

MONTANA

BOARD OF INVESTMENTS

Account Descriptions

Revised September 2025

(Board approved Investment Policy
Statements for the following accounts can be
found at: www.investmentmt.com/Policies)

Trusts Funds

Department of Agriculture

Policy: 40.901 Noxious Weed Management Trust Fund *Permanent // Statutory*

The Noxious Weed Management Trust Fund was established in 1985 per MCA 80-7-811. It is sponsored by the Montana Department of Agriculture. The principal amount of ten million dollars (\$10,000,000) shall remain inviolate unless appropriated by the vote of three-fourths (3/4) of the members of each house of the legislature or an emergency described in MCA 80-7-815—the governor may declare a noxious weed emergency if a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department or the state is facing a potential influx of noxious weeds as the result of a natural disaster. Principal in excess of ten million dollars (\$10,000,000) may be appropriated by a majority vote of each house of the legislature. Appropriations of the interest and income shall be used only to fund the noxious weed management program, as provided by law. (SABHRS 09034)

Department of Environmental Quality

Policy: 40.902 Belt Water Treatment Plant Fund *Expendable // Statutory*

The Belt Water Treatment Plant Fund consists of funds originated from various Montana Department of Environmental Quality (DEQ) sources, all of which derive from payments from the Office of Surface Mining Reclamation and Enforcement. Expenditures from the funds will be used for the operation and maintenance of the water treatment plant to be constructed in Cascade County, Montana. Expenditures are expected to begin in 2022 and follow the schedule provided by the DEQ, as updated. (SABHRS 03447)

Policy: 40.903 Abandoned Mine Land Reclamation Trust *Expendable // Statutory*

The Abandoned Mine Land Reclamation Trust fund was established in December 1993 per MCA 82-2- 1006. It is administered by the Montana Department of Environmental Quality. Proceeds of the fund will be expended to pay for reclamation or drainage abatement on eligible lands or waters. An expendable trust funded by federal grants under the Surface Mining Control and Reclamation Act of 1977, Article IV. Ten percent of Montana's annual grant amount is deposited into this trust to fund programs related to abandoned mine land reclamation. (SABHRS 03302/02676)

Policy: 40.904 Clark Fork Site Response Action Fund *Expendable // Legal*

The Clark Fork Site Response Action Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), in order to settle certain litigation and to provide for the funding of the remedial action at the Clark Fork River (CFR) Operable Unit. The settlement involves, among other things, payment by ARCO plus accrued interest. Those funds and the earnings from the investment of those funds are to be used by the State with oversight, input, and approval from the United States EPA for the purpose of remediating the CFR over an estimated ten to twelve-year period. Any funds left over after clean-up will be transferred, with EPA approval, to the Clark Fork State Restoration Account (established under the same Consent Decree). (SABHRS 08212)

Policy: 40.905 Montana Pole Superfund Site Settlement Fund *Expendable // Legal*

The Montana Pole Superfund Site Settlement Fund was established in July 1996 through a Consent Decree among Montana Department of Environmental Quality (DEQ), the Environmental Protection Agency (EPA), Atlantic Richfield Company, Burlington Northern Railroad, Montana Resource and others. Funds and earnings from settlement proceeds are used solely for remediating hazardous substance contamination at the Montana Pole Site. The fund is administered by the DEQ. The Investment Policy may be modified by agreement of the DEQ and EPA. (SABHRS 08159)

Policy: 40.906 Streamside Tailings Operable Settlement Fund *Expendable // Legal*

The Streamside Tailing Operable Settlement Fund originated in 1998, when a Consent Decree between the State of Montana, the United States, the Atlantic Richfield Company (ARCO), and others was created to settle certain litigation, and to provide funding for the implementation of the remedy for the Streamside Tailings Operable Unit of the Silver Bow Creek/Butte Area (original portion) NPL Site. Funds paid by ARCO and the earnings from the investment of those funds are to be used by the State and EPA for the purpose of remediating the mine waste contamination at the Streamside Tailings Operable Unit. Any funds, including earnings, which are not ultimately required for the remediation of the Streamside Tailings Operable Unit are to be used by the State for natural resource damage restoration purposes, and will be transferred to the Upper Clark Fork Restoration Fund. (SABHRS 08160)

Policy: 40.907 Upper Blackfoot Response Action Restoration Fund *Expendable // Statutory*

The Upper Blackfoot Response Action and Restoration Fund originated in 2008, when a Settlement Agreement was entered between the State of Montana, the United States, Asarco, LLC (Asarco) and the Atlantic Richfield Company (ARCO), to settle certain bankruptcy and other claims and to provide for the funding of response and restoration actions at the Upper Blackfoot Mining Complex (UBMC). All funds paid by Asarco and ARCO and the earnings from the investment of these funds are to be used by the State, as Lead Agency, in consultation with the United States Forest Service, for the purpose of conducting response and restoration activities within the UBMC Site. These actions include the removal of the Mike Horse Impoundment as provided in the USFS Action Memorandum dated July 23, 2007, and any amendments thereto. In addition, the State would perform additional remedial and restoration work outside the scope of the Action Memorandum, including the cleanup of tailings along the Upper Blackfoot River, Beartrap Creek, and Mike Horse Creek and restoration of those streams with the intention of restoring west slope cutthroat and bull trout to the area. (SABHRS 08227)

Policy: 40.908 Zortman/Landusky Long-Term Water Fund *Expendable // Statutory*

The Zortman/Landusky Long Term Water fund was established in June 1999 at the request of the Montana Department of Environmental Quality. It was funded from proceeds incidental to the bankruptcy and surety bond of Zortman Mining Inc. Proceeds of the fund will be expended for environmental cleanup and long-term treatment of water at the former mine site. (SABHRS 08217)

Policy: 40.909 Zortman/Landusky Long-Term Water Trust *Expendable // Statutory*

The Zortman/Landusky Long Term Water Trust fund was established in July 2005 by the Montana Legislature. It was funded with annual transfers of \$1.2 million by the Montana Department of Environmental Quality from the Orphan Share account. The transfers were to continue until the value of the fund was projected to be \$19.3 million on January 1, 2018. Proceeds of the fund will be expended for long-term or perpetual water treatment at the Zortman and Landusky mine sites. (SABHRS 09005)

Policy: 40.930 Barker Hughesville St Response *Expendable//Legal*

The Department of Environmental Quality (DEQ) filed a bankruptcy claim after ASARCO declared bankruptcy in 2005 for the Barker Hughesville Mining District (BHMD). The court determined that the funds could only be spent on or at the BHMD site. The court directed the settlement funds to be provided directly to DEQ and into a special account. Most of the funds are to be held in reserve for potential long-term operation and maintenance costs related to the orphan share mines. DEQ may try to help fund a portion of clean-up costs for solid mining waste remedies. Expenditures are expected to follow the schedule provided by the DEQ. (SABHRS 08232)

Policy: 40.931 Flying J CECRA Facilities Fund

Expendable//Legal

The DEQ filed a bankruptcy claim after Flying J (and its subsidiaries) filed bankruptcy in 2008 under Montana's Comprehensive Environmental Cleanup and Responsibility Act (CERCA) and other statutes. This fund is a result of a settlement agreement to settle claims at Tank Hill, Big West Oil, Diamond Asphalt that was approved by the bankruptcy court in July 2010. Expenditures are expected to follow the schedule provided by the DEQ. (SABHRS 08241)

Policy: 40.932 Libby Asbestos Site State Cost

Expendable // Legal

In October 2002, the Libby Asbestos Superfund Site was listed on the US Environmental Protection Agency National Priorities List. As part of the WR Grace bankruptcy proceedings, Montana and WR Grace entered a settlement to be used for the state's 10% cost share for operations and maintenance costs at some areas of the site. Expenditures are expected to follow the schedule provided by the DEQ. (SABHRS 08230)

Policy: 40.933 Luttrill Pit Oper & Maint

Expendable // Legal

As the result of the Pegasus bankruptcy, the Montana DEQ became the owner of the site and continues with reclamation activity. The Environmental Protection Agency entered into an agreement with the Bankruptcy Trustee and later with DEQ. Per the agreement, DEQ is responsible for the operation and maintenance costs for the site. DEQ does not envision any costs until 2030. (SABHRS 08050)

Department of Fish, Wildlife and Parks

Policy: 40.910 Coal Tax Park Trust Fund

Permanent // Statutory

The Coal Tax Park Trust Fund was established under MCA 15-35-108 as a non-expendable trust fund for parks acquisition or management and to fund cultural and aesthetic projects. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in MCA 23-1- 102. (SABHRS 09004)

Policy: 40.911 Fish, Wildlife, and Parks Mitigation Trust Fund

Permanent // Statutory

The Fish, Wildlife & Parks Mitigation Trust Fund was established under MCA 87-1-611 and was originally created because of an agreement between Bonneville Power Administration and the State of Montana pertaining to Wildlife Mitigation for Libby and Hungry Horse Dams. The fund provides for fish and wildlife mitigation or enhancement. (SABHRS 08021)

Policy: 40.912 Real Property Trust Fund

Permanent // Statutory

The Real Property Trust Fund was established under MCA 87-1-601 as a non-expendable trust fund for the operation, development, and maintenance of real property under management of the Department of Fish, Wildlife & Parks (FWP). Money received from the sale of real property, oil, gas, or mineral deposits, and from leases is deposited

into this permanent fund account except as provided by MCA 87-1-621. (SABHRS 09002)

Policy: 40.913 Wildlife Habitat Trust Fund

Permanent // Statutory

The Wildlife Habitat Trust Fund was established under MCA 87-1-242 as a non-expendable trust to secure, develop and maintain wildlife habitat. Funding is established from the sale of specific hunting licenses or permits and is subject to appropriation by the Legislature. (SABHRS 09006)

Department of Health and Human Services

Policy: 40.914 Endowment for Children

Permanent // Statutory

The Endowment for Children Fund was established under MCA 52-7-105 “to provide a permanent source of funding to support the programs and services referred to in MCA 52-7-101 “to fund services and activities related to a broad range of child abuse and neglect prevention activities and family resource programs operated by nonprofit or public community-based educational and service organizations.” Timing of expenditures is uncertain. Staff will rely on expenditure estimates from the Montana Department of Public Health and Human Services. (SABHRS 09045)

Policy: 40.915 Older Montanans Trust Fund

Permanent // Statutory

The Older Montanans Trust Fund was created in MCA 52-3-115 to establish new, innovative services or to expand existing services for the benefit of Montana residents 60 years of age or older that will enable those Montanans to live an independent lifestyle in the least restrictive setting and will promote the dignity of and respect for those Montanans. (SABHRS 09025)

Policy: 40.916 Tobacco Trust Fund

Permanent // Legal and Statutory

The Tobacco Trust Fund was created in 1999 from the Master Settlement Agreement from the nation’s largest tobacco companies to pay at least \$205 billion over 25 years. The Tobacco Trust Fund was established in MCA 17-6-601 where forty percent of the tobacco settlement was placed for health care benefits, services, or coverage and tobacco disease prevention (described in MCA 17-6-606). A special revenue fund account was also established in MCA 17-6-603 where nine-tenths of the interest and income derived from the trust fund must be deposited. (SABHRS 09049)

Department of Justice

Policy: 40.917 Butte Area One Restoration Fund

Expendable // Legal

The Butte Area One Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action at

the Butte Area One. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to restore, replace, or acquire the equivalent of injured natural resources or lost services. (SABHRS 08219)

Policy: 40.918 Clark Fork River Restoration Fund *Expendable // Legal*

The Clark Fork Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action of the Clark Fork River, from Warm Springs Ponds to the former Milltown Reservoir. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to restore aquatic and terrestrial resources. (SABHRS 08221)

Policy: 40.919 East Helena Compensation Fund *Expendable // Legal*

The East Helena Compensation Fund originated in 2006 through a legal settlement with and subsequent claim in bankruptcy on the ASARCO company. The action was taken for natural resource restoration damages and compensatory damages for lost use of resources. Funds will be used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) for wildlife habitat restoration, recreation, and open space. (SABHRS 08231)

Policy: 40.920 Smelter Hill Uplands Restoration Fund *Expendable // Legal*

The Smelter Hill Uplands Restoration Fund originated in 2008 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on lands injured by emissions from the Anaconda Smelter. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to remediate and restore damaged lands. (SABHRS 08222)

Policy: 40.921 UCFRB Reserve Fund *Expendable // Legal*

The Upper Clark Fork River Basin Reserve (UCFRB) Fund originated in 1999 when a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on and around the Clark Fork River and tributaries generally above the confluence of the Little Blackfoot River. Funds are used by the Natural Resource Damage Program of the Montana Department of Justice (NRDP) to cover potential cost over- runs of the Streamside Tailings Operable Unit if any and then to the Upper Clark Fork River Basin Restoration Fund. (SABHRS 08101)

Policy: 40.922 UCFRB Restoration Fund *Expendable // Legal*

The Upper Clark Fork River Basin Restoration (UCFRB) Fund originated in 1999, a Consent Decree was entered between the State of Montana, the United States and Atlantic Richfield Company (ARCO), to settle certain litigation and to provide for the funding of restoration action on and around the Clark Fork River and tributaries generally above the confluence of the Little Blackfoot River. Funds are used by the Natural

Resource Damage Program of the Montana Department of Justice (NRDP) to restore, rehabilitate, or replace injured natural resources. (SABHRS 08102)

Policy: 40.935 Greenway Project Trail Maintenance Fund Expendable // Legal

The Greenway Project Trail Maintenance Fund was established as a sub-account within the East Helena Compensation Fund, through an agreement between the Governor and Prickly Pear Land Trust, Inc. (PPLT), in December of 2020. The purpose of the fund is to provide funding for operations and maintenance (O&M) of trails created on or near the ASARCO smelter site in East Helena, MT, as well as construction of the Greenway if needed to construct the Greenway outlined in the East Helena Asarco Smelter Final Restoration Plan and Environmental Checklist (November 2019) and any subsequent amendments thereto. The Montana Department of Justice Natural Resource Damage Program (NRDP) will administer the funds. (SABHRS 08118)

Policy: 40.936 Yellowstone Exxon Settlement Fund Expendable // Legal

In January 2017, the State of Montana and U.S. Department of the Interior issued the “Final Programmatic Damage Assessment and Restoration Plan and Final Programmatic Environmental Assessment for the ExxonMobil Pipeline Company July 1, 2011, Yellowstone River Oil Spill”. The plan was prepared by the State of Montana through the Department of Justice Natural Resource Damage Program (NRDP) and the U.S. Department of the Interior, through the Bureau of Land Management and U.S. Fish and Wildlife Service. The plan describes the natural resource injuries caused by the oil spill and restoration project types to compensate for those injuries. The restoration plan includes a range of project types that address specific injuries associated with the oil spill. It will guide restoration of the Yellowstone River to improve the natural and recreational resources of the river injured due to the spill. (SABHRS 08012)

Policy: 40.956 NRDP Libby Settlement Expendable//Legal.

In 2023, a Settlement Agreement between the State of Montana and WR Grace was entered into, that resolved the State’s natural resource damage claim in Grace’s bankruptcy. The Settlement Agreement included \$18.5 million in natural resource damages to restore, rehabilitate, replace, or acquire the equivalent of the State natural resources injured by the Libby Asbestos Superfund Site operations. (SABHRS 08132)

Policy: 40.948 Montana End of Watch Trust Permanent // Statutory

In 2023, the Legislature (SB 294) established the Montana End of Watch Trust to provide benefits to Montana law enforcement officers killed or catastrophically injured in the line of duty. (SABHRS 02590)

Department of Natural Resources and Conservation

Policy: 40.923 Public-School Trust Permanent // Statutory

The purpose of this policy statement is to provide a framework for the Public-School Trust investments (formerly referred to as the Trust and Legacy Fund) under the guidance of the Board. The Public-School Trust was established in 1973 by Article X, Section 2 of the Montana Constitution. The trust consists primarily of land granted to the State of Montana by the United States or other entities. The Public- School Trust is

administered by the Montana Department of Natural Resources and Conservation. Per Article X, Section 5 of the Montana Constitution, ninety-five percent of all interest received on fund investments and ninety-five percent of all income received from fund-owned land shall be equitably apportioned to public school districts. Five percent of all interest received on fund investments and five percent of all income received from fund-owned land shall be added to the Public-School Trust. (SABHRS 09022)

Policy: 40.934 Invasive Species Trust Fund *Permanent // Statutory*

The Invasive Species Trust Fund was established under Section 80-7-1016, MCA, as a non-expendable trust to provide funds to the Invasive Species Account. The Invasive Species Account funds projects that prevent or control any nonnative, aquatic invasive species. Deposits to the principal of the trust may include but are not limited to grants, transfers, bequests, or donations from any source. (SABHRS 09084)

Department of Revenue

Policy: 40.924 Resource Indemnity Trust Fund *Permanent // Statutory*

The Resource Indemnity Trust Fund is a trust that was established in 1973 by Article IX Section 2 of the Montana Constitution in the amount of \$100 million. The principal of the trust “shall forever remain inviolate.” Earnings from the fund are to be used to “improve the total environment and rectify damage to the environment” per MCA 15-38-203. The trust is administered by the Department of Revenue. (SABHRS 09043)

Policy: 70.1010 MT GO Trust Distribution Fund *Permanent // Statutory*

The Montana Growth and Opportunity Distribution Fund was established by the 2025 Legislature in HB 924. The interest can be distributed to certain programs under conditions as outlined in statute. The programs include funding for water projects, bridge projects, childcare, property tax relief, and reinvestment in the Pension portion of the GO Trust. The trust is administered by the Department of Revenue. (SABHRS 09043)

Policy: 70.1020 MT GO Trust Pension Fund *Permanent // Statutory*

The Montana Growth and Opportunity Trust Pension Fund was established by the 2025 Legislature in HB 924. The Pension portion of the GO Trust is available for transfer to the pension systems under certain conditions when the inception-to-date return on investments falls below the adopted assumed rate. The trust is administered by the Department of Revenue. (SABHRS 09234)

Montana Arts Council

Policy: 40.925 Cultural Trust Fund *Permanent // Statutory*

The Cultural Trust Fund was created from the Coal Tax Park Acquisition Fund, which is funded by coal severance tax collections. The Cultural Trust Fund is established in MCA 15-35-108. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capital and for other cultural and aesthetic projects. (SABHRS 09037)

Montana Historical Society

Policy: 40.926 Montana Historical Society Trust Funds Permanent // Statutory

Various gifts and endowments used to collect, preserve, and provide access to Montana's cultural heritage- past, present, and future. (SABHRS various)

Montana State Library

Policy: 40.949 Montana State Library Trust Permanent // Statutory

The Montana State Library Trust was established to provide library service to Montanans, including those who, because of disability, cannot read standard print. (SABHRS 08038)

University Endowments

Policy: 40.927 Harold Hamm Endowment Permanent // Legal

The Harold Hamm Endowment was created for the benefit of Helena College University of Montana via a gift from Harold W. Hamm. The endowment distributes scholarships to students and faculty in the Aviation and Maintenance Technology program on an annual basis. (SABHRS 50001)

Policy: 40.928 Potter Trust Fund Permanent // Legal

The Potter Loan Trust Fund was created for the benefit of Montana Tech per the Last Will and Testament of Peter Potter. The Trust is utilized by Montana Tech to provide financial aid assistance for students and to reimburse the university some administrative expenses. (SABHRS 80500)

Policy: 40.945 Lubrecht Experimental Forest Expendable//Legal

The Lubrecht Experimental Forest is managed by the University of Montana as an outdoor classroom for the students and as a recreational retreat for the public. (SABHRS 50101)

Policy: 40.946 Kyiyo Pow Wow Expendable//Legal

A one-time gift to the University of Montana was directed to establish an endowment to support the UM Kyiyo Pow Wow student group. (SABHRS 50102)

City Council of Butte-Silver Bow

Policy: 40.929 Butte Area Redevelopment Trust Authority Expendable // Legal

Funds derived from a negotiated settlement between the City and County of Butte-Silver Bow and ARCO to fund projects and activities to include a variety of work to promote the redevelopment of the Butte Hill and adjacent areas as Superfund cleanup actions conclude. (SABHRS 08502)

Insurance Funds

Policy: 40.300 Defined Contribution Disability Plan *Permanent // Statutory*

The Defined Contribution Retirement Plan Disability Plan Fund, as governed by section 19- 3-2117, MCA, provides disability benefits to eligible members who elect the PERS- DCRP. Montana Code Section 19-3- 2141(7) states the PERS board shall establish a long-term disability plan trust fund from which disability benefit costs pursuant to this section must be paid. (SABHRS 09514)

Policy: 40.700 Montana State Fund Insurance *Permanent // Statutory*

Montana State Fund is the guaranteed provider of workers' compensation insurance. The Montana Board of Investments (MBOI) manages the investments of Montana State Fund as authorized by the Unified Investment Program. Investment income assists Montana State Fund in meeting liabilities as well as maintaining stable, cost-effective rates for workers compensation insurance. (SABHRS 07035)

Policy: 40.937 MUS Group Insurance *Permanent // Statutory*

The Montana University System (MUS) Group Insurance account was established as the reserve for the self- insured health plan for the Montana University System. (SABHRS 06008)

Policy: 40.938 MUS Workers Compensation *Permanent // Statutory*

Montana University System (MUS) Workers Compensation began operations on July 1, 2003, as a self-insurance program to provide workers compensation coverage for the Montana University System. This is an operating account requiring significant liquidity. However, the Montana Department of Labor requires the Program to maintain adequate reserves to meet the Program's anticipated and contingency funding needs in the event of adverse developments or uncharacteristically high costs, so investment in the Trust Fund Investment Pool is considered prudent to achieve a higher level of investment income. (SABHRS 06082)

Policy: 40.939 State Employee Group Benefits *Permanent // Statutory*

The State Employee Group Benefits account was established under MCA 2-18-808 "to establish a program under which the state may provide state employees with adequate group hospitalization, health, medical, disability, life, and other related group benefits in an efficient manner and at an affordable cost." (SABHRS 06559)

Policy: 40.947 Hail Insurance Fund *Permanent // Legal*

The Hail Insurance Fund account consists of funds from producers' premiums paid into the account, along with moneys received from Federal stimulus funds. The Montana State Hail Insurance Program was created at the request of producers in 1917 to provide basic hail insurance coverage on any crop grown in Montana and is administered by the Department of Agriculture. The goal of the investment fund is to reduce the cost of insurance premium through a reduction in reinsurance costs. (SABHRS 06052/06056)

Uninsured Employers (no separate IPS / STIP investments) Permanent // Statutory

Uninsured Employers Fund, as governed by §39-71-5, MCA, is administered by the Department of Labor & Industry and provides benefits to employees injured on the job while working for an uninsured employer. (SABHRS 02941)

Subsequent Injury (no separate IPS / STIP investments) Permanent // Statutory

Subsequent Injury, as governed by section §39-71-9, MCA, is administered by the Department of Labor & Industry and designed to assist individuals with disabilities obtain employment. (SABHRS 06040)

Unemployment Insurance Benefits (no separate IPS / STIP investments) Permanent // Statutory

Unemployment Insurance Benefits, as governed by §39-51-4, MCA, is administered by the Department of Labor & Industry and paid from this fund to eligible recipients. The program stabilizes the local and state economy by preventing a sharp drop in consumer spending during periods of unemployment. (SABHRS 06069)

Operating Funds

Policy: 40.940 Montana State University – Bozeman Permanent // Operations

The Montana State University account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate. (SABHRS 80200)

Policy: 40.941 Montana Tech Permanent//Operations

The Montana Technological University account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate. (SABHRS 40500)

Policy: 40.942 University of Montana - Missoula Permanent // Operations

University of Montana Operating Funds account consists of operating funds from a variety of campus activities. A portion of the portfolio is unlikely to be needed for liquidity purposes and may seek higher returns as deemed appropriate. (SABHRS 33100)

Policy: 40.943 State Treasurer's Fund Permanent // Statutory

The States Treasurer's fund is comprised of cash in all state accounts that do not retain their investment earnings. By statute, all earnings are deposited in the state general fund. State law authorizes the Board to determine the amount of surplus cash in the Fund to be invested and the type of investment to be made. The fund is managed to maximize income, rather than for total rate of return. This Fund is a major participant in STIP. (SABHRS 10100)

Policy: 40.944 Fish, Wildlife & Parks General License Account Permanent // Statutory

The Fish, Wildlife & Parks License General Fund was established under MCA 87-1-601. This account contains revenue generated from the sale of hunting and fishing licenses. (SABHRS 02409)

Policy: 40.952 Debt and Liability Free Account Expendable // Statutory

The Debt and Liability Free Account was established by the 2023 (HB251) Montana Legislature and revised by the 2025 (HB924) Legislature. This account is to be used to pay off debts and liabilities of the State of Montana and is funded by transfers from the general fund. (SABHRS 02300)

Policy: 40.954 Repayment Account Expendable // Statutory

Earnings on and repayments of ARPA funds allocated in the Down Payment Assistance Loan Program will be placed into the account as they are earned or repaid. (SABHRS 02563)

Policy: 70.721 Sawmill Revitalization Account Expendable // Statutory

The Legislature provided this funding to provide loans to parties with the capacity to revitalize a closed sawmill and return it to commercial operation. (SABHRS 02509)

Policy: 70.750 MT Housing Infrastructure Revolving Loan Fund Expendable // Statutory

The MT Housing Infrastructure Revolving Loan Fund was established by the 2023 Montana Legislature. HB 819, Section 10 states “increase home ownership and provide more long-term rental opportunity; increase housing supply and offer diverse housing types to meet the needs of population growth; and to create partnerships between the state, local governments, private sector developers, and applicants for residential development to finance necessary infrastructure for housing.” (SABHRS 02342)

Policy: 70.780 State of Montana Workforce Housing Fund Expendable // Statutory

The State of Montana Workforce Housing Fund was established by the 2023 Montana Legislature. HB 819, Section 15 states “The purpose of the fund is to advance the construction or purchase of workforce housing of employees who work at state-owned facilities that house state inmates or behavioral health patients.” (SABHRS 01100)

Coal Severance Tax Trust Fund

Policy: 40.802 Coal Severance Tax Bond Fund Permanent // Statutory

The Coal Severance Tax Bond Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. The Legislature authorizes the sale of coal severance tax bonds to finance renewable resource projects and local government infrastructure projects. On July 1st of each year, the state treasurer shall determine the amount necessary to meet all principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12 months and retain that amount in the coal severance tax bond fund. (SABHRS 09042)

Policy: 40.803 Montana Coal Endowment Fund *Permanent // Statutory*

The Montana Coal Endowment Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Montana Coal Endowment Fund is appropriated to the Department of Revenue by the legislature for local government infrastructure projects. (SABHRS 09044)

Policy: 40.804 Montana Coal Endowment Regional Water System Fund *Permanent // Statutory*

The Montana Coal Endowment Regional Water System Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Montana Coal Endowment Regional Water System Fund is appropriated to the Department of Revenue by the legislature to fund regional water system projects in northcentral and northeastern Montana. (SABHRS 09047)

Policy: 40.805 School Facilities Fund *Permanent // Statutory*

The School Facilities Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the School Facilities Fund is appropriated to the Department of Administration by the legislature for local school district infrastructure projects. (SABHRS 09054)

Policy: 40.806 Big Sky Economic Development Fund *Permanent // Statutory*

The Big Sky Economic Development Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Big Sky Economic Development Fund is appropriated to the Department of Revenue by the legislature to provide grants and loans to local governments, certified regional development corporations or other approved economic development entities for qualified economic development projects. (SABHRS 09052)

Policy: 40.807 Coal Severance Tax Permanent Fund *Permanent // Statutory*

The Coal Severance Tax Permanent Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the Coal Severance Tax Permanent Fund is distributed to the Coal Severance Tax Income Fund. The Department of Revenue will then transfer the income to various funds based on legislative appropriations. (SABHRS 09041)

Policy: 40.808 MT Coal Endowment Conservation District Fund *Permanent // Statutory*

The MT Coal Endowment Conservation District Fund was established under MCA: 17-5-703 as a sub-fund of the Permanent Coal Severance Tax Trust. Income from the MT Coal Endowment Conservation District Fund is appropriated to the Department of Revenue by the legislature for local school district infrastructure projects. (SABHRS 09225 / 09228)

MBOI Definitions

Permanent – MBOI believes the fund will exist in perpetuity.

Expendable – MBOI believes the fund will be expended.

Operations – Funds used for operational expenses over time.

SABHRS – Statewide Accounting, Budgeting, and Human Resource System.

Statutory – Fund created via Montana Code or Montana Constitution.

Legal – Fund created via a legal settlement, gift, or endowment.

MCA – Montana Code Annotated.

Additional Note

The Board approves all Investment Policy Statements, which can be found at www.investmentmt.com/Policies.