

SENATE BILL NO. 110

INTRODUCED BY JACOBSON, COBB,
BRADLEY, NATHE

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE SENATE

JANUARY 13, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
	FIRST READING.
JANUARY 17, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 18, 1989	PRINTING REPORT.
JANUARY 20, 1989	SECOND READING, DO PASS.
JANUARY 21, 1989	ENGROSSING REPORT.
JANUARY 23, 1989	THIRD READING, PASSED. AYES, 50; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 23, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
FEBRUARY 20, 1989	FIRST READING.
MARCH 1, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 2, 1989	POSTED ON CONSENT CALENDAR.
MARCH 4, 1989	CONSENT CALENDAR, QUESTIONS AND ANSWERS.
	THIRD READING, CONCURRED IN. AYES, 91; NOES, 1.
	RETURNED TO SENATE.

IN THE SENATE

MARCH 6, 1989

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *110*
2 INTRODUCED BY *J. Garabon* *Alt Bradley NATAC*
3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE THE
6 REQUIREMENTS FOR AN AUTHORIZATION SIGNATURE AND SUPPORTING
7 DOCUMENTATION FOR CLAIMS SUBMITTED TO THE DEPARTMENT OF
8 ADMINISTRATION; AMENDING SECTIONS 17-8-201 AND 17-8-202,
9 MCA; AND PROVIDING A RETROACTIVE APPLICABILITY DATE AND AN
10 IMMEDIATE EFFECTIVE DATE."
11

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

13 **Section 1.** Section 17-8-201, MCA, is amended to read:

14 "17-8-201. Authorizations for disbursements --
15 submission of claim to department of administration. (1) All
16 authorizations for disbursements shall be given by the
17 agency concerned, and a record shall be kept by the agency
18 of all the authorizations and expenditures. Claims for any
19 disbursement must be submitted to the department of
20 administration and---must---bear---the---signature---of---the
21 authorizing-officer-or-employee.

22 (2) The department may prescribe the claim form and
23 may establish, in writing, rules governing the preparation,
24 submittal, and processing of claims. All claims shall be
25 processed in the order of their presentation, and all claims

1 disapproved by the department shall be returned to the
2 operating agency with an explanation in writing of why the
3 claim was disapproved."

4 **Section 2.** Section 17-8-202, MCA, is amended to read:

5 "17-8-202. Preaudit and transmittal of claims. (1) The
6 department of administration is not required to preaudit a
7 liquidated claim against the state. However, ~~all-state~~
8 ~~agencies-shall-submit-copies-of-all-claims-to~~ the department
9 of administration ~~which~~ may preaudit those claims it
10 considers necessary. The agency shall retain the original of
11 all documents that support claims sent to the department.
12 These documents are subject to postaudit by the legislative
13 auditor.

14 (2) The department may not make any charge against any
15 appropriation unless the balance of the appropriation is
16 available and adequate. If no appropriation is available for
17 the payment of a claim, the department shall audit it and,
18 if it is a valid claim, transmit it to the governor for
19 presentation to the legislature."

20 **Section 3.** Retroactive applicability. [This act]
21 applies retroactively, within the meaning of 1-2-109, to
22 claims submitted electronically to the department of
23 administration on or after January 1, 1989.

24 **Section 4.** Effective date. [This act] is effective on
25 passage and approval.

--End--
-2-

INTRODUCED BILL
SB110

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB110, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to eliminate the requirements for an authorization signature and supporting documentation for claims submitted to the Department of Administration; amending sections 17-8-201 and 17-8-202, MCA; and providing a retroactive applicability date and an immediate effective date.

ASSUMPTIONS:

1. An 0.5 clerk position will not be needed to handle the approximately 296,000 claims submitted annually.
2. Claims and supporting documentation are stored at Records Management Center an average of 30 months. FY91 will be the first year destroyed stored claims will not be replaced by another year's claims.

FISCAL IMPACT:

	Current Law	FY90 Proposed Law	Difference	Current Law	FY91 Proposed Law	Difference
<u>Expenditures:</u>						
Accounting Division						
FTE	11.5	11.0	(0.5)	11.5	11.0	(0.5)
Personal Services	\$325,596	\$317,990	(\$ 7,606)	\$325,905	\$318,298	(\$ 7,607)
Operating Expenses	351,811	351,811	-0-	320,668	318,476	2,192
TOTAL	\$677,407	\$669,801	(\$ 7,606)	\$646,573	\$636,774	(\$ 9,799)

Funding Source: General Fund

Agencies should experience reductions in photocopying, supplies and mailing expenses, as well as better utilization of fiscal staff time. State Agency's reduction for photocopying are anticipated to be \$22,200, and for mailing costs of \$3,300 per fiscal year.



RAY SHACKLEFORD, BUDGET DIRECTOR
OFFICE OF BUDGET AND PROGRAM PLANNING

1/23/89

DATE



JUDY H. JACOBSON, PRIMARY SPONSOR

DATE

Fiscal Note for SB110, as introduced

SB 110

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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25 processed in the order of their presentation, and all claims

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2 operating agency with an explanation in writing of why the
3 claim was disapproved."

4 **Section 2.** Section 17-8-202, MCA, is amended to read:

5 "17-8-202. Preaudit and transmittal of claims. (1) The
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7 liquidated claim against the state. However, ~~all-state~~
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10 considers necessary. The agency shall retain the original of
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SECOND READING
SB 110

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THIRD READING

SB 110

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BRADLEY, NATHE

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SB 0110/02

1 effective on passage and approval.

-End-

SB 110

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