

HOUSE BILL 812

IN THE HOUSE

February 14, 1979

Introduced and referred to
Committee on Judiciary.

February 20, 1979

Committee recommend bill, do
not pass.

February 21, 1979

Report adopted.

1 *House* BILL NO. *812*
 2 INTRODUCED BY *Corey Mandan Sullivan*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE
 5 LEGISLATIVE FINANCE ACT TO CLARIFY THE DUTIES AND
 6 RESPONSIBILITIES OF THE FINANCE COMMITTEE AND THE FISCAL
 7 ANALYST; AMENDING SECTIONS 5-12-202, 5-12-204, 5-12-205,
 8 5-12-301 THROUGH 5-12-303, AND 5-12-402, MCA."

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

11 Section 1. Section 5-12-202, MCA, is amended to read:
 12 "5-12-202. Appointment of members. (1) The legislative
 13 finance committee consists of six members of the senate and
 14 six members of the house of representatives appointed in the
 15 same manner as the standing committees of the respective
 16 houses are appointed.

17 ~~(a) four members of the senate finance and claims~~
 18 ~~committee appointed by the chairmen~~

19 ~~(b) two members of the senate appointed at large by~~
 20 ~~the committee on committees~~

21 ~~(c) four members of the house of representatives~~
 22 ~~appropriations committee appointed by the chairmen and~~

23 ~~(d) two members of the house appointed at large by the~~
 24 ~~speakers~~

25 (2) These members shall be appointed before the end of

1 each legislative session. No more than three members of each
 2 ~~house, two committee members and one at-large member,~~ may be
 3 from the same political party."

4 Section 2. Section 5-12-204, MCA, is amended to read:
 5 "5-12-204. Vacancies. If a vacancy occurs on the
 6 committee when the legislature is not in session, the
 7 remaining members shall select a member of the appropriate
 8 political party and ~~appropriate committee as provided in~~
 9 ~~5-12-202,~~ house to complete the unexpired term."

10 Section 3. Section 5-12-205, MCA, is amended to read:
 11 "5-12-205. Powers and duties of committee. The
 12 committee may:

13 (1) organize, adopt rules to govern its proceedings,
 14 and meet as often as necessary, upon the call of the
 15 chairman, to advise and consult with the legislative fiscal
 16 analyst;

17 (2) employ and set the salary of the legislative
 18 fiscal analyst, ~~who shall serve at the pleasure of and be~~
 19 ~~responsible to the committee;~~ and

20 (3) exercise the investigatory powers of a standing
 21 committee under chapter 5, part 1, of this title."

22 Section 4. Section 5-12-301, MCA, is amended to read:
 23 "5-12-301. Office of legislative fiscal analyst. ~~(1)~~
 24 There is an office of legislative fiscal analyst. The
 25 legislative fiscal analyst shall carry out the provisions of

1 this chapter.

2 ~~(2) The legislative fiscal analyst is responsible~~
 3 ~~solely to the legislature. He shall hold office for a term~~
 4 ~~of 2 years beginning July 1 of each odd-numbered year. The~~
 5 ~~committee may remove him for misfeasance, malfeasance, or~~
 6 ~~nonfeasance in office at any time after notice and hearing."~~

7 Section 5. Section 5-12-302, MCA, is amended to read:
 8 "5-12-302. Fiscal analyst's duties. The legislative
 9 fiscal analyst shall:

10 (1) provide for fiscal analysis of state government
 11 and accumulate, compile, analyze, and furnish such
 12 information bearing upon the financial matters of the state
 13 ~~that is relevant to issues of policy and questions of~~
 14 ~~statewide importance,~~ including but not limited to
 15 investigation and study of the possibilities of effecting
 16 economy and efficiency in state government;

17 (2) estimate revenue from existing and proposed taxes;

18 (3) analyze the executive budget and budget requests
 19 of selected state agencies and institutions, including
 20 proposals for the construction of capital improvements;

21 (4) make the reports ~~and recommendations he deems~~
 22 ~~desirable to the legislature and make reports and~~
 23 ~~recommendations as requested by the legislative finance~~
 24 committee and the legislature; and

25 (5) assist committees of the legislature and

1 individual legislators in compiling and analyzing financial
 2 information."

3 Section 6. Section 5-12-303, MCA, is amended to read:
 4 "5-12-303. Fiscal analysis information from state
 5 agencies. (1) The legislative fiscal analyst ~~has the~~
 6 ~~authority to~~ may under the direction of the committee
 7 investigate and examine the costs of state government
 8 activities and may examine the records, books, and files of
 9 any state agency, including confidential records of
 10 executive branch agencies.

11 (2) Every state agency shall furnish the legislative
 12 fiscal analyst with copies of all budget requests, at the
 13 time of submission to the budget director as provided by
 14 law, and if requested, all underlying and supporting
 15 documentation.

16 (3) In the year preceding each legislative session,
 17 the budget director shall furnish the legislative fiscal
 18 analyst on a confidential basis:

19 (a) by December 1, a copy of the documents which
 20 reflect the anticipated receipts and other means of
 21 financing the budget for each fiscal year of the ensuing
 22 biennium;

23 (b) by December 1, a preliminary budget which shall
 24 meet the statutory requirements for submission of the budget
 25 to the legislature; and

1 (c) by December 15, all amendments to the preliminary
2 budget."

3 NEW SECTION. Section 7. Recommendations of fiscal
4 analyst. The reports of the fiscal analyst may include
5 comments, recommendations, and suggestions, but he may not
6 otherwise influence or direct executive or legislative
7 action.

8 Section 8. Section 5-12-402, MCA, is amended to read:

9 "5-12-402. Review by legislative fiscal analyst. The
10 legislative fiscal analyst shall review proposed budget
11 amendments submitted to the committee from the budget
12 director and ~~make recommendations present an analysis~~ to the
13 committee concerning the fiscal implications of the proposed
14 budget amendments."

15 NEW SECTION. Section 9. Standards and objectives for
16 fiscal analysis. (1) The objective of an analysis conducted
17 by the legislative fiscal analyst under 5-12-302(2) and
18 5-12-203(3) is to provide an independent determination of
19 whether agency budgets, budget amendments, fiscal notes,
20 revenue projections, and related fiscal projections and
21 estimates are based upon reasonably sound assumptions and
22 have been derived through sound estimating techniques. An
23 analysis should indicate:

24 (a) whether a proposed budget provides a reasonable
25 basis for implementing policies and programs that have been

1 authorized by the legislature or are proposed to be
2 authorized by the legislature should they be pursued with
3 efficiency and effectiveness;

4 (b) whether each assumption used in developing a
5 projection is reasonable and, if not, what alternate
6 assumption should be accepted and the basis for its
7 validity;

8 (c) whether the estimation technique used in making a
9 projection is valid and, if not, what alternative technique
10 would be valid and the basis for its validity; and

11 (d) the alternate fiscal projection calculated by the
12 analyst based upon the alternatives identified in the
13 analysis required by subsections (a) through (c).

14 (2) In providing reports and assistance to the
15 committee, the legislature, and individual legislators under
16 5-12-302(4) and 5-12-302(5), analysis must be based to the
17 extent possible upon stated assumptions and techniques.

-End-

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