 22-3-107, MCA, is amended to read:

13 "22-3-107. Authority of board. The powers and duties of
14 the trustees are as follows:

15 (1) to elect annually from among their number a
16 president, a ~~vice-president~~ vice president, and a secretary;

17 (2) to adopt bylaws for their own government and to
18 make rules, not inconsistent with law, for the proper
19 administration of the society in the interests of preserving
20 the rich heritage of this state and its people;

21 (3) to appoint a director, fix ~~his~~ the director's
22 salary, and prescribe ~~his~~ the director's duties and
23 responsibilities;

24 (4) to create ~~such~~ classes of memberships in the
25 society as they ~~deem~~ consider desirable, to determine the

1 qualifications for any class of membership, and to set the
2 fees to be paid for such memberships;

3 (5) to sell or exchange publications and other museum
4 or art objects and use the money arising from ~~such~~ sales for
5 the operation of the society and for the acquisition of
6 historical materials and objects of art;

7 (6) to sell or exchange surplus or duplicate books,
8 surplus museum or art objects or artifacts not pertinent to
9 the region encompassed by the Montana historical society
10 mission and to use the money arising from ~~such~~ the sales
11 exclusively for acquisitions of library, art, and museum
12 artifacts;

13 (7) to see that the collections and properties of the
14 society are maintained in good order and repair;

15 (8) to report to the governor and, as provided in
16 5-11-210, the legislature biennially. The report ~~shall~~ must
17 include a statement of all important transactions and
18 acquisitions, with suggestions and recommendations for the
19 better realization of the purposes of the society and the
20 improvement of its collections and services.

21 (9) to accept, receive, and administer in the name of
22 the society any gifts, donations, properties, securities,
23 bequests, and legacies that may be made to the society.
24 Moneys Money in the amount of less than \$500 received by
25 donation, gift, bequest, or legacy, unless otherwise

1 provided by the donor, ~~shall~~ must be deposited in the state
 2 treasury and used for the general operation of the society.
 3 Unless otherwise provided by donor, donations, gifts,
 4 bequests, or legacies in the amount of \$500 or more must be
 5 deposited in the acquisitions trust established in [section
 6 1].

7 (10) to collect, assemble, preserve, and display, where
 8 when appropriate, all obtainable books, pamphlets, maps,
 9 charts, manuscripts, journals, diaries, papers, business
 10 records, paintings, drawings, engravings, photographs,
 11 statuary, models, relics, and all other materials
 12 illustrative of the history of Montana in particular and
 13 generally of the Pacific Northwest, Northern Rocky Mountain,
 14 and Northern Great Plains regions and of the United States
 15 of America when pertinent;

16 (11) to procure from pioneers, early settlers, and
 17 others narratives of the events relative to the early
 18 settlement of Montana, the Indian occupancy, Indian and
 19 other wars, overland travel and immigration to the
 20 territories of the west, and all other related documents of
 21 Montana's history, development, and society;

22 (12) to gather contemporary information, specimens, and
 23 all other materials ~~which~~ that exhibit faithfully the
 24 distinctive historical and contemporary characteristics of
 25 the area, with particular attention to Indian, military, and

1 pioneer artifacts and implements;

2 (13) to collect and preserve such natural history
 3 objects as fossils, plants, minerals, and animals;

4 (14) to collect and preserve books, maps, manuscripts,
 5 and other materials as will tend to facilitate historical,
 6 scientific, and antiquarian research;

7 (15) to promote the study of Montana history by lectures
 8 and publications;

9 (16) to publish a roadside history of Montana, with
 10 maps, photographs, and text that will enable tourists,
 11 citizens, and students to understand the history of the
 12 countryside seen from the state's main roads;

13 (17) to generally foster and encourage the fine arts and
 14 cultural activities in Montana;

15 (18) to receive for and on behalf of the state, by
 16 donation or otherwise, art objects of any kind and
 17 description and to exhibit and circulate ~~such~~ the objects in
 18 Montana and elsewhere;

19 (19) to microfilm papers or documents in danger of
 20 disappearance or injury; and

21 (20) to coordinate the administration of the historic
 22 records network established in 22-3-211."

23 **Section 4.** Section 17-2-108, MCA, is amended to read:

24 "17-2-108. Expenditure of nongeneral fund money first.

25 (1) An Except for the exemption applicable to the Montana

1 historical society in [section 2(5)], an office or entity of
 2 the executive, legislative, or judicial branch of state
 3 government shall apply expenditures against appropriated
 4 nongeneral fund money whenever possible before using general
 5 fund appropriations.

6 (2) The approving authority, as defined in 17-7-102,
 7 shall authorize the decrease of the general fund
 8 appropriation of an agency by the amount of money received
 9 from federal sources in excess of the appropriation in an
 10 appropriation act unless the decrease is contrary to federal
 11 law, federal rule, or a contract or unless the approving
 12 authority certifies that the services to be funded by the
 13 additional money are significantly different than those for
 14 which the agency received the general fund appropriation. If
 15 directed by an appropriation act, the approving authority
 16 shall decrease the general fund appropriation of an agency
 17 by the amount of money received from nonfederal sources in
 18 excess of the appropriation unless the decrease is contrary
 19 to state law, state rule, or a contract or unless the
 20 approving authority certifies that the services to be funded
 21 by the additional money are significantly different than
 22 those for which the agency received the general fund
 23 appropriation. If the general fund appropriation of an
 24 agency is decreased pursuant to this section, the
 25 appropriation for the fund in which the money is received is

1 increased in the amount of the general fund decrease."

2 NEW SECTION. Section 5. Codification instruction.
 3 [Sections 1 and 2] are intended to be codified as an
 4 integral part of Title 22, chapter 3, part 1, and the
 5 provisions of Title 22, chapter 3, part 1, apply to
 6 [sections 1 and 2].

7 NEW SECTION. Section 6. Effective date. [This act] is
 8 effective July 1, 1993.

-End-