

MONTANA

BOARD OF INVESTMENTS

SUMMARY OF STATUTORY PROVISIONS RELATED TO THE BOARD OF INVESTMENTS

Below are summaries of all the constitutional and statutory provisions related to the Montana Board of Investments (“Board” or “BOI”) duties and obligations.

Constitutional

Art. VIII, Section 13 – Investment of public funds and public retirement system and state compensation insurance fund assets.

- Creation of the UIP and instructions for investing in retirements, public schools, and the State Compensation Insurance Fund
- Requirement for investing as a prudent expert in a fiduciary capacity

Art. IX, Section 5 – Severance tax on coal – trust fund

- Constitutional creation of the coal severance tax trust fund
- The interest and income may be appropriated
- The principal remains inviolate, unless appropriated by a vote of three-fourths of the members of each house of the legislature
- After December 31, 1979, at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund

Statutory

2-3-203 – Meetings of public agencies

- Meetings of the Board must be open to the public with exceptions for confidentiality

2-3-211 – Recording

- A person at an open meeting may photograph, televise, or transmit images, audio, or video

2-3-212 – Minutes of Meetings – Public Inspection

- All Board minutes are subject to inspection with exceptions for confidentiality

2-3-214 – Recording of meetings for certain boards.

- Board of Investments required to record all public meetings

2-15-124 – Quasi-judicial Boards Defined

- Number of members and qualifications prescribed by law
- Governor appoints members
- Appointments subject to confirmation of the Senate
- Governor designates the presiding officer
- Members may be removed by Governor only for cause
- Members entitled to compensation
- A majority of members constitutes a quorum

2-15-1808 -- Board of investments — allocation — composition — quasi-judicial.

- The enabling statute creating the Board of Investments

- Creates size of Board, areas of Board member expertise, and exempt staff
- Verifies the Board is a quasi-judicial board

2-18-103 – Officers and employees excepted

- The employee classification and pay provisions do not apply to the CIO, assistant CIO, executive director, and 8 (6, pursuant to 2-15-1808) professional staff positions

5-5-223 – Economic Affairs Interim Committee

- Oversight for ARM review, draft legislation, program evaluation, and monitoring of Department of Commerce

5-5-228 – State administration and veterans' affairs interim committee

- SAVA Committee to review the actuarial and financial soundness of the Board

5-11-222 – Reports to legislature

- Report to the legislature from the BOI on the UIP
- Report to the governor, legislature, and the public regarding the Board's financial position and activities of the previous year
- Report on the retirement system trust to the legislature

7-6-202 – Investment of public money in direct obligations of United States

- Local governments' guidelines for investing public money when not necessary for immediate use
- Allows for investment in the UIP

7-6-1103 – Issuance and sale of short-term obligations – procedure

- A governing body that issues short-term obligations may sell the obligations at par or a discount at private negotiated sale to the Board of Investments according to Title 17, chapter 5, part 16

7-6-1115 – Local government debt limitations not to apply to short-term obligations

- Issuance and sale of short-term obligations in anticipation of taxes or revenues budgeted in Title 7, chapter 6, part 1000 do not apply to the debt limitations in Title 7, chapter 7

7-7-2112 – Investment of certain construction bond proceeds.

- Public funds realized from the sale of bonds for construction purposes may be invested in savings depositories or U.S. treasury notes or bonds
- The county or county high school money may be invested in the UIP

7-7-4275 – Refunding of bond issue held by state by exchange for amortization bonds.

- City or town may authorize the issuance of amortization bonds for refunding bonds upon approval of Board

7-14-1635 – Contracts for operation and use of facilities.

- Railroad authority may enter into contracts for operating a railroad and granting privileges for supplying goods or services
- The authority may remit funds to the state treasurer for investment by the Board

15-35-108 – Disposal of Severance Taxes.

- Fifty percent of the total coal severance tax collected is allocated to the coal severance trust fund under Article IX, § 5, Mont. Const. and invested by the Board

15-38-202 – Investment of resource indemnity trust fund – expenditure – minimum balance.

- All money paid into the resource indemnity trust fund must be invested at the discretion of the board of investments
- The fund may never be less than \$100M
- Interest income from the trust fund is used for natural resource projects, ground water, O&G mitigation, fisheries

17-1-113 – Securities Lending Program

- The state treasurer may establish a securities lending program for all securities, subject to the approval of the Board

17-2-107 – Accurate accounting records and interentity loans.

- Any loan from a current unrestricted subfund to funds designated in 17-2-102(4)(a)(iv) and (4)(b) through (4)(f) must bear interest at a rate equivalent to the previous fiscal year's average rate of return on the board of investments' short-term investment pool

17-2-202 – Retention of agency money

- State treasurer, with the consent of the Board of Investments, shall designate depositories for money and securities of state agencies

17-5-1302 – Definitions.

- The definition section for “The Montana unified Volume Cap Bond Allocation Plan Act”

17-5-1312 -- Allocation to state issuers.

- The allocation for state volume cap reserved for state issuers of private activity bonds to BOI, MFFA, Board of Housing, MHESAC, and Board of Examiners.
- BOI's allocation is 25%.

17-5-1316 – Allocations by the department.

- Bond issuer applies to the Department of Administration for issuance of bonds
- In the application, the issuer includes:
 - the name of the issuer,
 - a description of the purpose of the bonds,
 - the location(s) of the project(s)
 - a certified copy of the inducement resolution adopted or official action taken by the issuer, pursuant to the tax act, approving the project or the purpose
 - Opinion of bond counsel that purpose for the bonds qualifies and is tax exempt
 - evidence of public hearing
 - letter from bank that financing is feasible

17-5-1325. Reassignment of bonding authority for agricultural purposes — contingency.

- Allocation of bonding authority assigned to the Montana Agricultural Loan authority reassigned to BOI if federal tax law allows the use of tax-exempt bonds to provide loans for acquisition of farm or ranch land.

17-5-1501 – Short title

- Montana Economic Development Bond Act of 1983

17-5-1502 – Legislative declaration.

- Promoting the health, safety, and general welfare of all the people of the state, increasing job opportunities and retaining existing jobs by making available, through the board of investments, funds for industrial, commercial, manufacturing, natural resource, agricultural, livestock, recreational, tourist, and health care development.

17-5-1503 – Definitions

- Includes BOI for public bond purposes

17-5-1504 – Describes powers of BOI

- Make contracts
- Invest funds
- Arrange for lines of credit
- Issue bonds
- Enter into agreements with other government agencies
- Hold, sell, lease, encumber property
- Lease or acquire property
- Dispose of property by sale
- Commence an action to enforce rights
- Operate, manage, or lease property
- Etc.

17-5-1505 – Financing programs of the board.

- Board may invest in, purchase, or take assignment from financial institution of notes, mortgages, loan agreements, etc.
- Acquire from projects located in the state from financial institutions and lease from rentals
- Make loans to financial institutions to acquire, construct, or improve projects in the state
- Finance projects in the state

17-5-1506 – Bonds and notes for projects and major projects

- The board may by resolution issue negotiable notes and bonds in a principal amount that the board determines necessary to provide sufficient funds for achieving any of its purposes
- The Board may renew bonds or notes
- Every issue of its bonds is an obligation of the board payable out of any revenue, assets, or money of the board
- A note may not mature more than 5 years from the date of its issue.
- A bond may not mature more than 40 years from the date of its issue.
- The total amount of bonds secured under 17-5-1515 outstanding at any one time may not exceed \$100 million.

17-5-1507 – Bond anticipation notes — issuance — payment of principal and interest.

- Board may issue temporary bond anticipation notes pending the issuance of bonds

- Proceeds to be used only for which proceeds of the bonds can be used

17-5-1508 – Provisions of bond resolutions

- Resolution authorizing notes or bonds may contain provisions:
 - Pledging all or part of the revenue or property of the Board to secure payment of the notes or bonds
 - Pledging any or all of the assets of the Board, including lease agreements, loan agreements, or mortgages to secure payment
 - The use and disposition of the gross income from lease or loan agreements
 - The setting aside of reserves for debt service funds
 - Limitations on the purpose for which the proceeds of the sale of notes or bonds may be applied
 - A commitment to employ adequate and competent personnel
 - Vesting in a trustee property, rights, powers, and duties
 - Defining default provisions

17-5-1509 – Personal liability

- Neither the Board nor its employees are personally liable or accountable for the issuance of any bond or note

17-5-1510 – Purchase of notes and bonds – cancellation

- The Board may purchase notes or bonds of the Board at a price not exceeding:
 - The current redemption price
 - The redemption price applicable on the first date after purchase on which the notes or bonds become subject to redemption

17-5-1511 – Trust Indenture

- Bonds may be secured by trust indenture

15-7-1512 – Negotiability of bonds

- Notes and bonds are negotiable under the Uniform Commercial Code (UCC)

15-7-1513 – Signature of board members

- Signatures on bonds or notes of Board members remain valid even if those Board members leave the Board

17-5-1514 – Accounts

- The Board may create funds and accounts necessary, such as to deposit bond proceeds, a common bond fund that includes a common debt service fund, a capital reserve account, and an operating account for defraying operational costs

17-5-1515 – Reserve funds and appropriations

- The Board may establish a capital reserve account for funds appropriated, for the proceeds of the sale of notes or bonds, and other funds
- All funds in the account must be used solely for the payment of the principal or interest on the bond secured by the account, purchase or redemption of bonds, interest payments, etc.

17-5-1516 – Maintenance of capital reserve account

- Board chair provides to the Governor each September 1 prior to a legislative session the sum required to restore the capital reserve account to the minimum capital reserve requirement.
- The Governor includes this amount in the executive budget
- All amounts appropriated to the Board constitute an advance to be repaid to the state GF

17-5-1517 – Refunding obligations

- The Board may provide for the issuance of refunding any outstanding obligations

17-5-1518 – Tax exemption of bonds

- Bonds, notes, and obligations, and their transfer and income, are tax exempt
- The Board is not required to pay recording or transfer fees

17-5-1521- Adoption of rules

- The Board shall adopt rules to establish procedures for soliciting and evaluating applications for bonds and notes
- The Board shall adopt rules to evaluate applicants
- The Board shall adopt rules for regulating project applicants and financial institutions

17-5-1522 – Pledge of the state

- The state pledges that it will not in any way impair the obligations of any agreement between the board and the holders of notes and bonds issued by the board

17-5-1523 – Credit of state not pledged

- Obligations issued do not constitute a debt, liability, obligation, or pledge of the faith and credit of the state but are payable solely from the revenues or assets of the board

17-5-1524 – Taxation of projects

- If projects are leased or held by private interests, those projects are subject to taxation, notwithstanding the title is in the Board

17-5-1525 – Bonds as legal investment

- Bonds issued by the board are securities in which all funds may be legally invested, including capital of political subdivisions, insurance companies, and banks, credit unions, investment companies, and trust companies
- Bonds are securities that may properly and legally be deposited with any state or municipal officer or municipality

17-5-1526 – Procedure prior to financing projects

- The Board may finance projects when it finds that
 - It is in the public interest and consistent with legislative purposes
 - Financing is less than \$800,000 or 90% of the cost of the appraised value of the project
 - A financial institution will participate in the financing of the project
 - The Board provides at least 10% of the financing
 - The financing is insured or guaranteed by a private or governmental insurer

- Application indicated the contract or construction will give preference to the employment of Montana residents
- Contractor will pay the standard prevailing wage
- Etc.
- Hearing to be held in the city or county in which the project will be located
 - The city or county notifies the Board whether the project is in the public interest

17-5-1527 – Procedure prior to financing major projects

- The Board may finance projects when it finds that
 - It is in the public interest and consistent with legislative purposes
 - Financing is less than \$50,000,000 or 90% of the cost of the appraised value of the project
 - a financial institution will participate in financing the project if the cost or appraised value is less than \$1 million, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board
 - any contracts to construct the projects require all contractors to give preference to the employment of bona fide Montana resident
 - adequate provision is made in the loan agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance the project or projects
 - Contractor will pay the standard prevailing wage
- Hearing to be held in the city or county in which the project will be located
 - The city or county notifies the Board whether the project is in the public interest

17-5-1528 – Validity of pledge

- Any pledge made by the board is valid and binding from the time the pledge is made.
- Revenue, money, or property pledged and received by the board is immediately subject to the lien of the pledge without any physical delivery or further act.
- The lien of any pledge is valid and binding against all parties having claims of any kind

17-5-1529 – Annual audits

- The board's books and records related to economic development bonds must be audited at least once each fiscal year by or at the direction of the legislative auditor

17-5-1601 – Short title

- Municipal Finance Consolidation Act of 1983

17-5-1602 – Policy and purpose

- Foster and promote the provision of efficient capital markets and facilities for borrowing money by eligible government units to pay for capital improvements
- Reduce costs of public indebtedness to taxpayers and residents by affording public bodies an appropriate degree of flexibility and choice in the marketing of their debt securities
- Create a means for eligible government units to pool the debt instruments they are authorized to offer for sale to the investment community in order to obtain economies of scale and reduce marketing and interest costs
- Provide additional security for the payment of bonds and notes

17-5-1603 – Liberal construction

- This part and the powers granted in this part must be liberally construed to effectuate the policies and purposes stated in this part

17-5-1604 – Definitions

- “Board” is defined as the Board of Investments

17-5-1605 – Board of investments to implement

- Board makes orders, rules, and bylaws necessary to implement the Act

17-5-1606 – Bonds, bond anticipation notes, and notes of the board

- The board may issue negotiable notes and bonds to finance loans or refinance its loans to eligible government units and its purchases of eligible government unit bonds, registered warrants, and tax or revenue anticipation notes to establish or replenish reserves securing the payment of its bonds and notes, and to finance all other expenditures of the board
- Board may issue notes and bonds to pay notes, refund bonds by issuance of new bonds, and issue bonds partly to refund bonds
- Board may issue temporary notes in anticipation of sale of securities
- The bonds may be issued as serial bonds payable in annual installments, as term bonds, or as a combination of serial and term bonds, bear interest rate, payable inside and outside the state, and be subject to redemption
- The notes and bonds may be sold at public or private sale

17-5-1607 – Participation voluntary

- Participation by a local government unit to sell bonds or notes is voluntary

17-5-1608 – Limitations on amounts

- The board may not issue any bonds or notes that cause the total outstanding indebtedness of the board to exceed \$190 million.
- This does not apply to bonds or notes issued to fund or refund other outstanding bonds or notes or to purchase registered warrants or tax or revenue anticipation notes of a local government as defined in 7-6-1101

17-5-1609 – Purchase of anticipation notes

- An eligible government unit may issue and the board may purchase notes in anticipation of an otherwise authorized sale of eligible government unit securities
- The Board may impose terms, conditions, and limitations

17-5-1610 – Refunding obligations

- Board may issue refunding obligations, including redemption premium and interest
- Refunding obligations may be sold for outstanding obligations and applied to purchase, redemption, or payment of outstanding obligations

17-5-1611 – Additional powers of the board

- Board has the power to:
 - purchase or hold eligible government unit bonds, bond anticipation notes, registered warrants, tax or revenue anticipation notes, or other notes

- sell eligible government unit bonds, bond anticipation notes, registered warrants, tax or revenue anticipation notes, or other notes acquired or held by it
- invest funds or money acquired by the board as provided in 17-5-1641
- with regard to an eligible local government unit, prescribe the form of application, fix the terms and conditions, and enter into agreements
- render services to eligible government units in connection with public or private sales of their bonds and charge the eligible government units for the services
- charge for its costs and services in reviewing or acting upon a proposed loan to an eligible government unit or a proposed purchase by the board of bonds, bond anticipation notes, registered warrants, tax or revenue anticipation notes, or other notes of the eligible government unit
- determine the lawfulness of the bond, the eligibility of the government unit to secure borrowed money and repay
- procure insurance against losses
- and to do all acts necessary to carry out the powers granted or implied

17-5-1612 – Specific loan authorization

- State agencies borrowing from the program for which the security is an enterprise of internal service fund may be approved by a simple majority of the legislature
- If a GF appropriation, GF revenue source, or any type of fee or tax is imposed, a two-thirds vote of the members of each house is required

17-5-1621 – Provisions of bond resolutions

- Contract authorizing notes or bonds must be part of a contract with the following terms:
 - Pledging revenue or funds of the Board to secure payment
 - Setting aside reserves for debt service funds
 - Limiting the purpose for which the proceeds of the sale of notes or bonds may be applied
 - Limiting the additional issuance of notes or bonds
 - Procedure for amending the contract
 - Vesting rights, powers, and duties in a trustee
 - Defining what constitutes default and providing for rights and remedies

17-5-1622 – Validity of pledge

- A pledge by the Board is valid and binding and subject to lien

17-5-1623 – Nonimpairment by state

- The state pledges it will not impair the obligations of any agreement between the Board and a government unit

17-5-1624 – Trust indenture

- The bonds or notes of the Board may be secured by trust indenture between the Board and a corporate trustee
- Trust indenture may contain provisions for protecting bondholder's rights and remedies
- Expenditures incurred in carrying out a trust indenture may be treated as general overhead

17-5-1625 – Presumption of validity

- Once issued, bonds or notes of the Board are considered valid and a governmental unit may not question the validity

17-5-1626 – Signature of board members

- Signatures of Board members valid, surviving their leaving the Board

17-5-1627 – Negotiability of bonds or notes

- A Board's bond or note is fully negotiable under the UCC

17-5-1628 – Bonds or notes as legal investments

- All insurance companies and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest debt service funds, money, or other funds belonging to them or within their control in bonds or notes issued under this part

17-5-1629 – Tax exemption of bonds

- Bonds, notes, and other obligations of the Board are tax exempt

17-5-1630 – Reserve fund

- The Board maintains a Municipal Finance Consolidation Act Reserve Fund
 - Deposit Legislatively appropriated money
 - Deposit proceeds of bond issues
 - Any other money Board deposits
- Fund to be used solely for the payment of the principal of or interest on the bonds or notes secured by the fund or the debt service fund payments, the purchase or redemption of the bonds or notes, the payment of interest on the bonds or notes, or the payment of any redemption premium required to be paid when the bonds or notes are redeemed prior to maturity
- Money in the reserve fund in excess of the required reserve may be withdrawn at any time by the board and transferred to another fund or account of the board established for purposes of this part
- The board may lend money for deposit to the reserve fund in an amount equal to any deficiency in the required debt service reserve

17-5-1631 – Additional funds and accounts

- The board may establish additional reserves or other funds or accounts necessary

17-5-1641 – Investment

- The board may invest funds in the same manner as permitted for investment of funds belonging to the state or held by the state treasurer

17-5-1642 – Credit of state not pledged

- Obligations issued under this part do not constitute a liability or obligation or a pledge of the faith and credit of the state but are payable solely from revenues or funds of the Board generated or received

17-5-1643 – Sale or exchange of securities

- Eligible government unit is authorized to contract to pay interest on or an interest cost per year for money borrowed from the Board without regard to statutory limitations or interest rates
- An eligible government unit is authorized to contract with the board with respect to the loan or purchase, and the contract must contain the terms and conditions of the loan or purchase
- An eligible government unit may sell bonds or notes to the board by private negotiated sale, without limitation as to denomination

17-5-1644 – Care and custody of bonds purchased by the board

- Board may enter into agreements with banks and other financial institutions for the care and custody of bonds and other investments
- Board may require security in the form of collateral bonds, surety agreements, or security agreements

17-5-1645 – Insurance or guaranty

- Board may obtain insurance or guarantee for the payment or repayment of bonds

17-5-1646 – Default in payment

- If the Board or local government unit defaults on payment of notes or bonds, the holder of 25% of the aggregate principal amount have the right to ask a court to have a trustee appointed to represent the holders of the notes or bonds.

17-5-1647 – Powers and duties of trustee on default

- A trustee appointed upon Board's or local government's default on notes or bonds may:
 - Require the Board to collect
 - Bring civil actions as necessary on the notes or bonds
 - Declare all notes or bonds due and payable
- Trustee has all necessary powers
- Before declaring the principal and interest due, the trustee must give 30 days' notice to the governor, attorney general, and the Board or defaulting governmental unit

17-5-1648 – Exemption from execution and sale

- All property of the Board, other than revenues or funds received, is exempt from levy, sale, and execution
- A judgement against the Board constitutes a lien on the property

17-5-1649 – Annual audit

- The Board's books and records must be audited by the Legislative Auditor annually

17-5-1650 – Annual report

- By December 31 of each year, the board shall publish a financial report for distribution to the governor, the legislature, and the public
- The report must include a statement of the board's current financial position, a summary of its activities during the previous year, including a listing of the eligible governmental securities purchased by the board, a listing of the bonds and notes sold by the board, and a summary of the performance of any other investments of the board's funds received

under this part, an estimate of the levels of activities for the next year, and a comparison of the activities during the previous year

17-5-1651 – Limitations on board's power

- The Board may not
 - Make loans to anyone other than an eligible government unit
 - Emit bills of credit, accept deposits of money for time, engage in commercial banking, or act as a savings and loan
 - Be a bank or trust company
 - Be a bank, banker, or dealer in securities

17-5-2001 – Loans to state agencies

- Agency responsible for procurement of vehicles, automated systems, and equipment using an enterprise fund or internal service fund is authorized to enter into contracts and loan agreements payable over 7 years
- Department of Justice is authorized to enter into contracts and loan agreements with the Board not to exceed \$28.5M payable over 15 years for financing an IT system for production and maintenance of motor vehicle title and registration records and driver's license records
- Department of Justice is authorized to enter into contracts and loan agreements with the Board not to exceed \$4.6M payable over 10 years for financing an IT system for implementation of the REAL ID Act of 2005

17-6-101 – Deposit of funds in hands of state treasurer

- Under the direction of the Board, the state treasurer shall deposit public money in the treasurer's possession in solvent banks, building and loan associations, savings and loan associations, and credit unions located in the state
- Out-of-state financial institutions may be used if not in-state institutions are available
- The state treasurer shall deposit funds in banks, building and loan associations, savings and loan associations, and credit unions in amounts that may be designated by the board of investments and shall withdraw deposits when instructed to by the board of investments
- Treasurer to withdraw money necessary to pay state legal obligations
- Treasurer may contract with financial institution to provide general depository banking services

17-6-102 – Insurance on deposits

- Deposits in excess of the amount insured by FDIC a financial institution provides bonds or other obligations with market value of at least 50% of the deposit amount in excess of the amount insured
- Board may require security of a greater value
- Trustee holding the negotiable securities must be approved by the Board

17-6-103 – Security for deposit of public funds

- Lists types of securities that may be pledged or guarantees that may be issued to secure deposits of public funds

- Includes direct obligations of the U.S., securities guaranteed by the U.S., federal banks, or the small business administration
- Also includes securities managed by companies subject to the Investment Company Act of 1940, revenue bonds of local governments of the state, or interest-bearing warrants of local governments

17-6-104 – Interest of deposits – conformity with federal law

- Board may require payment of quarterly annual interest on daily balances of collected funds at a rate agreed-to between financial institutions and the Board
- Interest requirements on deposits of public funds must not violate federal law

17-6-105 – State treasurer as treasurer of state agencies – deposits of money

- State treasurer is the treasurer of every state agency and institution
- All state agencies deposit money in with the state treasurer or financial institutions designated by the state treasurer with approval of the Board
- This chapter does not impair agreements to invest revenue or funds pledged for payment and security of bonds or other obligations
- Requires daily deposits of money over \$200 with the treasurer and weekly of all money
- An agency may propose a modified deposit schedule with the approval of the treasurer and the Board

17-6-201 – Unified investment program – general provisions

- The constitutionally mandated UIP provides for public funds administered by the Board according to the prudent expert principle
 - discharge the duties with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity with the same resources and familiar with like matters exercises in the conduct of an enterprise of a like character with like aims;
 - diversify the holdings of each fund within the unified investment program to minimize the risk of loss and to maximize the rate of return unless, under the circumstances, it is clearly prudent not to do so; and
 - discharge the duties solely in the interest of and for the benefit of the funds forming the unified investment program.
- Retirement funds may be invested in common stocks of any corporation
- Other public funds may not be invested in common stocks of any corporation
- Investment in Montana business activities allowed
- Board urged to invest up to 3% of retirement funds in venture capital companies
- The Board may not make a direct loan to an individual borrower but may through a bank
- The Board has primary authority to invest state funds, not agencies
- The Board shall
 - Assist agencies with public money and investments
 - Determine the amount of surplus treasury cash to invest
 - Determine the amount of investment to be made
 - Prepare the claim to pay for the investment

- Keep and account of each investment
- The Board may
 - Execute deeds of conveyance transferring real property obtained through investments
 - Direct the withdrawal of funds deposited by or for the state treasurer pursuant to 17-6-101 and 17-6-105
 - Direct the sale of securities

17-6-202 – Investment Funds – general provisions

- Individual transactions and totals of all investments must be separately recorded
- Securities purchased and cash on hand for all treasury fund accounts shall be pooled for investment and placed in one of the investment funds in 17-6-203

17-6-203 – Separate investment funds

- The state must maintain separate permanent funds for public schools and the MUS
- Separate retirement investment funds include:
 - Public employees
 - Judges
 - Highway patrol officers
 - Sheriffs
 - Game wardens and peace officers
 - Municipal police officers
 - Firefighters
 - Volunteer firefighters
 - Teachers
- Additional permanent funds include:
 - Workers' compensation program
 - Pooled investment fund fish and wildlife mitigation trust fund
 - A fund for gifts, donations, grants, legacies, bequests, devises, or contributions
 - Coal severance tax trust fund (3/4 vote to use the principle)
 - Montana tobacco settlement trust fund
 - Others as provided by law or that the Board determines are necessary to fulfill the fiduciary duties of the state

17-6-204 – Short-term investment of local government funds

- Any city, county, school district or other local government unit or political subdivision may invest funds through the Board as part of a short-term pooled investment fund
- Separate accounts are kept for each individual transaction and are reported monthly

17-6-205 – Long-term investment of local government funds

- Any city, county, school district or other local government unit or political subdivision may invest funds through the Board in any investment fund
- Local government may invest with the Board:
 - any legal settlement, judgment, bequest, insurance settlement, trust fund, or other one-time source of funds

- the local government does not anticipate the need to expend 50% or more of the original principle for at least 5 years
 - the initial investment is at least \$10M, and
 - the local government agrees to the Board's investment policies
- The Board is not obligated to accept any funds for investment in this section

17-6-207 – Investment of state cabin site sales

- The Board may purchase from approved lenders contracts for deed or mortgages for cabin sites on state trust land for the trust and legacy fund.

17-6-211 – Preference to in-state investment firms – commitment agreement with board of housing

- Board to give preference to in-state investment firms and financial institutions when possible
- Board to give consideration to investing in small communities
- Board may enter into commitment agreement with Board of Housing for purchasing mortgage loans

17-6-212 – State purchase of general fund warrants

- State reserves the right to purchase general fund warrants with funds under the control of the Board
- If GF funds not sufficient, Board can use investment funds

17-6-213 – Redemption of bonds before maturity

- Board shall permit any school district, town, city, or county to pay and redeem its bonds held by the state for the credit of any fund under the investment administration of Board at any time before maturity.
- Payment made to state treasurer
- No authorization of local government unit to issue refunding bonds to pay and redeem any bonds held by the state before optional or redeemable date of the bonds

17-6-214 – Debt and liability free account – rules for deposits and transfers – purpose

- The purpose of the debt and liability free account is to:
 - pay the principal, interest, premiums, and any costs or fees associated with redeeming outstanding bonds, notes, or other obligations that have been authorized and issued pursuant to the laws of Montana and that are currently subject to optional redemption
 - pay the principal, interest, premiums, and any costs or fees associated with defeasing outstanding bonds, notes, or other obligations that have been authorized and issued pursuant to the laws of Montana that are not currently subject to optional redemption
 - forego or reduce the amount of an issuance of general obligation bonds paid from the general fund authorized by the legislature but not yet issued by the board of

examiners prior to using funds from the account established in 17-7-209 for the same purpose

- pay in whole or in part legally resolved nonpension financial liabilities of the state of Montana

17-6-221 – Handling securities – custody of mortgages and repurchase agreements

- Securities may be placed in safekeeping with banks subject to national supervision or Montana state examination

17-6-225 – Loans to petroleum tank release compensation board

- Board may loan funds to PTRC Board to cover temporary cash shortfalls
- Total of all loans may not exceed the greater of \$15M or 80% of the fees that OBPP projects to collect in next 3 years

17-6-230 – Reports on retirement system trust fund investments and benefits

- Board to annually publish a report on each retirement system trust fund
- Report may be part of an annual report required pursuant to Mont. Const. Art. VIII, § 13
- Report must summarize:
 - Asset allocation
 - Past and expected investment performance
 - Investment goals and strategies, and
 - Montana public employees' retirement system investments and performance compared with the public employees' retirement system investments and performance in other states
- Present the report annually to public employees' retirement board, teachers retirement board, legislature, and SAVA interim committee

17-6-231 – Definitions

- Definition provided for “material” with respect to the risk associated with investments and excluding environmental, social, or governance (ESG)
- Definition for “nonpecuniary” and “pecuniary”

17-6-232 – Consideration of nonpecuniary factors prohibited

- Board must only consider pecuniary factors when considering investments
- Board may consider ESG only if pecuniary and generally accepted investments, while improving potential risk-reward, diversification, liquidity

17-6-233 – Voting ownership interests

- Board's voting on shares must be only based on pecuniary interests and not nonpecuniary or ESG

17-6-234 – Enforcement by attorney general

- The attorney general may bring an action in district court to prevent or restrain violations of 17-6-213 through 17-6-233

17-6-301 – Short title

- Montana In-State Investment Act of 1983

17-6-302 – Definitions

- Board defined
- Definitions provided for “financial institution”, “loan participation”, “local economic development organization”, etc.

17-6-303 – Purpose of the coal tax trust fund

- Created by Mont. Const. Art. IX, § 5
- Compensate future generations for the loss of a valuable and depletable resource and to meet any economic, social, and environmental impacts caused by coal development
- Develop a stable, strong, and diversified economy which meets the needs of Montana residents both now and in the future while maintaining and improving a clean and healthful environment

17-6-304 – Use of coal tax trust fund for economic development

- Invest to diversify, strengthen, and stabilize the Montana economy and increase Montana employment and business opportunities

17-6-305 – Investment of coal tax trust fund in Montana economy – report by board

- Board to invest 25% of CTTF in Montana economy, emphasizing on new or expanding locally owned enterprises

17-6-308 – Authorized investments

- Board may make loans to make the capital reserve account whole
- May make loans
- Board shall manage seed capital and R&D loans made by the former Montana board of science and technology
- Board repays all outstanding R&D loans made to the university system
- Board successor in interest to those loans
- Board shall administer the agreements, contracts, loans, notes, or other instruments funded with coal tax permanent trust funds
- Board shall allow the Montana facility finance authority to administer \$15 million of the permanent coal tax trust fund for capital projects
- Board shall allow the board of housing to administer \$50 million of the permanent coal tax trust fund for the purposes of the Montana veterans' home loan mortgage program
- Board may make working capital loans from the permanent coal tax trust fund to an owner of a coal-fired generating unit to fund
 - Everyday operations
 - Purchase of coal to use at the unit
 - Purchase of transmission lines

17-6-309 – Investment preferences

- Board to give preference to Montana businesses when all things equal between requesting enterprises
 - For jobs
 - Expanding operations
 - Locally-owned businesses
 - Maintain a clean and healthful environment
 - Encourage processing, refining, marketing, and innovative use and promotion of Montana's agricultural products
 - Benefit small- and medium-sized businesses
- Loans to businesses enhancing economic development if the business will employ at least 15 people

17-6-311 – Limitation of size of investments

- No single investment may be made that exceeds 10% of the permanent coal tax trust fund
- If any one investment exceeds 6% of the permanent fund, 30% of the debt incurred must be held by a commercial lender
 - Loans are not limited by this limitation
- The total amount of loans made pursuant to 17-6-309 may not exceed \$80M
- The total amount of loans made pursuant to 17-6-317 may not exceed \$70M
- For each job estimated to be created, a loan may not exceed \$16,666
- In determining size of loan, Board must consider
 - Estimated number of jobs created within 4 years
 - Long term effect of corporate and personal income taxes to be paid by business and employees
 - Ability of community to provide infrastructure
 - The amount of increases of wages

17-6-312 – State participation in loans

- Limited to 80% of the outstanding loan

17-6-313 – Prior commitment of funds

- Board may authorize the commitment of funds to financial institutions, but the determination as to credit for individual investments to be made by the financial institution and the Board

17-6-314 – Rate of return

- Board to consider the long-term benefit to the Montana economy when calculating the rate of return for an investment

17-6-316 – Economic development loan – infrastructure tax credit

- Loan made pursuant to 17-6-309 must be used to build infrastructure such as water systems, water treatment facilities, sewage treatment facilities, and roads
- Loan must be made to a local government or tribal government

- Local government unit may charge fees to repay the loan
- Business created or expanded from the loan is entitled to a tax credit that can be carried forward 7 years and back 3 years

17-6-317 – Participation by private financial institutions – rulemaking

- Board may participate with financial institutions if the loan will create a business that will employ 10 people in Montana
- Loans may be made to businesses that will produce value-added products or commodities or owners of coal-fired generation facilities
- Loan may not exceed 15 of the coal severance tax permanent fund
 - Business must have 25% equity in loan
 - Financial institution may not have equity of more than 50% in the business
- Board shall provide 75% of the total loan amount for no more than 15 years
- Additional provisions for interest

17-6-318 – Job credit interest rate reduction for business loan participation

- Borrower who uses proceeds of business loan for job creation with Montana residents is entitled to job credit interest rate reduction
- Credit based on the employee's wages compared with the state's average weekly wage

17-6-319 – Incentive to financial institution for small business loan participation

- A financial institution that originates a small business loan no larger than 0.05% of the balance of the Montana permanent coal tax trust fund is entitled to an additional service fee in the form of a discount equal to 0.5% of the board's participation in the loan

17-6-320 – Loan recipients – notice

- If an owner of a coal-fired generating unit receives a loan, the owner shall provide the Board and the governor with a minimum of 90 days' notice prior to filing for bankruptcy, reorganization, or other insolvency proceeding or prior to a merger, sale, or transfer, by operation of law
- Successor must satisfy all obligations of the loan

17-6-321 – Audits

- Board's books and records audited annually

17-6-322 – Report

- Board reports on the previous year's operations of investment in the Montana economy from the PCTT fund from financial statements audited by independent auditors, summary of loan activity, and comparison with intended purpose under 17-6-303

17-6-324 – Rulemaking authority

- To implement this part

17-6-325 – Preference of Montana labor

- Any contract to construct a project financed pursuant to this part must require all contractors to give preference to the employment of bona fide Montana residents in the performance of the work on the projects if their qualifications are substantially equal to those of nonresidents

17-6-331 – Establishment of a Montana economic development fund

- Creation of the fund
- Portion of the interest income from the permanent coal tax trust deposited in the fund as determined by the legislature

17-6-345 – Intermediary relending program

- Board may set aside up to \$10M for relending program
- Intermediary loans may be made to local economic development programs
- A loan may not exceed \$500,000
- Loan must be used with matching funds for the U.S. department of agriculture development loan program

17-6-346 – Interest rates and repayment of intermediary loan – terms

- Interest rate on intermediary loan may not exceed 2% per year for 30 years

17-6-347 – Purchase of seasoned or mature loans by board

- Board may purchase a portion of a seasoned or mature loan from a local economic development organization's revolving loan program

17-6-801 – Montana Housing Infrastructure Revolving Loan Fund Account

- The revolving loan fund account is set up as a state special revenue fund type to the credit of the BOI for investment
- The principal of the account may only be appropriated by a 2/3 majority of the members of each house of the legislature

17-6-802 – Purpose

- Loans made are to increase home ownership and provide more long-term rental opportunities
- Increase housing supply
- Create partnerships among governments and developers to finance housing infrastructure

17-6-803 – Terms

- Total amount of loans made to an entity for an infrastructure project may not exceed \$1MM or 50% of the project cost

17-6-804 – Eligibility – priority

- Project must provide residential minimum gross density of 10 units for each acre

- Lending of at least \$7 million of available funds must be prioritized to counties that have a population of less than 15,000 inhabitants that are located within a 30-mile radius of a state-owned facility that, on an annual average, houses at least 100 state inmates or behavioral health patients, and the state-owned facility is located in a county that has a population that does not exceed 15,000 inhabitants

17-6-805 – Financing – deed restrictions

- BOI may loan to government units or residential developers account money to cover the costs of demolition or expanding or extending water, wastewater, storm water, street, road, curb, gutter, and sidewalk infrastructure to serve new or rehabilitated residential development
- BOI
 - establishes terms and conditions of the loan, with a term of not to exceed 20 years
 - require government unit seeking a loan or issuing a bond to waive all impact fees
 - ensure the provisions to preserve long-term affordability of housing runs with the property
- BOI reports amounts loans and their status to legislature

19-2-301 – Short title

- The Public Employees' Retirement Act

19-2-302 – Applicability

- Applies to retirement systems and plans within chapters 3, 5 through 9, and 13 of this title

19-2-303 – Definitions

- Definitions applicable to retirement systems

19-2-407 – Reports

- Retirement Board files with the governor and legislature a report with a statement of accumulated cash and securities in pension fund trusts certified by the state treasurer and the Board of Investments

19-2-410 – Presentation to board of investments

- Retirement Board presents to the BOI a financial and actuarial report of the retirement systems administered by the retirement board

19-2-501 – Pension trust funds established

19-2-502 – Payments from pension trust funds

- Retirement board administers the assets provided in Article VIII, § 15 of the Montana Constitution subject to chapters 2, 3, 5 through 9, and 13 of this title
- Benefits are payable according to a contract as contained in statute

19-2-503 – Management of pension trust funds

- Retirement board is the trustee of the retirement trust funds
- State treasurer is the custodian of the pension trust funds, subject to the exclusive control of the board of administration and the board of investments for the investment of the funds

19-2-504 – Investment of pension funds

- The pension trust funds of the retirement systems must be invested by the board of investments
- Pension trust funds and the defined contribution retirement plan's long-term disability plan trust fund may be commingled for investment purposes to the extent permitted by Montana law and the Internal Revenue Code

19-2-505 – Restriction on use of funds

- A member or employee of the retirement board or of the BOI may not have an direct or indirect interest in any investment or in the gains or profits accruing from the pension trust funds
- Borrow from the pension trust funds
- Use the pension trust funds for anything other than to make payments authorized by the board
- Engage in prohibit transactions
- Assets of retirement systems and accounts may only be used for the exclusive benefit of the members and their beneficiaries
- This section does not prevent the administration of an investment alternative within the defined contribution plan to the same extent that all other investment alternatives within the defined contribution plan are managed

19-2-511 – Limitation of liability

- Plan fiduciaries are not liable for their reliance on the express provisions of the defined contribution plan or the university system retirement program

19-3-511 – Transfer and purchase of service credits and contributions from teachers' retirement system

- If a member of the Teachers' retirement system was erroneously classified, that member's accumulated contributions and service credit are transferred to PERS and interest paid on employer contributions is calculated at the previous year's Board of Investments STIP rate

19-3-2122 – Investment alternatives – notice of changes – default fund

- The retirement board provides for at least eight alternatives within the defined contribution plan, using only vendors offering suitable and well-managed investments, licensed to do business in Montana and regulated by the SEC
- This section does not prohibit the board from contracting with the BOI to provide one or more investment alternatives within the plan

19-5-401 – Payments into pension trust fund

- All appropriations, contributions by members, and all interest on and increase of the investments and money in the pension trust fund may be commingled with other pension trust funds of the board, but separate accounts must be maintained for the judges' retirement system

19-8-501 – Contributions to pension trust fund

- All interest on and increase of the investments and money in the pension trust fund must be paid to the retirement board

19-17-106 – Pension trust fund established – restrictions on use

- Trust fund for the Volunteer Firefighters' Compensation Act
- A member or an employee of the board or the board of investments may not have any interest, direct or indirect, in the making of any investment or in the gains or profits accruing from the pension trust fund, borrow from the pension trust fund or deposits, use the pension trust fund except to make current and necessary payments that are authorized by the board, or become an endorser or surety as to or in any manner an obligor for investments for the pension trust fund

19-17-201 – Administration of chapter

- The state treasurer is the custodian of the Volunteer Firefighters' Compensation Act pension trust fund, subject to the control of the board for the administration of the fund and the board of investments for the investment of the fund

19-17-202 – Reports of board

- The Public Employees' Retirement Board reports to the governor on the Volunteer Firefighters' Compensation Act pension trust fund as certified by the state treasurer and the Board of Investments

19-17-302 – Investment of pension trust fund

- The pension trust fund must be invested by the board of investments as part of the unified investment program
- Income earned on the assets is deposited into fund
- Trust fund may be commingled with other accounts, but a separate account is maintained

19-18-403 – Investment of fund by board of investments

- Firefighters' public retirement funds

19-19-203 – Investment of fund

- Police retirement fund invested by Board of Investments

19-20-215 – Presentation to board of investments

- The Teachers' retirement board reports to the BOI annually a financial and actuarial report at a public hearing

19-20-409 -- Transfer of service credits and contributions from public employees' retirement system

- The period of time that the employer contributions are held by the public employees' retirement system, interest paid on employer contributions transferred must be calculated at the short-term investment pool rate earned by the board of investments in the fiscal year preceding the transfer request.

19-20-501 – Financial administration of money

- Members of retirement board must invest money with the Board of Investments

20-9-212 – Duties of county treasurer

- Permissible investments are specified in 20-9-213(4)

20-9-213 – Duties of trustees

- A district may invest money under the state unified investment program established in Title 17, chapter 6, or in a unified investment program with the county treasurer, with other school districts, or with any other political subdivision if the unified investment program is limited to investments

20-9-435 – Delivery of school district bonds and disposition of sale money

- After the school district bonds have been registered, the county treasurer shall, when the board of investments has purchased the bonds, forward the bonds to the board that, in turn, shall send the bonds to the state treasurer and shall pay the bonds

20-9-436 – County attorney to assist in proceedings

- County attorney advises school district in bond proceedings and assists school district with examination of the transcript and has provided an opinion that the proceedings comply with the law

20-9-441 – Redemption of bonds – investment of debt service fund money

- If there is sufficient money in the school district debt service fund, the county treasurer shall give notice not less than 30 days before the next interest due date to the board of investments that the bonds will be paid on the interest due date
- The investments must be sold with ample time before the debt service fund money is required for the payment of the bonds

20-9-471 – Issuance of obligations – authorization – conditions

- School district may secure loans from or issue and sell to the Board of Investments obligations to finance the cost of vehicles, equipment, and construction of buildings for storage of the vehicles and equipment

- Board has the right of first refusal to accept the offer to issue a loan or purchase the obligations

20-25-1404 – Authorization to finance self-insured health plan for students

- Commissioner of higher education may finance the cost of a student health plan with interest at a rate equivalent to the previous fiscal year's average rate of return on the Board of Investment's STIP

22-1-226 – Use of Montana state library trust

- Principal of the Montana state library trust established in 22-1-225 is 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

22-3-114 – Use of acquisitions trust funds — principal nonexpendable — investment of principal — reversion of unspent revenue.

- The principal of the acquisitions trust established in 22-3-113 is intended to be a permanent fund 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

22-3-1003 – Powers of commission – contract – rules

- The heritage commission, working with the board of investments, may establish trust funds to benefit historic properties

39-11-202 – Primary sector business workforce training grants – eligibility

- The department of labor may award workforce training grants to primary sector businesses that provide education or skills-based training, through eligible training providers, for employees in new jobs
- Grant application must include a business plan that includes understanding of business to be assisted, estimated market potential, management experience of principals, current financial position, and details of proposed venture
- In lieu of a business plan, the department may consider a copy of the current loan application to entities such as the Montana board of investments, the federal business and industry guarantee program, or the small business administration

39-71-503 – Uninsured employers' fund — purpose and administration of fund — maintaining balance for administrative costs — appropriation.

- For surpluses and reserves related to disability benefits, the Board of Investments shall invest the money of in the fund and the investment income must be deposited in the fund

39-71-915 – Assessment of insurer – employers – definition – collection

- Board of Investments invests the Plan 1, 2 and 3 assessments collected and the investment income must be deposited in the fund

39-71-1050 – Assessment for stay-at-work/return-to-work assistance fund – definition

- The stay-at-work/return-to-work assistance fund assessed to Plan 1, 2, and 3 insured employers is invested by the BOI
- Investment income is deposited in the assistance fund

39-71-2320 – Property of the state fund – investment required – exception

- State fund money must be invested by the board of investments provided for in 2-15-1808, and subject to the investment agreement with the board of investments, the earnings on investments are the sole property of the state fund as provided in this section

52-7-105 – Endowment for children

- The endowment for children within the permanent fund type is invested by the BOI
- Only the interest in the endowment is available for expenditure by the Board

60-11-115 – Revolving loan account – statutory appropriation – rulemaking

- There is a revolving loan account to be administered by the department of transportation.
- Any interest or income that is earned by the account and loan repayments must be deposited into the revolving loan account unless revenue bonds are issued to fund a loan, in which case the loan repayments must be deposited in the debt service account
- The department may request the board of investments to issue revenue bonds, as provided in 60-11-117 through 60-11-119, for the purpose of providing funds for a loan

60-11-117 – Definitions [for rail planning and abandoned railways]

- “Board” defined as Board of Investments

60-11-119 – Authority to issue revenue bonds

- The Board may issue and sell essential freight rail revenue bonds to make loans to finance the cost of projects, to pay the costs of issuing the bonds, and to provide for reserves
- As recommended by the department
- Bonds are issued under Title 17, chapter 5, part 15

69-8-103 – Definitions [for Electric utility industry generation reintegration]

- Board of Investments defined
- Also defined are “transition bonds” issued by BOI that is secured by or payable from fixed transition amounts or property

75-10-116 – Penalties for failure to pay a fee

- Owner of a solid waste disposal facility who fails to pay the fees under 75-10-115 is subject to a fine and to interest at the previous year’s average STIP rate of return

75-10-743 – Orphan share state special revenue account — reimbursement of claims — payment of department costs

- Orphan share account intended to reimburse remedial action costs claimed under 75-10-742 through 75-10-751 for provide funding for DOJ investigations pursuant to its natural resource damage program, and to pay costs associated with defending the orphan share

- The department shall transfer from the orphan share account to the long-term or perpetual water treatment permanent trust fund provided for in 82-4-367 \$1.2 million in each fiscal year until the board of investments makes the certification pursuant to subsection (10)(b) of this section that with future earnings the fund balance will be \$19.3MM on January 1, 2018

75-10-1603 – Libby asbestos cleanup trust fund

- Fund to pay exclusively the costs of the Libby asbestos cleanup and long-term operation and maintenance
- The fund must be invested by the board of investments pursuant to Title 17, chapter 6, part 2, and the earnings from the investment must be credited to the principal of the fund until the year 2028

75-10-313 – Petroleum tank release cleanup fund

- BOI may loan the petroleum tank board money for the trust fund
- The loan amount is repaid through storage tank cleanup fees

75-10-315 – Nonimpairment by state

- The state pledges that it may not in any way impair the obligations of any loan agreement between the board and the board of investments by repealing the petroleum storage tank cleanup fee imposed by 75-11-314 or by reducing it below the amount necessary to make annual loan payments
- According to US and Montana Constitutions

75-10-318 – Powers and duties of board

- The petroleum tank board may apply for, accept, and repay loans from the BOI pursuant to 17-6-225

76-15-904 – Coal bed methane protection account – use

- All money paid into the account must be invested by the board of investments and earnings from investments must be deposited in the account
- Money deposited in the account must be used to compensate landowners and water right holders for damages attributable to coal bed methane development

77-1-101 – Definitions [for state lands]

- Includes in the definition of “state lands” or “land” any land acquired through investments under 17-6-201

77-1-108 – Trust land administration account — administrative costs — appropriation

- Revenue deposited from a specific land trust is insufficient to defray the administrative costs associated with managing that land trust and the money held for that trust in the earnings reserve account established in 77-1-132 is also insufficient, the board may receive a general fund loan pursuant to 17-2-107 to offset the difference

- A general fund loan made pursuant to this subsection (3)(c) must be repaid within 5 years and must bear interest at a rate of return equal to that earned by the board of investments' short-term investment pool during that period

77-1-701 – Definitions [ownership records of state owned land]

- “state land” includes land acquired through investments under 17-6-201

77-1-905 – Rental provisions for commercial leasing — payments and credits — administration — lease options

- Annual rental payment is full market value and may not be less than the product of the land value multiplied by a rate that is 2 percentage points a year less than the rate of return of the unified investment program administered by the board of investments pursuant to 17-6-201

80-2-222 – [Hail] board to establish amount of rates – disposition of funds

- The board of hail insurance may direct the board of investments to invest funds from the enterprise fund pursuant to the provisions of the unified investment program for state funds
- The income from the investments must be credited to the board of hail insurance account in the enterprise fund

80-4-721 – Fees for inspection, testing, and weighing agricultural commodities — disposition — investment.

- The department may direct the board of investments to invest funds from the state special revenue fund pursuant to the provisions of the unified investment program for state funds
- The income from the investments must be credited to the proper department account in the state special revenue fund

80-6-315 – State special revenue account – source of funds

- For the apiary account, the department may direct the board of investments to invest the funds collected under subsection (1), pursuant to the provisions of 17-6-201
- The interest and income from the investments must be credited to the account

80-6-1109 – Fees to be set by rule – account established

- Fees from the leaf-cutting bee account may be invested by the BOI in the UIP
- Income from the investments must be credited to the leaf-cutting bee account

80-7-816 – Account – deposit – investment

- The department may direct the board of investments to invest the noxious weed account funds collected pursuant to the provisions of 17-6-201
- The income from the investments must be credited to the account in the state special revenue fund

80-7-1016 – Invasive species trust fund

- The board of investments shall invest the money of the aquatic invasive species trust fund
- The investment income must be deposited in the fund
- The principal of the invasive species trust fund shall forever remain inviolate in an amount of \$100 million unless appropriated by a vote of three-fourths of the members of each house of the legislature.

80-8-116 – Pesticide management account – deposit of fees and penalties – investments

- All licensing, permit, registration, and devices and blending plant fees collected under parts 1 and 2 of this chapter must be deposited in the pesticide management account
- The department may direct the board of investments to invest the funds collected under this section, pursuant to the provisions of 17-6-201
- The income from the investments must be credited to the pesticide management account within the state special revenue fund

80-9-207 – Deposit of fees

- All fees collected for licenses, registration, and inspection of commercial feeds may be invested in the UIP
- Any administrative civil penalties collected under 80-9-303 must be deposited in the Montana state university-Bozeman agricultural experiment station research account and may be used only for feed and animal nutrition research and education

80-10-207 – Fees [commercial fertilizers]

- All fees collected for commercial fertilizers must be deposited in the state treasury to the credit of the state special revenue fund, anhydrous ammonia account and may be invested by the board of investments
- The income from the investment must be deposited in the anhydrous ammonia account in the state special revenue fund

80-11-210 – Wheat and barley account — sources — use — expenditures

- the proceeds of all millage levies collected the proceeds from all gifts, grants, or donations to the department for research authorized under this part may be invested by the BOI in the UIP

80-11-518 – Account established – sources – use –expenditures [commodity assessments]

- The proceeds of all commodity assessments and penalties collected under this part and the proceeds from all gifts, grants, and donations to the department for commodity research and market development received under 80-11-517 may be invested by the BOI in the UIP

80-11-602 – Account [organic certification] established – sources – use – expenditures

- All proceeds from gifts, grants, or donations to the department for development of the state organic certifications plan and program and all proceeds of assessments, penalties, and other money collected pursuant to the state organic certification program may be invested in the UIP by BOI

80-11-1006 – Pulse crop account – sources – use – expenditures

- proceeds from assessments collected pursuant to 80-11-1004 and gifts, grants, and donations to the department for research may be invested in the UIP by the BOI

80-15-302 – Special funding [agricultural chemical groundwater protection]

- Fees, including \$95 for registration of pesticides and imposed by 80-8-201
- The department may direct the board of investments to invest the portion of the money collected under this section that is credited to the department pursuant to the provisions of 17-6-201
- The income from the investments must be deposited in the state special revenue fund and credited to the department

81-1-104 – Investment of state special revenue account funds — crediting of investment income

- Livestock fees collected may be invested in UIP by BOI
- Income from investments shall be credited to the state special revenue account

82-4-367 – Long-term or perpetual water treatment permanent trust fund

- Permanent fund type to pay exclusively for the cost to the state of long-term or perpetual water treatment at the Zortman and Landusky mine sites
- Funds from the orphan share and as allocated by the legislature or Congress must be invested by the board of investments pursuant to Title 17, chapter 6, part 2
- Earnings from the investment must be credited to the principal of the fund until the year 2018

87-1-615 – Investment of fish and wildlife mitigation trust fund

- The fish and wildlife mitigation trust fund must be invested and managed by the board of investments as part of the unified investment program in a separate investment fund

90-6-137 – Alternative funding source for housing loans – use of coal tax trust fund money

- The board of investments shall allow the board of housing to administer \$15 million of the coal tax trust fund for the purpose of providing loans for the development and preservation of homes and apartments to assist eligible low-income and moderate-income applicants
- Until the board of housing uses money in the coal tax trust fund to loan to a qualified applicant pursuant to this part, the money under the administration of the board must remain invested by the board of investments
- While a loan made from the coal tax trust fund pursuant to this section is repaid, the principal payments on the loan must be deposited in the coal tax trust fund until all of the principal of the loan is repaid. Interest received on a loan may be used by the board of housing, in amounts determined by the board in accordance with 90-6-136, to pay for the

servicing of a loan and for reasonable costs of the board for administering the program. After payment of associated expenses, interest received on the loan must be deposited into the coal tax trust fund

- The board of housing and the loan recipient shall each pay half of loan servicing fees

90-6-141 – Short title.

- Sections 90-6-141 through 90-6-149 are the “Montana Community Reinvestment Plan Act”

90-6-142 – Purpose.

- The purpose of the Act is to begin addressing Montana housing needs and off affordable and attainable workforce housing infrastructure

90-6-143 – Definitions.

- Provides definitions for “attainable workforce housing,” “community reinvestment organization,” “community reinvestment organization revolving account,” “eligible household,” “Montana community reinvestment plan account,” and “program”

90-6-144 – Montana community reinvestment plan

- Enables regional community reinvestment organizations to reduce the cost of housing to an affordable range for Montana's workforce

90-6-145 – Montana community reinvestment plan account

- In the state special revenue account established by 17-2-102 to fund the establishment of affordable and sustainable workforce housing

90-6-146 – Community reinvestment organizations

- Creates 16 CROs with geographic boundaries similar to Department of Commerce's certified regional development corporations
- Participating counties are encouraged to enact local ordinances that provide for an expedited development and construction review process with priority for attainable workforce housing
- Housing purchased using money from the CRO revolving account must have a deed limitation restricting the equitable value to the eligible household, but not more than 1% per year

90-6-148 – State workforce housing incentive to community reinvestment organizations

- A community reinvestment organization established in 90-6-146 that contains communities in the county that have a population of 15,000 or less and are located within a 30-mile radius of a state-owned facility that houses at least 100 state inmates or behavioral health patients is eligible to apply for funds from the appropriation provided for in section 20, Chapter 774, Laws of 2023
- The department of commerce and the board of investments shall assist the governor's office of economic development in the distribution of funds allocated to the CRO's

90-6-147 – Community reinvestment organization requirements

- Federally recognized charitable organization under 26 U.S.C. 501(c)(3), (c)(4), or (c)(6)
- CROs invest money into account
- 95% or more must be distributed to participating counties to be used to assist eligible households in purchasing attainable workforce housing
- Money in a CRO revolving account may not be used for preconstruction, development, or construction-related purposes
- Money used from the state workforce housing CRO revolving account to assist an eligible household may not exceed 30% of the total purchase price

90-6-149 – Use of state trust lands for attainable housing

- Where state trust lands are in close proximity to cities, towns, or communities, those lands should be considered for workforce housing

90-6-603 – Veterans' home loan mortgage program created — use of coal tax trust fund money

- The board of investments shall allow the board to administer \$50 million of the permanent coal tax trust fund for the purpose of the Montana veterans' home loan mortgage program
- Until the board uses money in the trust fund to purchase a mortgage loan from a participating financial institution pursuant to this part, the money under the administration of the board must remain invested by the board of investments
- Interest received on the loan may be used by a participating financial institution and the board, in amounts determined by the board in accordance with 90-6-605, to pay for the origination and servicing of a loan by a participating financial institution and to pay the reasonable costs of the board for the administration of the program

90-6-701 – Montana coal endowment program created – definitions

- Coal endowment program consisting of coal endowment fund in 17-5-703 and the infrastructure portion of the coal severance tax bond program in 17-5-701(2)
- The Montana coal endowment program may borrow from the board of investments to provide additional financial assistance for local government infrastructure projects under this part, provided that no part of the loan may be made from retirement funds
- Interest from the Montana coal endowment fund and from proceeds of the sale of bonds under 17-5-701(2) may be used to provide financial assistance for local government infrastructure projects under this part, to provide funding to the department of commerce for the administrative costs of the Montana coal endowment program, and to repay loans from the board of investments

90-7-320 – Loans – purchase of bonds and notes

- BOI may loan money to the facility finance authority as the Board deems reasonable for deposit in the capital reserve account and purchase bonds and notes issued by the authority