HOUSE BILL 965

Introduced by J. Brown, et al.

2/21	Introduced
2/21	Referred to State Administration
2/21	First Reading
2/21	Fiscal Note Requested
2/27	Fiscal Note Received
3/05	Fiscal Note Printed
-	Died in Committee

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1 2	INTRODUCED BY Jan Drown
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4	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING STAT
5	AGENCIES, THE LEGISLATURE, AND THE UNIVERSITY SYSTEM TO SEL
6	OR DISPOSE OF STATE PROPERTY AS PART OF SOURCE REDUCTION AN

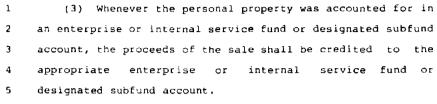
AGENCIES, THE LEGISLATURE, AND THE UNIVERSITY SYSTEM TO SELL OR DISPOSE OF STATE PROPERTY AS PART OF SOURCE REDUCTION AND RECYCLING ACTIVITIES; ALLOWING THE PROCEEDS OF SOURCE REDUCTION AND RECYCLING ACTIVITIES TO BE USED TO PHYSICALLY IMPROVE THE QUALITY OF THE WORK ENVIRONMENT; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502 AND 18-6-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 18-6-101, MCA, is amended to read:

"18-6-101. Power to sell state property -- proceeds credited to general fund -- exception for source reduction and recycling. (1) The Except as provided in subsection (4), the department has exclusive power, subject to the approval of the governor, to sell or otherwise dispose of or to authorize the sale or other disposition of all materials and supplies, service equipment, or other personal property of every kind owned by the state but not needed or used by any state institution or by any department of state government.

(2) Unless otherwise provided by law, the department shall credit the general fund with all money received.



(4) Each state agency, the legislature, and the university system may sell or dispose of property of every kind owned by the state but not needed or used by any state institution or by any department of state government when 10 the sale or disposal is part of source reduction and 11 recycling activities. Money received as a result of source 12 reduction and recycling activities must be deposited by the 13 entity in the state special revenue fund or the general fund 14 and may be used by the state agency, the legislature, and 15 the university system to physically improve the quality of 16 the work environment for its employees."

NEW SECTION. **Section 2.** Appropriation. Each state agency, the legislature, and the university system have a statutory appropriation, as provided in 17-7-502, to spend money collected pursuant to 18-6-101(4).

Section 3. Section 17-7-502, MCA, is amended to read:

requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending

25 by a state agency without the need for a biennial

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- legislative appropriation or budget amendment.
- 2 (2) Except as provided in subsection (4), to be 3 effective, a statutory appropriation must comply with both 4 of the following provisions:
- 5 (a) The law containing the statutory authority must be listed in subsection (3).
- 7 (b) The law or portion of the law making a statutory 8 appropriation must specifically state that a statutory 9 appropriation is made as provided in this section.
- 10 (3) The following laws are the only laws containing 11 statutory appropriations: 2-9-202; 2-17-105; 2-18-812; 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111; 12 13 15-25-123: 15-31-702: 15-36-112: 15-37-117: 15-65-121; 15-70-101; 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 14 17-5-424: 17-5-804: 19-8-504: 19-9-702; 19-9-1007; 15 19-10-205; 19-10-305; 19-10-506; 19-11-512; 16 19-11-513: 19-11-606; 19-12-301: 19-13-604: 20-6-406; 20-8-111: 17 20-9-361; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-1016; 18
- 19 23-5-1027; 27-12-206; 37-51-501; 39-71-2504; 53-6-150;
- 20 53-24-206; 61-2-406; 61-5-121; 67-3-205; 75-1-1101;
- 21 75-5-1108; 75-11-313; 76-12-123; 80-2-103; 82-11-136;
- 22 82-11-161; 90-3-301; 90-4-215; 90-4-613; 90-6-331; 90-9-306;
- 23 and section 13, House Bill No. 861, Laws of 1985; and
- 24 [section 2].
- 25 (4) There is a statutory appropriation to pay the

- principal, interest, premiums, and costs of issuing, paying,
- and securing all bonds, notes, or other obligations, as due,
- 3 that have been authorized and issued pursuant to the laws of
- 4 Montana. Agencies that have entered into agreements
- 5 authorized by the laws of Montana to pay the state
- 6 treasurer, for deposit in accordance with 17-2-101 through
- 7 17-2-107, as determined by the state treasurer, an amount
- 8 sufficient to pay the principal and interest as due on the
- 9 bonds or notes have statutory appropriation authority for
- such payments. (In subsection (3), pursuant to sec. 10, Ch.
- 11 664, L. 1987, the inclusion of 39-71-2504 terminates June
- 12 30, 1991.)"

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- NEW SECTION. Section 4. Effective date. [This act] is
- 14 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0965, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act allowing state agencies, the legislature, and the university system to sell or dispose of state property as part of source reduction and recycling activities; allowing the proceeds of source reduction and recycling activities to be used to physically improve the quality of the work environment; providing a statutory appropriation.

ASSUMPTIONS:

- 1. The proposed law would allow each state government entity to sell recyclable glass, aluminum cans, plastic and metal, plus paper outside the Helena area.
- 2. The property affected would not be defined to include white paper, colored paper or computer printout paper which is being recycled by the administration in a pilot "Recycle Montana" program, coordinated by the DNRC Energy Division, which currently includes 32 agencies operating in 41 Helena-area buildings with approximately 3,900 of the 4,200 state employees participating.
- 3. Some agencies are storing surplus or excess property which is not appropriate for disposal by the Department of Administration and the proposed bill would provide a vehicle for sale or disposition of such "white elephants".
- 4. Departments will continue to utilize the Property and Supply Bureau of the Department of Administration for disposal of equipment and the proposed bill will not affect any current state term contracts for salvage and for recyclable materials at the bureau.
- 5. Source reduction will not include surplus property resulting from downsizing government or its programs.
- 6. Because the bill does not define "source reduction", "recycling activities" and "quality of the work environment," it is not possible to determine the fiscal impact of this bill on the expenditures, revenues or audits of state agencies.

FISCAL IMPACT:

Unable to determine.

TECHNICAL NOTES:

- 1. Disposal of surplus equipment currently is being provided by the Property and Supply Bureau, Dept. of Administration.
- 2. This program would be unauditable by the Legislative Auditor in accordance with 5-13-308, MCA, without a definition of "source reduction", "recycling activities" and the "quality of the work environment."
- 3. Section 1 (4) is unclear about who makes the determination that the property to be sold is not needed or used by any state institution or by any department of state government. Will this continue to be the responsibility of the Department of Administration?
- 4. Section 1 (4) requires money received be deposited in the state special revenue fund or the general fund. Federal regulations require that money from the sale of property purchased with federal funds be returned to the federal fund. Some agencies would need to deposit such receipts in a pension trust fund and the university system would need to deposit into the unrestricted subfund.
- 5. There appears to be a conflict in Section 1 between subsections (3) and (4).

ROD SUNDSTED, BUDGET DIRECTOR

DATE

Office of Budget and Program Planning.

JAN BROWN, PRIMARY SPONSOR

Fiscal Note for HBO065, as introduced

DATE

HB 965