

HOUSE BILL NO. 113

INTRODUCED BY BARDANOUE

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE HOUSE

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| January 11, 1979 | Introduced and referred to Committee on State Administration. |
| January 17, 1979 | Committee recommend bill do pass. Report adopted.             |
| January 18, 1979 | Printed and placed on members' desks.                         |
| January 19, 1979 | Second reading, do pass.                                      |
| January 20, 1979 | Considered correctly engrossed.                               |
| January 22, 1979 | Third reading, passed.<br>Transmitted to second house.        |

IN THE SENATE

|                  |   |
|------------------|---|
| January 23, 1979 | Introduced and referred to Committee on State Administration. |
| March 2, 1979    | Committee recommend bill be concurred in. Report adopted.     |
| March 5, 1979    | Motion pass consideration until March 7, 1979.                |
| March 7, 1979    | Second reading, concurred in as amended.                      |
| March 9, 1979    | Third reading, concurred in as amended.                       |

IN THE HOUSE

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| March 10, 1979 | Returned from second house.<br>Concurred in as amended.                                      |
| March 14, 1979 | Second reading, amendments<br>adopted.   |
| March 15, 1979 | Third reading, amendments<br>adopted. Sent to enrolling.<br><br>Reported correctly enrolled. |

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5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY  
6 RESPONSIBILITIES AND PROCEDURES FOR CLOSING OUT DEFUNCT  
7 STATE AGENCIES."

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

10 Section 1. Definitions. As used in [this act], the  
11 following definitions apply:

12 (1) "Department" means the department of  
13 administration created in 2-15-1001.

14 (2) "State agency" means any state office, board,  
15 bureau, commission, department, or agency but does not  
16 include any agency operated by a city, town, county, school  
17 district, or other political subdivision.

18 Section 2. Authority -- rules. The department shall  
19 administer [this act] and may adopt all rules necessary to  
20 properly implement and carry out its functions. All rules  
21 shall be adopted in accordance with the rulemaking  
22 procedures of the Montana Administrative Procedure Act.

23 Section 3. Closing out defunct state agencies --  
24 procedures. Unless otherwise provided by law, the following  
25 procedures apply whenever a state agency is terminated by

1 operation of law, is abolished by executive or legislative  
2 action, ceases to function, or otherwise becomes defunct:

3 (1) The department becomes the receiver of all real  
4 and personal property of the agency, including all books,  
5 records, and accounts, and shall determine all remaining  
6 assets and liabilities of the defunct agency. The department  
7 shall inventory all personal property of the agency and may  
8 reassign the property to other state agencies or otherwise  
9 dispose of it as provided in Title 10, chapter 6, part 1.

10 (2) The department must pay any creditors of the  
11 defunct state agency from the funds remaining in the  
12 agency's current budget. However, if insufficient funds  
13 remain to settle all outstanding accounts, then the  
14 department shall prorate all claims in the ratio of their  
15 amount to the total cash available. The department shall  
16 seek a supplemental appropriation from the next regular  
17 session of the legislature to pay the remaining balance of  
18 the creditors' claims. Any funds remaining after payment to  
19 all creditors of the defunct agency must be deposited by the  
20 department into the general fund.

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Approved by Committee  
on State Administration

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-2- HB113  
SECOND READING

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March 7, 1979

SENATE COMMITTEE OF THE WHOLE

That House Bill No. 113 be amended as follows:

1. Page 1, line 18.  
Strike: section 2 in its entirety  
Renumber: subsequent subsection