

1 HOUSE BILL NO. 7

2 INTRODUCED BY THOFT

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING BUDGET
6 REDUCTIONS BY REMOVING RESTRICTIONS ON THE EXPENDITURE OF A
7 FIRST-LEVEL CATEGORY OF AN AGENCY OPERATING BUDGET AND BY
8 AUTHORIZING A PROGRAM TRANSFER OF AN AMOUNT NOT TO EXCEED 10
9 PERCENT OF THE TOTAL AGENCY APPROPRIATION; AMENDING SECTIONS
10 17-7-138 AND 17-7-139, MCA; AND PROVIDING AN IMMEDIATE
11 EFFECTIVE DATE AND A TERMINATION DATE."

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

14 Section 1. Section 17-7-138, MCA, is amended to read:

15 "17-7-138. Operating budget. (1) Expenditures--by--a
16 state-agency-must-be-made-in-substantial-compliance-with--an
17 operating---budget---approved--by--an--approving--authority:
18 Substantial-compliance-means-that-a-first-level-category--in
19 the--operating--budget--may-not-be-exceeded-by-more-than-5%.
20 Except as provided in subsection (2), the expenditure of
21 money appropriated in the general appropriations act is
22 contingent upon approval of an operating budget by August--1
23 of--each--fiscal--year approved by an approving authority
24 within 45 days after the effective date of the general
25 appropriations act or a revision of the general

1 appropriations act. An approved original operating budget
2 must comply with state law and any statement of intent
3 adopted as part of a bill.

4 (2) The expenditure of money appropriated in the
5 general appropriations act to the university system units,
6 as defined in 17-7-102, is contingent upon approval of an
7 operating budget by October 1 of each fiscal year. All other
8 requirements in this section apply to the university system.

9 (3) The operating budget for money appropriated by the
10 general appropriations act must be separate from the
11 operating budget for money appropriated by another law
12 except a law appropriating money for the state pay plan or
13 any portion of the state pay plan. Each operating budget
14 must include expenditures for each agency program, detailed
15 at least by first-level categories as provided in
16 17-1-102(3). Each agency shall record its operating budget
17 and any approved changes on the statewide budget and
18 accounting system. Forms used for changing an operating
19 budget must reference the current, complete, and approved
20 operating budget, show the proposed changes to the operating
21 budget, and reference any other pending documents to change
22 the operating budget."

23 Section 2. Section 17-7-139, MCA, is amended to read:

24 "17-7-139. Program transfers. Unless prohibited by law,
25 the approving authority may approve agency requests to

1 transfer appropriations between programs within each fund
2 type within each fiscal year. The transfer may not exceed 5%
3 10% of the total agency appropriation, excluding statutory
4 appropriations, administrative authorizations, and budget
5 amendments. All program transfers must be completed within
6 the same fund from which the transfer originated. A request
7 for a transfer accompanied by a justification explaining the
8 reason for the transfer must be submitted by the requesting
9 agency to the approving authority and the office of budget
10 and program planning. Upon approval of the transfer, the
11 approving authority shall inform the legislative fiscal
12 analyst of the approved transfer and the justification for
13 the transfer."

14 NEW SECTION. **Section 3.** Effective date -- termination.

15 [This act] is effective on passage and approval and
16 terminates June 30, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

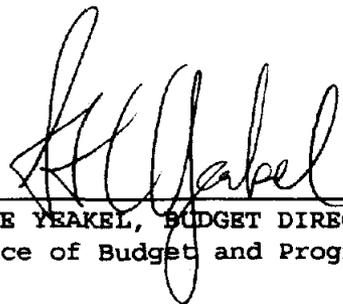
In compliance with a written request, there is hereby submitted a Fiscal Note for HB0007, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act implementing budget reductions by removing restrictions on the expenditure of a first-level category of an agency operating budget and by authorizing a program transfer of an amount not to exceed 10 percent of the total appropriation; providing an immediate effective date.

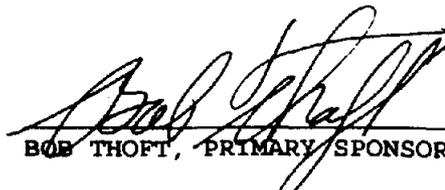
FISCAL IMPACT:

The proposal should have a minimal impact on the general fund balance given only \$2.5 million in reversions is assumed for FY93.



7/2/92
DATE

STEVE YEAKEL, BUDGET DIRECTOR
Office of Budget and Program Planning



7/7/92
DATE

BOB THOFT, PRIMARY SPONSOR

Fiscal Note for HB0007, as introduced

HB 7

APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 7

INTRODUCED BY THOFT

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING BUDGET
REDUCTIONS BY REMOVING RESTRICTIONS ON THE EXPENDITURE OF A
FIRST-LEVEL CATEGORY OF AN AGENCY OPERATING BUDGET AND BY
AUTHORIZING A PROGRAM TRANSFER OF AN AMOUNT NOT TO EXCEED 10
PERCENT OF THE TOTAL AGENCY APPROPRIATION REVISING THE TIME
FOR APPROVING AN OPERATING BUDGET; AMENDING SECTIONS SECTION
17-7-138 AND 17-7-139, MCA; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE AND A TERMINATION DATE."

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

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state agency must be made in substantial compliance with an
operating budget approved by an approving authority.
Substantial compliance means that a first-level category in
the operating budget may not be exceeded by more than 5%.
EXPENDITURES BY A STATE AGENCY MUST BE MADE IN SUBSTANTIAL
COMPLIANCE WITH AN OPERATING BUDGET APPROVED BY AN APPROVING
AUTHORITY. SUBSTANTIAL COMPLIANCE MEANS THAT A FIRST-LEVEL
CATEGORY IN THE OPERATING BUDGET MAY NOT BE EXCEEDED BY MORE
THAN 5%. Except as provided in subsection (2), the

expenditure of money appropriated in the general
appropriations act is contingent upon approval of an
operating budget by August 1 of each fiscal year approved by
an approving authority within 45 days after the effective
date of the general appropriations act or a revision of the
general appropriations act. An approved original operating
budget must comply with state law and any statement of
intent adopted as part of a bill.

(2) The expenditure of money appropriated in the
general appropriations act to the university system units,
as defined in 17-7-102, is contingent upon approval of an
operating budget by October 1 of each fiscal year. All other
requirements in this section apply to the university system.

(3) The operating budget for money appropriated by the
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except a law appropriating money for the state pay plan or
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must include expenditures for each agency program, detailed
at least by first-level categories as provided in
17-1-102(3). Each agency shall record its operating budget
and any approved changes on the statewide budget and
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operating budget, show the proposed changes to the operating

1 budget, and reference any other pending documents to change
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3 **Section 2.** ~~Section 17-7-139, MCA, is amended to read:--~~

4 ~~"17-7-139. Program transfers. Unless prohibited by law,~~
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17 ~~analyst of the approved transfer and the justification for~~
18 ~~the transfer."~~

19 NEW SECTION. **Section 2.** Effective date -- termination.

20 [This act] is effective on passage and approval and
21 terminates June 30, 1993.

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851302

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