

SENATE BILL NO. 384

INTRODUCED BY LYNCH, COBB
BY REQUEST OF THE LEGISLATIVE COUNCIL

IN THE SENATE

FEBRUARY 12, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
	FIRST READING.
FEBRUARY 19, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 20, 1993	PRINTING REPORT.
FEBRUARY 22, 1993	SECOND READING, DO PASS.
FEBRUARY 23, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 49; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
	FIRST READING.
MARCH 13, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 27, 1993	SECOND READING, CONCURRED IN.
MARCH 30, 1993	THIRD READING, CONCURRED IN. AYES, 99; NOES, 0.
MARCH 31, 1993	RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 2, 1993	SECOND READING, AMENDMENTS CONCURRED IN.
APRIL 3, 1993	THIRD READING, AMENDMENTS CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 Senate BILL NO. 384
 2 INTRODUCED BY Lynne Cobb
 3 BY REQUEST OF THE LEGISLATIVE COUNCIL
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING
 6 STATUTES GOVERNING AND REQUIRING REPORTS TO THE LEGISLATURE;
 7 REPEALING OBSOLETE OR REDUNDANT REPORTING REQUIREMENTS;
 8 SIMPLIFYING AND REDUCING BUDGET PUBLICATION REQUIREMENTS;
 9 AMENDING SECTIONS 1-11-204, 2-4-411, 2-7-104, 2-8-208,
 10 2-15-2021, 2-18-209, 2-18-811, 2-18-1103, 3-1-702, 5-11-210,
 11 5-13-304, 5-17-103, 10-4-102, 15-1-205, 17-4-107, 17-5-1650,
 12 17-7-123, 18-7-303, 19-4-201, 20-9-346, 20-25-236,
 13 20-25-301, 33-22-1513, 44-2-304, 53-2-1107, 53-6-110,
 14 53-20-104, 53-21-104, 53-24-204, 53-30-133, 72-16-202,
 15 75-1-203, 75-1-1101, 75-10-704, 76-11-203, 76-12-109,
 16 82-11-161, 87-2-724, 90-3-203, AND 90-4-111, MCA; AND
 17 REPEALING SECTIONS 53-24-210, 69-1-404, 80-12-402,
 18 80-12-403, AND 87-5-123, MCA."
 19

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

21 **Section 1.** Section 5-11-210, MCA, is amended to read:

22 "5-11-210. Clearinghouse for reports to legislature.

23 (1) For the purposes of this section, "report" means:

24 ~~(a) a document required to be prepared for the~~
 25 ~~legislature as required in any of the sections listed in~~

1 ~~subsection (10); and~~

2 ~~(b) unless otherwise provided by law, any other a~~
 3 ~~report required by law to be given to or filed with the~~
 4 ~~legislature.~~

5 (2) On or before September 1 of each year preceding the
 6 convening of a regular session of the legislature, an entity
 7 required to report to the legislature shall provide, in
 8 writing, to the executive director of the legislative
 9 council:

10 (a) the final title of the report;

11 (b) an abstract or description of the contents of the
 12 report, not to exceed one page 100 words;

13 (c) a recommendation on how many copies of the report
 14 should be provided to the legislature;

15 (d) the reasons why the number of copies recommended
 16 is, in the opinion of the reporting entity, the appropriate
 17 number of copies; and

18 (e) an estimated cost for each copy of the report; and

19 ~~(f) the date on which the entity will deliver the~~
 20 ~~final published copies of the report to the legislature.~~

21 (3) After considering all of the information available
 22 about the report, including the number of legislators
 23 requesting copies of the report pursuant to subsection (7),
 24 the legislative council or the executive director shall, in
 25 writing, direct the reporting entity to provide a specific

1 number of copies. The number of copies required is at the
2 sole discretion of the legislative council. The legislative
3 council or the executive director may require the reporting
4 entity to mail the copies of the report.

5 (4) The legislative council may require that the report
6 be submitted in an electronic format useable on the
7 legislature's current computer hardware, in a microform,
8 such as microfilm or microfiche, or in a CD-ROM format,
9 meaning compact disc read-only memory.

10 (5) Costs of preparing and distributing a report to the
11 legislature, including writing, printing, postage,
12 distribution, and all other costs, accrue to the reporting
13 agency. Costs incurred in meeting the requirements of this
14 section may not accrue to the legislative council.

15 (6) The executive director of the legislative council
16 shall cause to be prepared a list of all reports required to
17 be presented to the legislature from the list of titles
18 received under subsection (2).

19 (7) The executive director shall, as soon as possible
20 following a general election, mail to each holdover senator,
21 senator-elect, and representative-elect a list of the titles
22 of the reports, along with the abstracts prepared pursuant
23 to subsection (2)(b), ~~available from the legislative~~
24 ~~council~~. The list must include a form on which each member
25 or member-elect receiving the list may indicate the report

1 or reports that the member or member-elect would like to
2 receive.

3 (8) The executive director or the legislative council
4 shall make copies of reports requested pursuant to
5 subsection (7) available to those members or members-elect
6 by either requiring that copies be mailed pursuant to
7 subsection (3) or by delivering copies of the reports during
8 the first week of the legislative session.

9 (9) The executive director of the legislative council
10 may keep as many copies of a report as he ~~considers~~ are
11 necessary, and ~~copies of the report may be discarded at his~~
12 discretion discard the rest.

13 (10) ~~{a} A report to the legislature includes a report~~
14 ~~required to be made by a board, bureau, commission,~~
15 ~~committee, council, department, division, fund, authority,~~
16 ~~or officer of the state or a local government in 1-11-2047~~
17 ~~2-4-4117-2-7-1047-2-8-1127-2-8-2037-2-8-2077-2-8-2087~~
18 ~~2-15-20217-2-10-2097-2-18-8117-2-18-11037-3-1-7027-3-1-11267~~
19 ~~5-5-2167-5-13-3047-5-17-1037-5-18-2037-5-19-1007-10-4-1027~~
20 ~~15-1-2057-17-4-1077-17-5-16507-18-7-3037-19-4-2017-20-9-3467~~
21 ~~20-25-2367-20-25-3017-22-3-1077-23-7-2037-33-22-15137~~
22 ~~37-1-1067-39-6-1017-39-51-4077-44-2-3047-44-13-1037~~
23 ~~46-23-3167-53-2-11077-53-6-1107-53-20-1047-53-21-1047~~
24 ~~53-24-2047-53-24-2107-53-30-1337-69-1-4047-72-16-2027~~
25 ~~75-1-2037-75-1-11017-75-7-3047-75-10-5337-75-10-7047~~

1 76-11-283,--76-12-189,---80-7-713,---80-12-402,---82-11-161,
 2 85-1-621,---85-2-185,---87-2-724,---87-5-123,--90-3-283,--or
 3 90-4-111-

4 {b} The procedure outlined in this section may also be
 5 used for a report required to be made to the legislature
 6 under the Multistate Tax Compact contained in 15-1-601, the
 7 Vehicle Equipment Safety Compact contained in 61-2-201, the
 8 Multistate Highway Transportation Agreement contained in
 9 61-10-1101, or the Western Interstate Nuclear Compact
 10 contained in 90-5-201."

11 **Section 2.** Section 1-11-204, MCA, is amended to read:

12 "1-11-204. Duties of code commissioner. (1) Prior to
 13 November 1 immediately preceding each regular legislative
 14 session, the code commissioner shall prepare and,---as
 15 provided---in---5-11-210, submit to the legislative council a
 16 report, in tabular or other form, indicating the
 17 commissioner's recommendations for legislation that will:

- 18 (a) eliminate archaic or outdated laws;
- 19 (b) eliminate obsolete or redundant wording of laws;
- 20 (c) eliminate duplications in law and any laws repealed
 21 directly or by implication;
- 22 (d) clarify existing laws;
- 23 (e) correct errors and inconsistencies within the laws.
- 24 (2) The commissioner shall cause to be prepared for
 25 publication with the Montana Code Annotated the following

1 material:

- 2 (a) the statutory history of each code section;
- 3 (b) annotations of state and federal court decisions
 4 relating to the subject matter of the code;
- 5 (c) editorial notes, cross-references, and other matter
 6 the commissioner considers desirable or advantageous;
- 7 (d) the Declaration of Independence;
- 8 (e) the Constitution of the United States of America
 9 and amendments to the constitution;
- 10 (f) acts of congress relating to the authentication of
 11 laws and records;
- 12 (g) the Organic Act of the Territory of Montana;
- 13 (h) The Enabling Act;
- 14 (i) The 1972 Constitution of the State of Montana and
 15 any amendments to the constitution;
- 16 (j) ordinances relating to federal relations and
 17 elections;
- 18 (k) rules of civil, criminal, and appellate procedure
 19 and other rules of procedure the Montana supreme court may
 20 adopt; and
- 21 (1) a complete subject index, a popular name index, and
 22 comparative disposition tables or cross-reference indexes
 23 relating sections of the Montana Code Annotated to prior
 24 compilations and session laws.
- 25 (3) After publication of the Montana Code Annotated,

1 the code commissioner shall:

2 (a) annotate, arrange, and prepare for publication all
3 laws of a general and permanent nature enacted at each
4 legislative session and assign catchlines and code section
5 numbers to each new section;

6 (b) continue to codify, index, arrange, rearrange, and
7 generally update the Montana Code Annotated to maintain an
8 orderly and logical arrangement of the laws in order to
9 avoid future need for bulk revision;

10 (c) prepare and publish a report entitled "Official
11 Report of the Montana Code Commissioner--(year)" that
12 indicates, in tabular or other form, all changes made during
13 the continuous recodification, other than punctuation,
14 spelling, and capitalization, to clearly indicate the
15 character of each change made since the last report.

16 (4) From time to time, the commissioner shall confer
17 with members of the judiciary and the state bar relative to
18 recodification procedures."

19 **Section 3.** Section 2-4-411, MCA, is amended to read:

20 "2-4-411. Report. The committee shall prepare and, as
21 ~~provided in 5-11-218, submit a report to the legislature and~~
22 may recommend amendments to the Montana Administrative
23 Procedure Act or the repeal, amendment, or adoption of a
24 rule as provided in 2-4-412 and make other recommendations
25 and reports as it considers advisable."

1 **Section 4.** Section 2-7-104, MCA, is amended to read:

2 "2-7-104. Revenue estimate -- report to governor and
3 legislature. The director of revenue shall prepare revenue
4 estimates of state revenue from all sources and shall
5 continuously study fiscal problems and tax structures of
6 state and local governments and submit the studies to the
7 governor and, as ~~provided in 5-11-218,~~ requested, to the
8 legislature, a legislative committee, or a member of the
9 legislature."

10 **Section 5.** Section 2-8-208, MCA, is amended to read:

11 "2-8-208. Boards or licensing functions instituted by
12 initiative. (1) If an initiative to establish a new
13 licensing board or to add a new licensing responsibility to
14 the duties of an existing licensing board is approved by the
15 electorate, the committee shall:

16 (a) review the initiative to assess the degree to which
17 it meets the criteria in 2-8-204(1);

18 (b) request that the petitioners provide sufficient
19 information from practitioners or other persons to allow the
20 committee to make an assessment as required by 2-8-204(3);
21 and

22 (c) evaluate the petitioners' initiative in terms of:

23 (i) clarity and conciseness;

24 (ii) conformity to existing statutes and principles of
25 administrative law; and

(iii) specificity of the delegation of authority to promulgate rules and set fees.

(2) The committee shall prepare ~~and, as provided in 5-11-2107, submit~~ a report to and make it available for the legislature. The report must include:

(a) the committee's findings with respect to each of the criteria in 2-8-204;

(b) an estimate of the cost to the state of licensing the occupation or profession and a proposed schedule of fees that will cover the cost of the licensing program as required by 37-1-134;

(c) the committee's recommendation as to whether the initiative should be amended; and

(d) if amendments are recommended, a legislative proposal.

(3) Committee recommendations for amendments to the initiative must be incorporated in a bill introduced during the next session of the legislature."

Section 6. Section 2-15-2021, MCA, is amended to read:

"2-15-2021. Gaming advisory council -- allocation -- composition -- compensation -- biennial report. (1) There is a gaming advisory council.

(2) The gaming advisory council is allocated to the department for administrative purposes only as prescribed in 2-15-121.

(3) The gaming advisory council consists of nine members. One member must be from the senate, and one member must be from the house of representatives. The senate committee on committees and the speaker of the house of representatives shall appoint the legislative members of the council. The seven remaining members must be appointed by the department, with one representing the public at large, two representing local governments, one being a Native American, and three representing the gaming industry.

(4) Each gaming advisory council member is appointed to a 3-year term of office, except that three of the first-appointed original members shall serve a 1-year term, three (including both legislative members) shall serve a 2-year term, and three shall serve a 3-year term. A member of the council may be removed for good cause by the appointing body provided for in subsection (3).

(5) The gaming advisory council shall appoint a chairman presiding officer from its members.

(6) Legislative members of the gaming advisory council are entitled to compensation and expenses, as provided in 5-2-302, while the council is meeting. The remaining members are entitled to travel, meals, and lodging expenses as provided for in 2-18-501 through 2-18-503. Expenses of the council must be paid from licensing fees received by the department.

(7) The gaming advisory council shall, within its authorized budget, hold meetings and incur expenses as it considers necessary to study all aspects of gambling in the state.

(8) (a) The gaming advisory council shall submit a biennial report to the department, at a time designated by the department, with recommendations for amendments to the gambling statutes, the need for additional or modified department rules, the clarification of existing rules, and other recommendations on the operation of the department or any other gambling-related matter.

(b) The biennial report required under subsection (8)(a) must be affixed to the report on gambling in the state that the department submits that year. ~~The department and council shall, as provided in 5-11-210, submit the two most recent department and council reports to the legislature.~~

(c) The council may submit interim reports to the department as the council considers necessary.

(d) The council shall meet with the department upon request of the department.

(e) The department shall meet with the council upon request of the council.

(9) The department shall give each council member notice and a copy of each proposed change in administrative

rules relating to gambling. The notice and copy must be given at the time a notice of proposed rules changes is filed with the secretary of state. The council shall review the proposal, may comment on it, and may attend any hearing on the proposal. The department shall consider any comment by any council member or by the council as a whole prior to adopting the proposed change."

Section 7. Section 2-18-209, MCA, is amended to read:

"2-18-209. ~~Status--report~~ Periodic evaluation. The department of administration shall ~~as provided in 5-11-210, report to the legislature the status of the study of the comparable worth standard and~~ periodically evaluate the extent to which Montana's classification plan, and pay schedules, and statutes adhere to or fall short of the standard of equal pay for comparable worth. The department shall ~~may~~ make recommendations to the legislature ~~as to what regarding~~ impediments exist to meeting this standard. The department ~~shall continue to make such reports until the standard is met.~~"

Section 8. Section 2-18-811, MCA, is amended to read:

"2-18-811. General duties of the department. The department shall:

(1) adopt rules for the conduct of its business under this part and to carry out the purposes of this part;

(2) negotiate and administer contracts for state

employee group benefit plans;

(3) design state employee group benefit plans, establish specifications for bids, and make recommendations for acceptance or rejection of bids;

(4) prepare an annual report which describes the state employee group benefit plans being administered, details the historical and projected program costs and the status of reserve funds, and makes recommendations, if any, for change in existing state employee group benefit plans;

(5) prior to each legislative session, perform or obtain an analysis of rate adequacy of all state employee group benefit plans administered under this part; and

(6) ~~as provided in 5-11-2107~~, submit the report required in this section to the legislature to the office of budget and program planning as a part of the information required by 17-7-111."

Section 9. Section 2-18-1103, MCA, is amended to read:

"2-18-1103. Powers and duties of the department. The department shall:

(1) adopt rules to equitably administer the employee incentive award program;

(2) provide an opportunity for all employees to participate in the program;

(3) assist agencies in making incentive awards under the program;

(4) grant or deny incentive awards in consultation with the incentive awards advisory council and determine the amount of each incentive award based on first-year monetary savings;

(5) hear appeals from employees on the operation of the program;

(6) prepare and submit, ~~as provided in 5-11-2107, a biennial report to the legislature containing as a part of the information required by 17-7-111,~~ a list of incentive awards and the corresponding savings to the state resulting from each employee's suggestion or invention and providing a general review of and recommendations for improving the program; and

(7) send a copy of all suggestions or inventions submitted under this program to the office of the legislative fiscal analyst."

Section 10. Section 3-1-702, MCA, is amended to read:

"3-1-702. Duties. The court administrator is the administrative officer of the court. Under the direction of the supreme court, the court administrator shall:

(1) prepare and present judicial budget requests to the legislature;

(2) collect, compile, and report statistical and other data relating to the business transacted by the courts and provide the information to the legislature pursuant--to

1 5-11-210 on request;

2 (3) recommend to the supreme court improvements in the
3 judiciary;

4 (4) administer state funding for district courts as
5 provided in chapter 5, part 9; and

6 (5) perform such other duties as that the supreme court
7 may assign."

8 **Section 11.** Section 5-13-304, MCA, is amended to read:

9 "5-13-304. Powers and duties. The legislative auditor
10 shall:

11 (1) conduct a financial and compliance audit of every
12 state agency every 2 years covering the 2-year period since
13 the last audit, unless otherwise required by state law;

14 (2) conduct a special audit whenever he the legislative
15 auditor determines it necessary and shall so advise the
16 members of the legislative audit committee;

17 (3) make a complete written report of each audit. A
18 copy of each report ~~shall~~ must be furnished to the
19 department of administration, the state agency which was
20 audited, each member of the committee, and the legislative
21 council.

22 (4) report immediately in writing to the attorney
23 general and the governor any apparent violation of penal
24 statutes disclosed by the audit of a state agency and
25 furnish the attorney general with all information in his

1 possession available relative to the violation;

2 (5) report immediately in writing to the governor any
3 instances of misfeasance, malfeasance, or nonfeasance by a
4 state officer or employee disclosed by the audit of a state
5 agency;

6 (6) report immediately to the surety upon the bond of
7 an official or employee when an audit discloses a shortage
8 in the accounts of the official or employee. Failure to
9 notify the surety does not release the surety from any
10 obligation under the bond.

11 ~~(7) report to the legislature as provided in 5-11-210.~~
12 ~~The report shall contain, among other things, copies of or~~
13 ~~summaries of audit reports on state agencies and any~~
14 ~~recommendations relating to such reports.~~

15 ~~(8)~~ (7) have the authority to audit records of
16 organizations and individuals receiving grants from or on
17 behalf of the state to determine that the grants are
18 administered in accordance with the grant terms and
19 conditions. Whenever a state agency enters into an agreement
20 to grant resources under its control to others, the agency
21 must shall obtain the written consent of the grantee to the
22 audit provided for in this subsection."

23 **Section 12.** Section 5-17-103, MCA, is amended to read:

24 "5-17-103. Report to legislature. The committee ~~shall~~
25 may prepare a written report of its activities and

recommendations and present the report to the legislature as provided in 5-11-210 for the purpose of assisting the legislature in determining if such the recommendations should be implemented. To prepare its report and recommendations, the committee may receive assistance from the legislative council."

Section 13. Section 10-4-102, MCA, is amended to read:

"10-4-102. Department of administration duties and powers. (1) The department shall assist in the development of 9-1-1 systems in the state. The department shall:

(a) establish procedures for determining and evaluating requests for variations from minimum 9-1-1 service;

(b) upon request of a 9-1-1 jurisdiction, assist in planning an emergency 9-1-1 telephone system;

(c) establish criteria for evaluating plans;

(d) monitor implementation of approved plans for compliance with the plan and use of funding; and

(e) ~~as provided in 5-11-210, as it finds necessary,~~ report to the legislature the progress made in implementing a statewide emergency telephone system.

(2) The department shall obtain input from all 9-1-1 jurisdictions by creating an advisory council to participate in development and implementation of the 9-1-1 program in the state. The council must be established pursuant to 2-15-122. The highway patrol, emergency medical services

organizations, telephone companies, the associated public safety communicators, the department of emergency services, police departments, sheriff's departments, local citizens, organizations, and other public safety organizations may submit recommendations for membership on the advisory council."

Section 14. Section 15-1-205, MCA, is amended to read:

"15-1-205. Biennial report -- contents. (1) The department shall transmit to the governor 20 days before the meeting of the legislature and, ~~as provided in 5-11-210,~~ submit make available to the legislature a report of the department showing all the taxable property of the state, counties, and cities and its value, in tabulated form, with recommendations for improvements in the system of taxation, together with alternative measures as may be formulated for the consideration of the legislature. The department shall follow the provisions of 5-11-210 in preparing the report.

(2) The report or supplements to the report may also include:

(a) the gross dollar amount of revenue loss attributable to:

(i) personal income and corporation license tax exemptions;

(ii) property tax exemptions for which application to the department or its agent is necessary;

1 (iii) deferral of income;
 2 (iv) credits allowed against Montana personal income tax
 3 or Montana corporation license tax, reported separately;
 4 (v) deductions from income; and
 5 (vi) any other identifiable preferential treatment of
 6 income or property;
 7 (b) any change in tax revenue of the state or any unit
 8 of local government attributable to a change in federal tax
 9 law; and
 10 (c) any change in the revenue of any unit of local
 11 government attributable to a change in state tax law.
 12 (3) The data described in subsection (2), if reported,
 13 must be related to the income and age of the taxpayer
 14 whenever such the information is available.
 15 (4) (a) When reporting the data described in subsection
 16 (2)(a), the department shall identify any known purpose of
 17 the preferential treatment.
 18 (b) Based upon the purpose of the preferential
 19 treatment, the department shall outline the available data
 20 necessary to determine the effectiveness of the preferential
 21 treatment.
 22 (5) In reporting the data described in subsection (2),
 23 the department shall report any comparable data, if
 24 available, from Wyoming, Idaho, North Dakota, and South
 25 Dakota and from any other state the department may choose.

1 (6) The department must identify in a separate section
 2 of the report any changes that have been made or that are
 3 contemplated in property appraisal or assessment.
 4 (7) The department may include a report showing the
 5 selling price of gasoline at the wholesale level in prime
 6 market centers of Montana and in surrounding states during
 7 the biennium, with indexes tabulated at sufficient intervals
 8 to show the comparative state price structures.
 9 (8) The department shall include the inheritance tax
 10 information required by 72-16-202 in a separate section of
 11 the report."
 12 **Section 15.** Section 17-4-107, MCA, is amended to read:
 13 "17-4-107. Write-off procedures. (1) The state auditor
 14 may establish procedures for canceling and writing off
 15 accounts receivable carried on the books of the various
 16 state agencies which that have been transferred to him the
 17 state auditor's office pursuant to 17-4-104 and which that
 18 are uncollectible or the continued pursuance of the
 19 collection thereof of accounts would cost the state more
 20 than the amount collected. Such The procedures ~~shall~~ must be
 21 established in accordance with subsection (2).
 22 (2) The department of administration may establish
 23 procedures for canceling and writing off accounts receivable
 24 carried on the books of various state agencies which are
 25 uncollectible or the continued pursuance of the collection

would cost the state more than the amount collected. Such
 The procedures ~~shall~~ must include the reporting, ~~as provided~~
 in ~~5-11-210~~, to the budget director of any canceling and
 writing off of accounts receivable."

Section 16. Section 17-5-1650, MCA, is amended to read:

"17-5-1650. Annual report. By December 31 of each year,
 the board shall publish a financial report for distribution
 to the governor, the legislature ~~as provided in 5-11-210~~,
 and the public. Distribution to the legislature is
accomplished by providing two copies to the office of the
legislative fiscal analyst, two copies to the legislative
council, and a copy to a legislator on request. The report
 must include a statement of the board's current financial
 position with respect to its activities under this part, a
 summary of its activities pursuant to this part during the
 previous year (including a listing of the local governmental
 securities purchased by the board, a listing of the bonds
 and notes sold by the board, and a summary of the
 performance of any other investments of the board's funds
 received under this part), an estimate of the levels of such
 activities for the next year, and a comparison of such the
 activities during the previous year with the estimates of
 those activities that were made in the previous annual
 report."

Section 17. Section 17-7-123, MCA, is amended to read:

"17-7-123. Form of executive budget. The budget
 submitted ~~shall~~ must set forth a balanced financial plan for
 the state government for each fiscal year of the ensuing
 biennium, which plan ~~shall~~ must consist of:

(1) a consolidated budget summary setting forth the
 aggregate figures of the budget in such a manner as to that
shows show a balance between the total proposed
 disbursements and the total anticipated receipts, together
 with the other means of financing the budget for each fiscal
 year of the ensuing biennium, contrasted with the
 corresponding figures for the last completed fiscal year and
 the fiscal year in progress. The consolidated budget summary
~~shall~~ must be supported by explanatory schedules or
 statements, classifying receipts and disbursements contained
 therein by fund and, where when applicable, organizational
 unit;

(2) an analysis of the actual and projected receipts,
 disbursements, and solvency of each accounting entity within
 each fund for the current and subsequent biennium;

(3) a detailed analysis of receipts by accounting
 entity within fund indicating classification and source of
 funds;

(4) a departmental analysis summarizing past and
 proposed spending plans by agency and the means of financing
 the proposed plan. Information presented ~~shall~~ must include

1 the following:

2 (a) a statement summary of departmental goals and
3 objectives and a statement of goals and objectives for each
4 program of the department;

5 (b) actual disbursements for the completed fiscal year
6 of the current biennium, estimated disbursements for the
7 current fiscal year, and the current funding level and the
8 modified funding level, if any, for each department and each
9 program of the department. The funding levels must show the
10 number of employees who were given a pay grade change under
11 the pay schedule adopted pursuant to 2-18-303 and the net
12 cost to the agency for such grade changes for the biennium.
13 The changes must be listed in tabular form by:

14 (i) position description;
15 (ii) grade assigned prior to the completed fiscal year;
16 (iii) grade assigned during the completed fiscal year;
17 (iv) grade assigned during the current fiscal year;
18 (v) recommended grade for the ensuing biennium;
19 (vi) dollar difference for the upgrade or downgrade for
20 each position; and

21 (vii) net cost to the agency for grade changes;
22 (c) actual disbursements for the completed fiscal year
23 of the current biennium, estimated disbursements for the
24 current fiscal year, and governor's recommendations for the
25 ensuing biennium by program;

1 (d) actual disbursements for the completed fiscal year
2 of the current biennium, estimated disbursements for the
3 current fiscal year, and governor's recommendations for the
4 ensuing biennium by disbursement category; and

5 (e)(c) a statement containing further recommendations
6 of the governor for the ensuing biennium by program and
7 disbursement category and other matters considered should he
8 deem it necessary; and

9 (5) detailed recommendations for the state long-range
10 building program. Each recommendation shall must be
11 presented by department, institution, agency, or branch by
12 funding source, with a description of each proposed project.
13 An appropriation measure shall must be presented by project,
14 source of funding, and department, agency, institution, or
15 branch for which the project is primarily intended.

16 (6) appropriation measures detailed by program, fund,
17 and accounting entity, authorizing disbursements and related
18 restrictions thereto by department, institution, or agency
19 of the state."

20 NEW SECTION. Section 18. Additional budget data. In
21 addition to the budget required in 17-7-123, the governor
22 shall prepare and make available on request:

23 (1) a departmental analysis summarizing past and
24 proposed spending plans by agency and the means of financing
25 the proposed plan. Information available must include the

1 following:

2 (a) a statement of departmental goals and objectives
3 and a statement of goals and objectives for each program of
4 the department; and

5 (b) schedules showing the number of employees who were
6 given a pay grade change under the pay schedule implemented
7 pursuant to 2-18-303 and the net cost to the agency for the
8 grade changes for the biennium. The changes must be listed
9 in tabular form by:

10 (i) position description;
11 (ii) grade assigned prior to the completed fiscal year;
12 (iii) grade assigned during the completed fiscal year;
13 (iv) grade assigned during the current fiscal year;
14 (v) recommended grade for the ensuing biennium;
15 (vi) dollar difference for the upgrade or downgrade for
16 each position; and

17 (vii) net cost to the agency for grade changes.

18 (2) appropriation measures detailed by program, fund,
19 and accounting entity, authorizing disbursements and related
20 restrictions by department, institution, or agency of the
21 state; and

22 (3) information submitted by agencies as required by
23 17-7-111.

24 **Section 19.** Section 18-7-303, MCA, is amended to read:

25 "18-7-303. Duties of committee. The committee shall:

1 (1) adopt standards for the efficient and economical
2 publication of public documents;

3 (2) review proposals for publishing of all public
4 documents prior to publication to determine:

5 (a) that the publication is necessary; and

6 (b) that the publication meets the standards of
7 efficient and economical publication; and

8 (3) at its discretion, prepare a report for submission
9 to the legislature--~~as provided in 5-11-210~~, detailing the
10 savings to state government resulting from this part."

11 **Section 20.** Section 19-4-201, MCA, is amended to read:

12 "19-4-201. Administration by retirement board. The
13 retirement board shall administer and operate the retirement
14 system within the limitations prescribed by this chapter,
15 and to this end, it is the duty of the retirement board to:

16 (1) establish rules necessary for the proper
17 administration and operation of the retirement system;

18 (2) approve or disapprove all expenditures necessary
19 for the proper operation of the retirement system;

20 (3) keep a record of all its proceedings, which must be
21 open to public inspection;

22 (4) ~~publish a biennial report by January 1 of each year~~
23 ~~the legislature meets--which--reports--in--detail~~ submit a
24 report to the office of budget and program planning as a
25 part of the information required by 17-7-111, detailing the

1 fiscal transactions for the 2 fiscal years immediately
 2 preceding the report due date, the amount of the accumulated
 3 cash and securities of the retirement system, and the last
 4 fiscal year balance sheet showing the assets and liabilities
 5 of the retirement system ~~and submit the biennial report to~~
 6 ~~the governor and, as provided in 5-11-210, to the~~
 7 ~~legislature;~~

8 (5) keep in convenient form that data which is
 9 necessary for actuarial valuation of the various funds of
 10 the retirement system and for checking the experience of the
 11 retirement system;

12 (6) prepare an annual valuation of the assets and
 13 liabilities of the retirement system;

14 (7) prescribe a form for membership application which
 15 will provide adequate and necessary information for the
 16 proper operation of the retirement system;

17 (8) annually determine the rate of regular interest as
 18 prescribed in 19-4-501;

19 (9) establish and maintain the funds of the retirement
 20 system in accordance with the provisions of part 6 of this
 21 chapter; and

22 (10) perform such other duties and functions as are
 23 required to properly administer and operate the retirement
 24 system."

25 **Section 21.** Section 20-9-346, MCA, is amended to read:

1 "20-9-346. Duties of the superintendent of public
 2 instruction for state equalization aid distribution. The
 3 superintendent of public instruction shall administer the
 4 distribution of the state equalization aid by:

5 (1) establishing the annual entitlement of each
 6 district and county to state equalization aid, based on the
 7 data reported in the retirement and general fund budgets for
 8 each district that have been duly adopted for the current
 9 school fiscal year and verified by the superintendent of
 10 public instruction and by applying the verified data under
 11 the provisions of the state equalization aid allocation
 12 procedure prescribed in 20-9-347;

13 (2) distributing by state warrant or electronic
 14 transfer the state equalization aid and state advances for
 15 county equalization, for each district or county entitled to
 16 the aid, to the county treasurer of the respective county or
 17 county where the district is located, in accordance with the
 18 distribution ordered by the board of public education;

19 (3) keeping a record of the full and complete data
 20 concerning money available for state equalization aid, state
 21 advances for county equalization, and the entitlements for
 22 state equalization aid of the districts of the state;

23 (4) reporting to the board of public education the
 24 estimated amount that will be available for state
 25 equalization aid; and

(5) reporting to the legislature--as---provided---in
5-11-210 office of budget and program planning as provided
in 17-7-111:

(a) the figures and data available concerning
distributions of state equalization aid during the preceding
2 school fiscal years;

(b) the amount of state equalization aid then
available;

(c) the apportionment made of the available money but
not yet distributed;

(d) the latest estimate of accruals of money available
for state equalization aid; and

(e) the amount of state advances and repayment for
county equalization."

Section 22. Section 20-25-236, MCA, is amended to read:

"20-25-236. Report to legislature. The Montana
agricultural experiment station and the cooperative
extension service ~~shall~~ may, as provided in 5-11-210, report
to the legislature regarding the expenditures, activities,
and outcomes of the program provided for in 20-25-233
through 20-25-236."

Section 23. Section 20-25-301, MCA, is amended to read:

"20-25-301. Regents' powers and duties. The board of
regents of higher education shall serve as regents of the
Montana university system, shall use and adopt this style in

all its dealings therewith with the university system, and
shall:

(1) have general control and supervision of the units
of the Montana university system, which ~~shall--be~~ is
considered for all purposes one university;

(2) adopt rules, not inconsistent with the constitution
and the laws of the state, for its own government which are
proper and necessary for the execution of the powers and
duties conferred upon it by law;

(3) provide, subject to the laws of the state, rules
for the government of the system;

(4) grant diplomas and degrees to the graduates of the
system upon the recommendation of the faculties and have
discretion to confer honorary degrees upon persons other
than graduates upon the recommendation of the faculty of
such the institutions;

(5) keep a record of its proceedings;

(6) have, when not otherwise provided by law, control
of all books, records, buildings, grounds, and other
property of the system;

(7) receive from the board of land commissioners, other
boards, persons, or from the government of the United States
all funds, incomes, and other property the system may be
entitled to and use and appropriate the property for the
specific purpose of the grant or donation;

1 (8) have general control of all receipts and
2 disbursements of the system;

3 (9) appoint a president and faculty for each of the
4 institutions of the system, appoint any other necessary
5 officers, agents, and employees, and fix their compensation;

6 (10) confer upon the executive board of each of the
7 units of the system such authority as that may be deemed
8 considered expedient relating to immediate control and
9 management, other than authority relating to financial
10 matters or the selection of the teachers, employees, and
11 faculty;

12 (11) confer, at the regents' discretion, upon the
13 president and faculty of each of the units of the system for
14 the best interest of the unit such authority relating to the
15 immediate control and management, other than financial, and
16 the selection of teachers and employees;

17 (12) prevent unnecessary duplication of courses at the
18 units of the system;

19 (13) appoint a certified professional geologist or
20 registered mining engineer as the director of the Montana
21 state bureau of mines and geology, who ~~shall be designated~~
22 is the state geologist, and appoint any other necessary
23 assistants and employees and fix their compensation. ~~The~~
24 ~~regents shall prepare and, as provided in 5-11-2107, submit a~~
25 ~~report to each regular session of the legislature showing~~

1 ~~the progress and condition of the bureau including any~~
2 ~~other necessary or required information;~~

3 (14) supervise and control the agricultural experiment
4 station, along with any executive or subordinate board or
5 authority which may be appointed by the governor with the
6 advice and consent of the regents;

7 (15) adopt a seal bearing on its face the words "Montana
8 university system", which must be affixed to all diplomas
9 and all other papers, instruments, or documents which may
10 require it;

11 (16) assure an adequate level of security for data and
12 information technology resources, as defined in 2-15-102,
13 within the state university system. In carrying out this
14 responsibility, the board of regents shall, at a minimum,
15 address the responsibilities prescribed in 2-15-114."

16 **Section 24.** Section 33-22-1513, MCA, is amended to
17 read:

18 "33-22-1513. Operation of association plan. (1) Upon
19 acceptance by the lead carrier under 33-22-1516, an eligible
20 person may enroll in the association plan by payment of the
21 association plan premium to the lead carrier.

22 (2) Not less than 88% of the association plan premiums
23 paid to the lead carrier may be used to pay claims and not
24 more than 12% may be used for payment of the lead carrier's
25 direct and indirect expenses as specified in 33-22-1514.

(3) Any income in excess of the costs incurred by the association in providing reinsurance or administrative services must be held at interest and used by the association to offset past and future losses due to claims expenses of the association plan or be allocated to reduce association plan premiums.

(4) (a) Each participating member of the association shall share the losses due to claims expenses of the association plan for plans issued or approved for issuance by the association and shall share in the operating and administrative expenses incurred or estimated to be incurred by the association incident to the conduct of its affairs. Claims expenses of the association plan that exceed the premium payments allocated to the payment of benefits are the liability of the association members. Association members shall share in the claims expenses of the association plan and operating and administrative expenses of the association in an amount equal to the ratio of the association member's total disability insurance premium received from or on behalf of Montana residents divided by the total disability insurance premium received by all association members from or on behalf of Montana residents as determined by the commissioner.

(b) For purposes of this subsection (4), "total disability insurance premium" does not include premiums

received from disability income insurance, credit disability insurance, disability waiver insurance, or life insurance.

(5) The association shall make an annual determination of each association member's liability, if any, and may make an annual fiscal yearend assessment if necessary. The association may also, subject to the approval of the commissioner, provide for interim assessments against the association members as may be necessary to assure the financial capability of the association in meeting the incurred or estimated claims expenses of the association plan and operating and administrative expenses of the association until the association's next annual fiscal yearend assessment. Payment of an assessment is due within 30 days of receipt by an association member of a written notice of a fiscal yearend or interim assessment. Failure by a contributing member to tender to the association the assessment within 30 days is grounds for termination of membership. An association member that ceases to do disability insurance business within the state remains liable for assessments through the calendar year during which disability insurance business ceased. The association may decline to levy an assessment against an association member if the assessment, as determined pursuant to this section, would not exceed \$10.

(6) Any annual fiscal yearend or interim assessment

1 levied against an association member may be offset, in an
 2 amount equal to the assessment paid to the association,
 3 against the premium tax payable by that association member
 4 pursuant to 33-2-705 for the year in which the annual fiscal
 5 yearend or interim assessment is levied. The insurance
 6 commissioner shall, ~~as provided in 5-11-2107, report to the~~
 7 legislature report to the office of budget and program
 8 planning, as a part of the information required by 17-7-111,
 9 the total amount of premium tax offset claimed by
 10 association members during the preceding biennium."

11 **Section 25.** Section 44-2-304, MCA, is amended to read:

12 "44-2-304. Report by attorney general. The attorney
 13 general shall prepare submit, as a part of the information
 14 required by 17-7-111, a report in detail covering the
 15 operations of the communications network, the accounting of
 16 all moneys money received and expended, and the need to
 17 expand or improve the system. ~~As provided in 5-11-2107, he~~
 18 ~~shall submit the report to the legislature."~~

19 **Section 26.** Section 53-2-1107, MCA, is amended to read:

20 "53-2-1107. Job training plan -- requirements. (1) Each
 21 private industry council shall prepare for the service
 22 delivery area a job training plan that has been prepared in
 23 accordance with this part and sections 103 through 105 of
 24 the Job Training Partnership Act (29 U.S.C. 1513 through
 25 1515).

1 (2) Each job training plan must include:

2 (a) the council's priorities for services and groups to
 3 be served within the service delivery area;

4 (b) procedures to be used in identifying and selecting
 5 program participants and in determining and verifying their
 6 eligibility;

7 (c) the type of services and training to be provided,
 8 including the estimated cost per participant;

9 (d) criteria for evaluating the content and quality of
 10 services and training;

11 (e) performance standards as required under 53-2-1108;

12 (f) procedures for selecting service providers as
 13 required under section 107 of the Job Training Partnership
 14 Act (29 U.S.C. 1517);

15 (g) a plan for the coordination of services and
 16 training with other programs as required in 53-2-1109;

17 (h) a procedure for preparing and submitting to the
 18 governor and, ~~as provided in 5-11-2107, if practical, the~~
 19 ~~legislature~~ an annual report that describes the activities
 20 conducted in the service delivery area during the program
 21 year and the extent to which activities exceeded or failed
 22 to meet the performance standards adopted in the job
 23 training plan; and

24 (i) all other information required under section 104 of
 25 the Job Training Partnership Act (29 U.S.C. 1514)."

Section 27. Section 53-6-110, MCA, is amended to read:

"53-6-110. Report and recommendations to legislature on medicaid funding. (1) ~~At the commencement of each legislative session~~ As a part of the information required in 17-7-111, the department of social and rehabilitation services shall submit a report, ~~as provided in 5-11-210,~~ to the legislature concerning medicaid funding for the next biennium. This report must include at least the following elements:

(a) analysis of past and present funding levels for the various categories and types of health services eligible for medicaid reimbursement;

(b) projected increased medicaid funding needs for the next biennium. These projections ~~shall~~ must identify the effects of projected population growth and demographic patterns on at least the following elements:

(i) trends in unit costs for services, including inflation;

(ii) trends in use of services;

(iii) trends in medicaid recipient levels; and

(iv) the effects of new and projected facilities and services for which a need has been identified in the state health plan prepared pursuant to 42 U.S.C. 300m-2(a)(2).

(2) As an integral part of the report, the department of social and rehabilitation services shall present a

recommendation of funding levels for the medicaid program. The recommendation need not be consistent with the state health plan.

(3) In arriving at the projections and recommendation required in subsections (1) and (2), the department of social and rehabilitation services shall consult with the department of health and environmental sciences.

(4) In making its appropriations for medicaid funding, the legislature shall specify the portions of medicaid funding anticipated to be allocated to specific categories and types of health care services."

Section 28. Section 53-20-104, MCA, is amended to read:

"53-20-104. Powers and duties of mental disabilities board of visitors. (1) The board is an independent board of inquiry and review to ensure that the treatment of all persons admitted to a residential facility is humane and decent and meets the requirements set forth in this part.

(2) The board shall review all plans for experimental research or hazardous treatment procedures involving persons admitted to a residential facility to ensure that the research project is humane and not unduly hazardous and that it complies with the principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States

1 department of health and human services. An experimental
2 research project involving persons admitted to a residential
3 facility affected by this part may not be commenced unless
4 it is approved by the mental disabilities board of visitors.

5 (3) The board shall investigate all cases of alleged
6 mistreatment of a resident.

7 (4) The board shall at least annually inspect every
8 residential facility that is providing a course of
9 residential habilitation and treatment to any person
10 pursuant to this part. The board shall inspect the physical
11 plant, including residential, recreational, dining, and
12 sanitary facilities. It shall visit all wards and treatment
13 or habilitation areas. The board shall inquire concerning
14 all habilitation programs being implemented by the facility.

15 (5) The board shall inspect the file of each person
16 admitted to a residential facility pursuant to this part to
17 ensure that a habilitation plan exists and is being
18 implemented. The board shall inquire concerning all use of
19 restraints, isolation, or other extraordinary measures.

20 (6) The board may assist a resident at a residential
21 facility in resolving any grievance he the resident may have
22 concerning his the resident's admission or his course of
23 treatment and habilitation in the facility.

24 (7) If the board believes that a facility is failing to
25 comply with the provisions of this part in regard to its

1 physical facilities or its treatment of any resident, it
2 shall report its findings at once to the superintendent of
3 the facility and the director of the department of
4 corrections and human services. If appropriate, after
5 waiting a reasonable time for a response from the
6 superintendent or the director, the board may notify the
7 parents or guardian of the resident involved, the next of
8 kin, if known, the responsible person appointed by the court
9 for the resident involved, and the district court that has
10 jurisdiction over the facility.

11 (8) The board shall report annually to the governor and
12 ~~shall,--as--provided--in--5--11--2187--report--to--the--legislature~~
13 concerning the status of the residential facilities and
14 habilitation programs that it has inspected."

15 **Section 29.** Section 53-21-104, MCA, is amended to read:

16 "53-21-104. Powers and duties of mental disabilities
17 board of visitors. (1) The board ~~shall-be~~ is an independent
18 board of inquiry and review to assure that the treatment of
19 all persons either voluntarily or involuntarily admitted to
20 a mental facility is humane and decent and meets the
21 requirements set forth in this part.

22 (2) The board shall review all plans for experimental
23 research involving persons admitted to a mental health
24 facility to assure that the research project is humane and
25 not unduly hazardous and that it complies with the

principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States department of health, education, and welfare. No An experimental research project involving persons admitted to a mental health facility affected by this part may not be commenced unless it is approved by the mental disabilities board of visitors.

(3) The board shall at least annually inspect every mental health facility which is providing treatment and evaluation to any person pursuant to this part. The board shall inspect the physical plant, including residential, recreational, dining, and sanitary facilities. It shall visit all wards and treatment areas. The board shall inquire concerning all treatment programs being implemented by the facility.

(4) The board shall annually insure that a treatment plan exists and is being implemented for each patient admitted or committed to a mental health facility under this part. The board shall inquire concerning all use of restraints, isolation, or other extraordinary measures.

(5) The board may assist any patient at a mental health facility in resolving any grievance he the patient may have concerning his the patient's commitment or his course of treatment in the facility.

(6) The board shall employ and be responsible for full-time legal counsel at the state hospital, whose responsibility ~~shall be~~ is to act on behalf of all patients at the institution. The board shall insure that there is sufficient legal staff and facilities to insure availability to all patients and shall require that the appointed counsel periodically interview every patient and examine his the patient's files and records. The board may employ additional legal counsel for representation of patients in a similar manner at any other mental health facility having inpatient capability.

(7) If the board believes that any facility is failing to comply with the provisions of this part in regard to its physical facilities or its treatment of any patient, it shall report its findings at once to the professional person in charge of the facility and the director of the department, and if appropriate, after waiting a reasonable time for a response from such the professional person, the board may notify the next of kin or guardian of any patient involved, the friend of respondent appointed by the court for any patient involved, and the district court which has jurisdiction over the facility.

(8) The board shall report annually to the governor and ~~shall, as provided in 5-11-2107, report to the legislature~~ concerning the status of the mental health facilities and

1 treatment programs which it has inspected."

2 **Section 30.** Section 53-24-204, MCA, is amended to read:

3 "53-24-204. Powers and duties of department. (1) To
4 carry out this chapter, the department may:

5 (a) accept gifts, grants, and donations of money and
6 property from public and private sources;

7 (b) enter into contracts;

8 (c) acquire and dispose of property.

9 (2) The department shall:

10 (a) approve treatment facilities as provided for in
11 53-24-208;

12 (b) prepare a comprehensive long-term state chemical
13 dependency plan every 4 years and update this plan each
14 biennium; ~~These updates or any part thereof may be included~~
15 ~~in the department's report to the legislature required in~~
16 ~~53-24-210;~~

17 (c) provide for and conduct statewide service system
18 evaluations;

19 (d) distribute state and federal funds to the counties
20 for approved treatment programs in accordance with the
21 provisions of 53-24-206;

22 (e) plan in conjunction with approved programs and
23 provide for training of program personnel delivering
24 services to chemically dependent persons;

25 (f) establish criteria to be used for the development

1 of new programs;

2 (g) certify and establish standards for the
3 certification of:

4 (i) chemical dependency counselors; and

5 (ii) instructors providing chemical dependency
6 educational courses;

7 (h) encourage planning for the greatest utilization of
8 funds by discouraging duplication of services, encouraging
9 efficiency of services through existing programs, and
10 encouraging rural counties to form multicounty districts or
11 contract with urban programs for services;

12 (i) cooperate with the board of pardons in establishing
13 and conducting programs to provide treatment for chemically
14 dependent and intoxicated persons in or on parole from penal
15 institutions;

16 (j) establish standards for chemical dependency
17 educational courses provided by state-approved treatment
18 programs and approve or disapprove the courses; and

19 (k) assist all interested public agencies and private
20 organizations in developing education and prevention
21 programs for chemical dependency."

22 **Section 31.** Section 53-30-133, MCA, is amended to read:

23 "53-30-133. Administration of prison industries
24 training program. (1) (a) The prison industries training
25 program need not be a self-supporting program. The

1 department of corrections and human services may enter into
2 contracts and establish prices for products or services
3 produced by this program. Within budgetary restrictions, the
4 department shall establish prices that tend to maximize the
5 amount of work available for inmates. All revenue raised
6 through the program may be used only for the program.

7 (b) State agencies, local governments, school
8 districts, authorities, and other local government entities
9 are encouraged to explore the possibilities of using the
10 prison industries training program. State agencies shall
11 cooperate with the department of corrections and human
12 services in notifying governmental entities within the state
13 of the program and of the services and products that are
14 available.

15 (2) (a) The department of corrections and human
16 services shall adopt rules implementing this program and
17 ~~shall, as provided in 5-11-210, report to the legislature~~
18 ~~its continuing plans and recommendations in implementing~~
19 ~~this program.~~ Any price lists established by the department
20 are exempt from the provisions of Title 2, chapter 4 (the
21 Montana Administrative Procedure Act), but the department
22 may, if it considers it an effective method of
23 dissemination, publish such the price lists in the Montana
24 Administrative Register or the Administrative Rules of
25 Montana, or both.

1 (b) The department of corrections and human services is
2 subject to program audits of the prison industries training
3 program by the legislative auditor."

4 **Section 32.** Section 72-16-202, MCA, is amended to read:

5 "72-16-202. Report to governor and legislature. The
6 department of revenue shall biennially report ~~to the~~
7 ~~governor and, as provided in 5-11-210, to the legislature~~
8 the general result of its labors and investigations in
9 inheritance tax matters during the previous biennial period,
10 together with specific reports of the several counties where
11 the administration of the inheritance tax laws has been lax
12 and unsatisfactory, with such recommendations for action by
13 the legislature as the department considers advisable and
14 proper. The report required in this section must be
15 consolidated with and made a part of the biennial report
16 submitted by the department of revenue under 15-1-205."

17 **Section 33.** Section 75-1-203, MCA, is amended to read:

18 "75-1-203. Fee schedule -- ~~maximums~~. (1) In prescribing
19 fees to be assessed against applicants for a lease, permit,
20 contract, license, or certificate as specified in 75-1-202,
21 an agency may adopt a fee schedule which may be adjusted
22 depending upon the size and complexity of the proposed
23 project. No A fee may not be assessed unless the application
24 for a lease, permit, contract, license, or certificate will
25 result in the agency incurring expenses in excess of \$2,500

1 to compile an environmental impact statement.

2 (2) The maximum fee that may be imposed by an agency
3 ~~shall~~ may not exceed 2% of any estimated cost up to \$1
4 million, plus 1% of any estimated cost over \$1 million and
5 up to \$20 million, plus 1/2 of 1% of any estimated cost over
6 \$20 million and up to \$100 million, plus 1/4 of 1% of any
7 estimated cost over \$100 million and up to \$300 million,
8 plus 1/8 of 1% of any estimated cost in excess of \$300
9 million.

10 (3) If an application consists of two or more
11 facilities, the filing fee ~~shall~~ must be based on the total
12 estimated cost of the combined facilities. The estimated
13 cost ~~shall~~ must be determined by the agency and the
14 applicant at the time the application is filed.

15 (4) Each agency shall review and revise its rules
16 imposing fees as authorized by this part at least every 2
17 years. ~~Furthermore each agency shall, pursuant to 5-11-210,~~
18 ~~provide the legislature with a complete report on the fees~~
19 ~~collected prior to the time that a request for an~~
20 ~~appropriation is made to the legislature."~~

21 **Section 34.** Section 75-1-1101, MCA, is amended to read:

22 "75-1-1101. Environmental contingency account
23 objectives. (1) There is created an environmental
24 contingency account within the state special revenue fund
25 established in 17-2-102. The environmental contingency

1 account is controlled by the governor.

2 (2) At the beginning of each biennium, \$175,000 must be
3 allocated to the environmental contingency account from the
4 interest income of the resource indemnity trust fund with
5 the following exceptions:

6 (a) if at the beginning of any biennium the unobligated
7 cash balance in the environmental contingency account equals
8 or exceeds \$750,000, no allocation will be made; and

9 (b) if at the beginning of any biennium the unobligated
10 cash balance in the environmental contingency account is
11 less than \$750,000, then an amount less than or equal to the
12 difference between the unobligated cash balance and
13 \$750,000, but not to exceed \$175,000, must be allocated to
14 the environmental contingency account from the interest
15 income of the resource indemnity trust fund.

16 (3) Funds are statutorily appropriated, as provided in
17 17-7-502, from the environmental contingency account upon
18 the authorization of the governor to meet unanticipated
19 public needs consistent with the following objectives:

20 (a) to support water development projects in
21 communities that face an emergency or imminent need for such
22 the services or to prevent the physical failure of a water
23 project;

24 (b) to preserve vegetation, water, soil, fish,
25 wildlife, or other renewable resources from an imminent

1 physical threat or during an emergency, not including:
 2 (i) natural disasters adequately covered by other
 3 funding sources; or
 4 (ii) fire;
 5 (c) to respond to an emergency or imminent threat to
 6 persons, property, or the environment caused by mineral
 7 development; and
 8 (d) to fund the environmental quality protection fund
 9 provided for in 75-10-704 or to take other necessary
 10 actions, including the construction of facilities, to
 11 respond to actual or potential threats to persons, property,
 12 or the environment caused by hazardous wastes or other
 13 hazardous materials.
 14 (4) Interest from funds in the environmental
 15 contingency account accrues to the resource indemnity trust
 16 interest account.
 17 (5) The governor shall, ~~as provided in 5-11-210,~~ submit
 18 ~~to the legislature~~ submit, as a part of the information
 19 required by 17-7-111, a complete financial report on the
 20 environmental contingency account, including a description
 21 of all expenditures made since the preceding report."

22 **Section 35.** Section 75-10-704, MCA, is amended to read:
 23 "75-10-704. Environmental quality protection fund. (1)
 24 There is created in the state special revenue fund an
 25 environmental quality protection fund to be administered as

1 a revolving fund by the department. The department is
 2 authorized to expend amounts from the fund necessary to
 3 carry out the purposes of this part.

4 (2) The fund may be used by the department only to
 5 carry out the provisions of this part and for remedial
 6 actions taken by the department pursuant to this part in
 7 response to a release of hazardous or deleterious
 8 substances.

9 (3) The department shall:

10 (a) establish and implement a system for prioritizing
 11 sites for remedial action based on potential effects on
 12 human health and the environment; and

13 (b) investigate, negotiate, and take legal action, as
 14 appropriate, to identify liable persons, to obtain the
 15 participation and financial contribution of liable persons
 16 for the remedial action, to achieve remedial action, and to
 17 recover costs and damages incurred by the state.

18 (4) There must be deposited in the fund:

19 (a) all penalties, forfeited financial assurance,
 20 natural resource damages, and remedial action costs
 21 recovered pursuant to 75-10-715;

22 (b) all administrative penalties assessed pursuant to
 23 75-10-714 and all civil penalties assessed pursuant to
 24 75-10-711(5);

25 (c) funds appropriated to the fund by the legislature;

1 and

2 (d) funds received from the interest income of the
3 resource indemnity trust fund pursuant to 15-38-202.

4 (5) Whenever a legislative appropriation is
5 insufficient to carry out the provisions of this part and
6 additional money remains in the fund, the department shall
7 seek additional authority to spend money from the fund
8 through the budget amendment process provided for in Title
9 17, chapter 7, part 4.

10 (6) Whenever the amount of money in the fund is
11 insufficient to carry out remedial action, the department
12 may apply to the governor for a grant from the environmental
13 contingency account established pursuant to 75-1-1101.

14 ~~{7}--The department--shall--as--provided--in--5-11-210,~~
15 ~~submit-to-the-legislature-a-complete-financial-report-on-the~~
16 ~~fund--including-a-description-of-all-expenditures-made-since~~
17 ~~the-preceding-report."~~

18 **Section 36.** Section 76-11-203, MCA, is amended to read:

19 "76-11-203. Direction to state agencies. (1) The
20 department of natural resources and conservation shall
21 develop a plan for completing the soil survey and mapping
22 program in cooperation with and according to the standards
23 set forth by the national cooperative soil survey program
24 and the Montana state agricultural experiment station.

25 (2) The soil survey plan shall must identify all

1 projected local participation, all funds available from
2 state and federal agencies, including planning grants, and
3 any and all additional equipment, personnel, facilities,
4 supplies, maps and such other material necessary to complete
5 the soil survey and mapping program.

6 (3) The soil survey plan shall must determine
7 geographic areas without modern soil survey information and
8 shall must establish in cooperation with the national
9 cooperative soil survey program priorities for completing
10 soil surveys based upon the needs of the geographic areas.

11 (4) The department of natural resources and
12 conservation shall oversee the plan for completing the soil
13 survey and mapping program and shall report annually on its
14 progress to the governor not later than January 1 of each
15 year and, as provided in 5-11-210, to the legislature."

16 **Section 37.** Section 76-12-109, MCA, is amended to read:

17 "76-12-109. Report to legislature. The board shall may,
18 as provided in 5-11-210, submit to each legislature a report
19 on its designation and acquisition activities."

20 **Section 38.** Section 82-11-161, MCA, is amended to read:

21 "82-11-161. Oil and gas production damage mitigation
22 account -- statutory appropriation. (1) There is an oil and
23 gas production damage mitigation account within the state
24 special revenue fund established in 17-2-102. The oil and
25 gas production damage mitigation account is controlled by

1 the board.

2 (2) ~~On July 17, 1991, and at~~ At the beginning of each
3 succeeding biennium, there must be allocated to the oil and
4 gas production damage mitigation account \$50,000 from the
5 interest income of the resource indemnity trust fund, except
6 if at the beginning of a biennium the unobligated cash
7 balance in the oil and gas production damage mitigation
8 account:

9 (a) equals or exceeds \$200,000, no allocation will be
10 made; or

11 (b) is less than \$200,000, then an amount less than or
12 equal to the difference between the unobligated cash balance
13 and \$200,000, but not more than \$50,000, must be allocated
14 to the oil and gas production damage mitigation account from
15 the interest income of the resource indemnity trust fund.

16 (3) In addition to the allocation provided in
17 subsection (2), there must be deposited in the oil and gas
18 production damage mitigation account:

19 (a) all funds received by the board pursuant to
20 82-11-136; and

21 (b) all fees received by the board from owners of
22 producing wells pursuant to 82-11-162.

23 (4) If a sufficient balance exists in the account,
24 funds are statutorily appropriated, as provided in 17-7-502,
25 from the oil and gas production damage mitigation account,

1 upon the authorization of the board, to pay the reasonable
2 costs of properly plugging a well and either reclaiming or
3 restoring, or both, a drill site or other drilling or
4 producing area damaged by oil and gas operations if the
5 board determines that the well, sump, hole, drill site, or
6 drilling or producing area has been abandoned and the
7 responsible person cannot be identified or located or if the
8 responsible person fails or refuses to properly plug,
9 reclaim, or restore the well, drill site, or drilling or
10 producing area within a reasonable time after demand by the
11 board. The responsible person shall, however, pay costs to
12 the extent of his that person's available resources and is
13 subsequently liable to fully reimburse the account or is
14 subject to a lien on property as provided in 82-11-164 for
15 costs expended from the account to properly plug, reclaim,
16 or restore the well, drill site, or drilling or producing
17 area and to mitigate any damage for which he the person is
18 responsible.

19 (5) Interest from funds in the oil and gas production
20 damage mitigation account accrues to that account.

21 ~~{6}--The board shall, as provided in 5-11-218, submit to~~
22 ~~the legislature a complete financial report on the oil and~~
23 ~~gas production damage mitigation account, including a~~
24 ~~description of all expenditures made since the preceding~~
25 ~~report."~~

Section 39. Section 87-2-724, MCA, is amended to read:

"87-2-724. Auction of Shiras moose license. (1) The commission may issue one male Shiras moose license each year through a competitive auction. The commission shall promulgate rules for the use of the license and conduct of the auction. A wildlife conservation organization involved in the conservation of moose may be authorized by the commission to conduct the license auction, in which case the authorized organization may retain up to 10% of the proceeds of the sale to cover reasonable auction expenses.

(2) All proceeds remaining from the auction, whether conducted by the commission or as otherwise authorized by the commission, must be used by the department for the substantial benefit of moose. The proceeds from the auction must be used in addition to any other funds the department uses for the management of moose. ~~The department shall, as provided in 5-11-2107, report to each legislature concerning the use or investment of auction proceeds.~~

Section 40. Section 90-3-203, MCA, is amended to read:

"90-3-203. Powers and duties of board. The board shall:

(1) make loans in science and technology development projects pursuant to the provisions of this act in the following areas that have potential to stimulate economic development in Montana:

(a) research capability development;

(b) applied technology research;

(c) technology transfer and assistance; and

(d) startup capital or expansion capital projects for development and commercialization of innovative products and processes;

(2) accept grants or receive devises of money or property to be used in Montana for loans made pursuant to this chapter; and

(3) submit to the governor by January 1 of each odd-numbered year or when otherwise requested by the governor at his request and, as provided in 5-11-2107, to the legislature a report describing the board's programs and accomplishments."

Section 41. Section 90-4-111, MCA, is amended to read:

"90-4-111. Biennial report. The department shall monitor the grants awarded under 90-4-106 and 90-4-109 and shall, as provided in 5-11-2107 requested, report its expenditures and other information concerning the implementation and effectiveness of specific projects or programs for which grants were awarded under this part to the legislature environmental quality council."

NEW SECTION. Section 42. Repealer. Sections 53-24-210, 69-1-404, 80-12-402, 80-12-403, and 87-5-123, MCA, are repealed.

NEW SECTION. Section 43. Codification instruction.

LC 0146/01

1 [Section 18] is intended to be codified as an integral part
2 of Title 17, chapter 7, part 1, and the provisions of Title
3 17, chapter 7, part 1, apply to [section 18].

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0384, as introduced.


DESCRIPTION OF PROPOSED LEGISLATION: The bill removes the requirement that many reports be submitted to the legislature, simplifies reporting procedures for required reports, and reduces the amount of printing of reports.

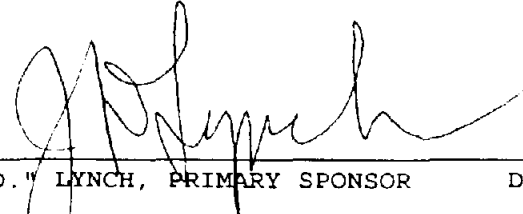
ASSUMPTIONS:

1. Significantly less agency staff time will be spent in preparing reports no longer considered necessary.
2. Reports now required that are necessary as a part of the budget development process will be incorporated into that process, thereby reducing redundant effort.
3. The amount of printing by state government agencies will be reduced, primarily in even numbered years.
4. Certain requirements for the Governor's Executive Budget book will be eliminated or "cleaned up", but this will not reduce the production and printing expenses.

FISCAL IMPACT:

Printing and copying expenses will be reduced for many state agencies no longer required to prepare reports for members of the legislature. The total impact is not subject to accurate estimate.

 2-17-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/20/93
JOHN "J.D." LYNCH, PRIMARY SPONSOR DATE
Fiscal Note for SB0384, as introduced **SB 384**

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

SENATE BILL NO. 384

INTRODUCED BY LYNCH, COBB

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING
STATUTES GOVERNING AND REQUIRING REPORTS TO THE LEGISLATURE;
REPEALING OBSOLETE OR REDUNDANT REPORTING REQUIREMENTS;
SIMPLIFYING AND REDUCING BUDGET PUBLICATION REQUIREMENTS;
AMENDING SECTIONS 1-11-204, 2-4-411, 2-7-104, 2-8-208,
2-15-108, 2-15-2021, 2-18-209, 2-18-301, 2-18-811,
2-18-1103, 3-1-702, 5-7-207, 5-11-210, 5-13-304, 5-17-103,
10-4-102, 13-37-120, 15-1-205, 17-4-107, 17-5-1650,
17-6-305, 17-7-123, 18-7-303, 19-4-201, 20-9-346, 20-25-236,
20-25-301, 33-22-1513, 37-1-106, 44-2-304, 44-12-206,
44-13-103, 53-2-1107, 53-6-110, 53-20-104, 53-21-104,
53-24-204, 53-30-133, 72-16-202, 75-1-203, 75-1-324,
75-1-1101, 75-10-533, 75-10-704, 76-11-203, 76-12-109,
82-11-161, 85-1-621, 87-2-722, 87-2-724, 90-3-203, AND
90-4-111, 90-4-606, AND 90-6-304, MCA; AND REPEALING
SECTIONS 53-24-210, 69-1-404, 80-12-402, 80-12-403, AND
87-5-123, MCA."

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

Section 1. Section 5-11-210, MCA, is amended to read:

"5-11-210. Clearinghouse for reports to legislature.

(1) For the purposes of this section, "report" means:

~~(a) a document required to be prepared for the legislature as required in any of the sections listed in subsection (10); and~~

~~(b) unless otherwise provided by law, any other a report required by law to be given to or filed with the legislature.~~

(2) On or before September 1 of each year preceding the convening of a regular session of the legislature, an entity required to report to the legislature shall provide, in writing, to the executive director of the legislative council:

(a) the final title of the report;

(b) an abstract or description of the contents of the report, not to exceed one page 100 words;

(c) a recommendation on how many copies of the report should be provided to the legislature;

(d) the reasons why the number of copies recommended is, in the opinion of the reporting entity, the appropriate number of copies; and

(e) an estimated cost for each copy of the report; ~~and~~

~~(f) the date on which the entity will deliver the final published copies of the report to the legislature.~~

(3) After considering all of the information available about the report, including the number of legislators

requesting copies of the report pursuant to subsection (7), the legislative council or the executive director shall, in writing, direct the reporting entity to provide a specific number of copies. The number of copies required is at the sole discretion of the legislative council. The legislative council or the executive director may require the reporting entity to mail the copies of the report.

(4) The legislative council may require that the report be submitted in an electronic format useable on the legislature's current computer hardware, in a microform, such as microfilm or microfiche, or in a CD-ROM format, meaning compact disc read-only memory.

(5) Costs of preparing and distributing a report to the legislature, including mailing, postage, distribution, and all other costs, accrue to the reporting agency. Costs incurred in meeting the requirements of this section may not accrue to the legislative council.

(6) The executive director of the legislative council shall cause to be prepared a list of all reports required to be presented to the legislature from the list of titles received under subsection (2).

(7) The executive director shall, as soon as possible following a general election, mail to each holdover senator, senator-elect, and representative-elect a list of the titles of the reports, along with the abstracts prepared pursuant

to subsection (2)(b), available from the legislative council. The list must include a form on which each member or member-elect receiving the list may indicate the report or reports that the member or member-elect would like to receive.

(8) The executive director or the legislative council shall make copies of reports requested pursuant to subsection (7) available to those members or members-elect by either requiring that copies be mailed pursuant to subsection (3) or by delivering copies of the reports during the first week of the legislative session.

(9) The executive director of the legislative council may keep as many copies of a report as he considers are necessary, and copies of the report may be discarded at his discretion discard the rest.

(10) (a) A report to the legislature includes a report required to be made by a board, bureau, commission, committee, council, department, division, fund, authority, or officer of the state or a local government in 1-11-2047, 2-4-4117, 2-7-1047, 2-8-1127, 2-8-2037, 2-8-2077, 2-8-2007, 2-15-20217, 2-10-2097, 2-10-8117, 2-10-11037, 3-1-7027, 3-1-11267, 5-5-2167, 5-13-3047, 5-17-1037, 5-10-2037, 5-19-1007, 10-4-1027, 15-1-2057, 17-4-1077, 17-5-16507, 10-7-3037, 19-4-2017, 20-9-3467, 20-25-2367, 20-25-3017, 22-3-1077, 23-7-2037, 33-22-15137, 37-1-1067, 39-6-1017, 39-51-4077, 44-2-3047, 44-13-1037

1 46-23-316,--53-2-1107,---53-6-1107,---53-20-1047---53-21-1047
 2 53-24-2047---53-24-2107,---53-30-1337---69-1-4047---72-16-2027
 3 75-1-2037---75-1-1101,---75-7-3047---75-10-5337---75-10-7047
 4 76-11-2037,--76-12-1097,---80-7-7137,---80-12-4027---82-11-1617
 5 85-1-6217,---85-2-1057,---87-2-7247,---87-5-1237,--90-3-2037,--or
 6 90-4-1117

7 {b} The procedure outlined in this section may also be
 8 used for a report required to be made to the legislature
 9 under the Multistate Tax Compact contained in 15-1-601, the
 10 Vehicle Equipment Safety Compact contained in 61-2-201, the
 11 Multistate Highway Transportation Agreement contained in
 12 61-10-1101, or the Western Interstate Nuclear Compact
 13 contained in 90-5-201."

14 **Section 2.** Section 1-11-204, MCA, is amended to read:

15 "1-11-204. Duties of code commissioner. (1) Prior to
 16 November 1 immediately preceding each regular legislative
 17 session, the code commissioner shall prepare and,---as
 18 provided---in--5-11-2107, submit to the legislative council a
 19 report, in tabular or other form, indicating the
 20 commissioner's recommendations for legislation that will:

- 21 (a) eliminate archaic or outdated laws;
- 22 (b) eliminate obsolete or redundant wording of laws;
- 23 (c) eliminate duplications in law and any laws repealed
 24 directly or by implication;
- 25 (d) clarify existing laws;

1 (e) correct errors and inconsistencies within the laws.
 2 (2) The commissioner shall cause to be prepared for
 3 publication with the Montana Code Annotated the following
 4 material:

- 5 (a) the statutory history of each code section;
- 6 (b) annotations of state and federal court decisions
 7 relating to the subject matter of the code;
- 8 (c) editorial notes, cross-references, and other matter
 9 the commissioner considers desirable or advantageous;
- 10 (d) the Declaration of Independence;
- 11 (e) the Constitution of the United States of America
 12 and amendments to the constitution;
- 13 (f) acts of congress relating to the authentication of
 14 laws and records;
- 15 (g) the Organic Act of the Territory of Montana;
- 16 (h) The Enabling Act;
- 17 (i) The 1972 Constitution of the State of Montana and
 18 any amendments to the constitution;
- 19 (j) ordinances relating to federal relations and
 20 elections;
- 21 (k) rules of civil, criminal, and appellate procedure
 22 and other rules of procedure the Montana supreme court may
 23 adopt; and
- 24 (l) a complete subject index, a popular name index, and
 25 comparative disposition tables or cross-reference indexes

relating sections of the Montana Code Annotated to prior compilations and session laws.

(3) After publication of the Montana Code Annotated, the code commissioner shall:

(a) annotate, arrange, and prepare for publication all laws of a general and permanent nature enacted at each legislative session and assign catchlines and code section numbers to each new section;

(b) continue to codify, index, arrange, rearrange, and generally update the Montana Code Annotated to maintain an orderly and logical arrangement of the laws in order to avoid future need for bulk revision;

(c) prepare and publish a report entitled "Official Report of the Montana Code Commissioner--(year)" that indicates, in tabular or other form, all changes made during the continuous recodification, other than punctuation, spelling, and capitalization, to clearly indicate the character of each change made since the last report.

(4) From time to time, the commissioner shall confer with members of the judiciary and the state bar relative to recodification procedures."

Section 3. Section 2-4-411, MCA, is amended to read:

"2-4-411. Report. The committee shall prepare and, as provided in 5-11-2107, submit a report to the legislature and may recommend amendments to the Montana Administrative

Procedure Act or the repeal, amendment, or adoption of a rule as provided in 2-4-412 and make other recommendations and reports as it considers advisable."

Section 4. Section 2-7-104, MCA, is amended to read:

"2-7-104. Revenue estimate -- report to governor and legislature. The director of revenue shall prepare revenue estimates of state revenue from all sources and shall continuously study fiscal problems and tax structures of state and local governments and submit the studies to the governor and, as provided--in-5-11-2107, requested, to the legislature, a legislative committee, or a member of the legislature."

Section 5. Section 2-8-208, MCA, is amended to read:

"2-8-208. Boards or licensing functions instituted by initiative. (1) If an initiative to establish a new licensing board or to add a new licensing responsibility to the duties of an existing licensing board is approved by the electorate, the committee shall:

(a) review the initiative to assess the degree to which it meets the criteria in 2-8-204(1);

(b) request that the petitioners provide sufficient information from practitioners or other persons to allow the committee to make an assessment as required by 2-8-204(3); and

(c) evaluate the petitioners' initiative in terms of:

- 1 (i) clarity and conciseness;
- 2 (ii) conformity to existing statutes and principles of
3 administrative law; and
- 4 (iii) specificity of the delegation of authority to
5 promulgate rules and set fees.
- 6 (2) The committee shall prepare and, ~~as provided in~~
7 ~~5-11-2107~~, submit a report to and make it available for the
8 legislature. The report must include:
- 9 (a) the committee's findings with respect to each of
10 the criteria in 2-8-204;
- 11 (b) an estimate of the cost to the state of licensing
12 the occupation or profession and a proposed schedule of fees
13 that will cover the cost of the licensing program as
14 required by 37-1-134;
- 15 (c) the committee's recommendation as to whether the
16 initiative should be amended; and
- 17 (d) if amendments are recommended, a legislative
18 proposal.
- 19 (3) Committee recommendations for amendments to the
20 initiative must be incorporated in a bill introduced during
21 the next session of the legislature."

22 **SECTION 6. SECTION 2-15-108, MCA, IS AMENDED TO READ:**

23 "2-15-108. Gender and racial balance -- report to
24 legislature. (1) As vacancies occur and appointments are
25 made, all appointing authorities of all appointive boards,

1 commissions, committees, and councils of state government
2 shall take positive action to attain gender balance and
3 proportional representation of minorities resident in
4 Montana to the greatest extent possible.

5 (2) Pursuant to subsection (1), the secretary of state
6 shall publish in the Montana Administrative Register on a
7 monthly basis the recent appointments made by the executive
8 branch and the upcoming vacancies on executive boards and
9 commissions.

10 (3) ~~Prior to the 10th legislative day of each regular~~
11 ~~session, the~~ The governor shall report to the legislature,
12 as provided in 5-11-210, on the progress made toward
13 achieving the goals set forth in this section."

14 **Section 7. Section 2-15-2021, MCA, is amended to read:**

15 "2-15-2021. Gaming advisory council -- allocation --
16 composition -- compensation -- biennial report. (1) There is
17 a gaming advisory council.

18 (2) The gaming advisory council is allocated to the
19 department for administrative purposes only as prescribed in
20 2-15-121.

21 (3) The gaming advisory council consists of nine
22 members. One member must be from the senate, and one member
23 must be from the house of representatives. The senate
24 committee on committees and the speaker of the house of
25 representatives shall appoint the legislative members of the

council. The seven remaining members must be appointed by the department, with one representing the public at large, two representing local governments, one being a Native American, and three representing the gaming industry.

(4) Each gaming advisory council member is appointed to a 3-year term of office, except that three of the first-appointed original members shall serve a 1-year term, three (including both legislative members) shall serve a 2-year term, and three shall serve a 3-year term. A member of the council may be removed for good cause by the appointing body provided for in subsection (3).

(5) The gaming advisory council shall appoint a chairman presiding officer from its members.

(6) Legislative members of the gaming advisory council are entitled to compensation and expenses, as provided in 5-2-302, while the council is meeting. The remaining members are entitled to travel, meals, and lodging expenses as provided for in 2-18-501 through 2-18-503. Expenses of the council must be paid from licensing fees received by the department.

(7) The gaming advisory council shall, within its authorized budget, hold meetings and incur expenses as it considers necessary to study all aspects of gambling in the state.

(8) (a) The gaming advisory council shall submit a

biennial report to the department, at a time designated by the department, with recommendations for amendments to the gambling statutes, the need for additional or modified department rules, the clarification of existing rules, and other recommendations on the operation of the department or any other gambling-related matter.

(b) The biennial report required under subsection (8)(a) must be affixed to the report on gambling in the state that the department submits that year. ~~The--department and--council--shall, as provided in 5-11-2107, submit the two most--recent--department--and--council--reports--to--the legislature.~~

(c) The council may submit interim reports to the department as the council considers necessary.

(d) The council shall meet with the department upon request of the department.

(e) The department shall meet with the council upon request of the council.

(9) The department shall give each council member notice and a copy of each proposed change in administrative rules relating to gambling. The notice and copy must be given at the time a notice of proposed rules changes is filed with the secretary of state. The council shall review the proposal, may comment on it, and may attend any hearing on the proposal. The department shall consider any comment

by any council member or by the council as a whole prior to adopting the proposed change."

Section 8. Section 2-18-209, MCA, is amended to read:

"2-18-209. ~~Status---report~~ Periodic evaluation. The department of administration shall~~as provided in 5-11-2107~~ report to the legislature the status of the study of the comparable worth standard and periodically evaluate the extent to which Montana's classification plan, and pay schedules, and statutes adhere to or fall short of the standard of equal pay for comparable worth. The department shall may make recommendations to the legislature ~~as to what regarding~~ impediments exist to meeting this standard. ~~The department shall continue to make such reports until the standard is met.~~"

SECTION 9. SECTION 2-18-301, MCA, IS AMENDED TO READ:

"2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the market-based compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that compensation plans for state employees, excluding those employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313, 2-18-314, and 2-18-315, be based on an analysis of the labor market as

provided by the department in a salary survey. ~~report to the legislature at the start of each legislative session. The salary survey must be submitted to the office of budget and program planning as a part of the information required by 17-7-111.~~

(3) Except as provided in 2-18-110 and 2-18-305(4), pay schedules provided for in 2-18-312 through 2-18-315 supersede any other plan or systems established through collective bargaining after the adjournment of the 52nd legislature.

(4) Pay levels provided for in 2-18-312 through 2-18-315 may not be increased through collective bargaining after adjournment of the 52nd legislature.

(5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315 for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 52nd legislature.

(6) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(7) The department may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out

the purposes of this part."

Section 10. Section 2-18-811, MCA, is amended to read:

"2-18-811. General duties of the department. The department shall:

(1) adopt rules for the conduct of its business under this part and to carry out the purposes of this part;

(2) negotiate and administer contracts for state employee group benefit plans;

(3) design state employee group benefit plans, establish specifications for bids, and make recommendations for acceptance or rejection of bids;

(4) prepare an annual report which describes the state employee group benefit plans being administered, details the historical and projected program costs and the status of reserve funds, and makes recommendations, if any, for change in existing state employee group benefit plans;

(5) prior to each legislative session, perform or obtain an analysis of rate adequacy of all state employee group benefit plans administered under this part; and

(6) ~~as provided in 5-11-2107~~, submit the report required in this section ~~to the legislature~~ to the office of budget and program planning as a part of the information required by 17-7-111."

Section 11. Section 2-18-1103, MCA, is amended to read:

"2-18-1103. Powers and duties of the department. The

department shall:

(1) adopt rules to equitably administer the employee incentive award program;

(2) provide an opportunity for all employees to participate in the program;

(3) assist agencies in making incentive awards under the program;

(4) grant or deny incentive awards in consultation with the incentive awards advisory council and determine the amount of each incentive award based on first-year monetary savings;

(5) hear appeals from employees on the operation of the program;

(6) prepare and submit, ~~as provided in 5-11-2107~~, a biennial report to the legislature containing as a part of the information required by 17-7-111, a list of incentive awards and the corresponding savings to the state resulting from each employee's suggestion or invention and providing a general review of and recommendations for improving the program; and

(7) send a copy of all suggestions or inventions submitted under this program to the office of the legislative fiscal analyst."

Section 12. Section 3-1-702, MCA, is amended to read:

"3-1-702. Duties. The court administrator is the

administrative officer of the court. Under the direction of the supreme court, the court administrator shall:

(1) prepare and present judicial budget requests to the legislature;

(2) collect, compile, and report statistical and other data relating to the business transacted by the courts and provide the information to the legislature pursuant to 5-11-210 on request;

(3) recommend to the supreme court improvements in the judiciary;

(4) administer state funding for district courts as provided in chapter 5, part 9; and

(5) perform such other duties as that the supreme court may assign."

SECTION 13. SECTION 5-7-207, MCA, IS AMENDED TO READ:

"5-7-207. Report to legislature. Beginning with the first Tuesday following the beginning of any regular or special session of the legislature and on the first Tuesday of every month thereafter during which the legislature is in session, the commissioner shall make available from his the commissioner's records a report to each member of each house of the legislature containing the names of lobbyists registered under this chapter, not previously reported, the names of the principals whom they represent as lobbyists, and the subjects of legislation in which each principal is

interested."

Section 14. Section 5-13-304, MCA, is amended to read:

"5-13-304. Powers and duties. The legislative auditor shall:

(1) conduct a financial and compliance audit of every state agency every 2 years covering the 2-year period since the last audit, unless otherwise required by state law;

(2) conduct a special audit whenever he the legislative auditor determines it necessary and shall so advise the members of the legislative audit committee;

(3) make a complete written report of each audit. A copy of each report shall must be furnished to the department of administration, the state agency which was audited, each member of the committee, and the legislative council.

(4) report immediately in writing to the attorney general and the governor any apparent violation of penal statutes disclosed by the audit of a state agency and furnish the attorney general with all information in--his possession available relative to the violation;

(5) report immediately in writing to the governor any instances of misfeasance, malfeasance, or nonfeasance by a state officer or employee disclosed by the audit of a state agency;

(6) report immediately to the surety upon the bond of

1 an official or employee when an audit discloses a shortage
 2 in the accounts of the official or employee. Failure to
 3 notify the surety does not release the surety from any
 4 obligation under the bond.

5 ~~{7}--report-to-the-legislature-as-provided-in--5-11-210-~~
 6 ~~The--report--shall--contain--among--other--things--copies--of--or~~
 7 ~~summaries--of--audit--reports--on--state--agencies--and--any~~
 8 ~~recommendations--relating--to--such--reports-~~

9 {8}{7} have the authority to audit records of
 10 organizations and individuals receiving grants from or on
 11 behalf of the state to determine that the grants are
 12 administered in accordance with the grant terms and
 13 conditions. Whenever a state agency enters into an agreement
 14 to grant resources under its control to others, the agency
 15 must shall obtain the written consent of the grantee to the
 16 audit provided for in this subsection."

17 **Section 15.** Section 5-17-103, MCA, is amended to read:

18 "5-17-103. Report to legislature. The committee shall
 19 may prepare a written report of its activities and
 20 recommendations and present the report to the legislature as
 21 provided in 5-11-210 for the purpose of assisting the
 22 legislature in determining if such the recommendations
 23 should be implemented. To prepare its report and
 24 recommendations, the committee may receive assistance from
 25 the legislative council."

1 **Section 16.** Section 10-4-102, MCA, is amended to read:

2 "10-4-102. Department of administration duties and
 3 powers. (1) The department shall assist in the development
 4 of 9-1-1 systems in the state. The department shall:

5 (a) establish procedures for determining and evaluating
 6 requests for variations from minimum 9-1-1 service;

7 (b) upon request of a 9-1-1 jurisdiction, assist in
 8 planning an emergency 9-1-1 telephone system;

9 (c) establish criteria for evaluating plans;

10 (d) monitor implementation of approved plans for
 11 compliance with the plan and use of funding; and

12 (e) as--provided--in--5-11-210, as it finds necessary,
 13 report to the legislature the progress made in implementing
 14 a statewide emergency telephone system.

15 (2) The department shall obtain input from all 9-1-1
 16 jurisdictions by creating an advisory council to participate
 17 in development and implementation of the 9-1-1 program in
 18 the state. The council must be established pursuant to
 19 2-15-122. The highway patrol, emergency medical services
 20 organizations, telephone companies, the associated public
 21 safety communicators, the department of emergency services,
 22 police departments, sheriff's departments, local citizens,
 23 organizations, and other public safety organizations may
 24 submit recommendations for membership on the advisory
 25 council."

SECTION 17. SECTION 13-37-120, MCA, IS AMENDED TO READ:

"13-37-120. Reports. ~~The--commissioner--shall--at--the close-of-each-fiscal-year-report-to-the-legislature-and--the governor--concerning--the-action-he-has-taken--including-the names--salaries--and-duties-of-all-individuals-in-his-employ and-the-money-he-has-disbursed.~~ The commissioner shall--also make--further-reports may report as necessary on the matters within his the commissioner's jurisdiction that the legislature may prescribe and shall also make recommendations for further legislation that may appear desirable."

Section 18. Section 15-1-205, MCA, is amended to read:

"15-1-205. Biennial report -- contents. (1) The department shall transmit to the governor 20 days before the meeting of the legislature and, ~~as--provided--in--5-11-210,~~ submit make available to the legislature a report of the department showing all the taxable property of the state, counties, and cities and its value, in tabulated form, with recommendations for improvements in the system of taxation, together with alternative measures as may be formulated for the consideration of the legislature. The department shall follow the provisions of 5-11-210 in preparing the report.

(2) The report or supplements to the report may also include:

(a) the gross dollar amount of revenue loss

attributable to:

(i) personal income and corporation license tax exemptions;

(ii) property tax exemptions for which application to the department or its agent is necessary;

(iii) deferral of income;

(iv) credits allowed against Montana personal income tax or Montana corporation license tax, reported separately;

(v) deductions from income; and

(vi) any other identifiable preferential treatment of income or property;

(b) any change in tax revenue of the state or any unit of local government attributable to a change in federal tax law; and

(c) any change in the revenue of any unit of local government attributable to a change in state tax law.

(3) The data described in subsection (2), if reported, must be related to the income and age of the taxpayer whenever ~~such~~ the information is available.

(4) (a) When reporting the data described in subsection (2)(a), the department shall identify any known purpose of the preferential treatment.

(b) Based upon the purpose of the preferential treatment, the department shall outline the available data necessary to determine the effectiveness of the preferential

1 treatment.

2 (5) In reporting the data described in subsection (2),
3 the department shall report any comparable data, if
4 available, from Wyoming, Idaho, North Dakota, and South
5 Dakota and from any other state the department may choose.

6 (6) The department must identify in a separate section
7 of the report any changes that have been made or that are
8 contemplated in property appraisal or assessment.

9 (7) The department may include a report showing the
10 selling price of gasoline at the wholesale level in prime
11 market centers of Montana and in surrounding states during
12 the biennium, with indexes tabulated at sufficient intervals
13 to show the comparative state price structures.

14 (8) The department shall include the inheritance tax
15 information required by 72-16-202 in a separate section of
16 the report."

17 **Section 19.** Section 17-4-107, MCA, is amended to read:

18 "17-4-107. Write-off procedures. (1) The state auditor
19 may establish procedures for canceling and writing off
20 accounts receivable carried on the books of the various
21 state agencies which that have been transferred to him the
22 state auditor's office pursuant to 17-4-104 and which that
23 are uncollectible or the continued pursuance of the
24 collection thereof of accounts would cost the state more
25 than the amount collected. Such The procedures shall must be

1 established in accordance with subsection (2).

2 (2) The department of administration may establish
3 procedures for canceling and writing off accounts receivable
4 carried on the books of various state agencies which are
5 uncollectible or the continued pursuance of the collection
6 would cost the state more than the amount collected. Such
7 The procedures shall must include the reporting, as-provided
8 in--5-11-2107, to the budget director of any canceling and
9 writing off of accounts receivable."

10 **Section 20.** Section 17-5-1650, MCA, is amended to read:

11 "17-5-1650. Annual report. By December 31 of each year,
12 the board shall publish a financial report for distribution
13 to the governor, the legislature as-provided-in-5-11-2107,
14 and the public. Distribution to the legislature is
15 accomplished by providing two copies to the office of the
16 legislative fiscal analyst, two copies to the legislative
17 council, and a copy to a legislator on request. The report
18 must include a statement of the board's current financial
19 position with respect to its activities under this part, a
20 summary of its activities pursuant to this part during the
21 previous year (including a listing of the local governmental
22 securities purchased by the board, a listing of the bonds
23 and notes sold by the board, and a summary of the
24 performance of any other investments of the board's funds
25 received under this part), an estimate of the levels of such

1 activities for the next year, and a comparison of ~~such the~~
 2 activities during the previous year with the estimates of
 3 those activities that were made in the previous annual
 4 report."

5 **SECTION 21.** SECTION 17-6-305, MCA, IS AMENDED TO READ:

6 "17-6-305. Investment of up to twenty-five percent of
 7 coal tax trust fund in Montana economy -- report by board.

8 (1) Subject to the provisions of 17-6-201(1), the board
 9 shall endeavor to invest up to 25% of the permanent coal tax
 10 trust fund established in 17-6-203(6) in the Montana
 11 economy, with special emphasis on investments in new or
 12 expanding locally owned enterprises.

13 (2) In determining the probable income to be derived
 14 from investment of this revenue, the long-term benefit to
 15 the Montana economy must be considered.

16 (3) The legislature may provide additional procedures
 17 to implement this section.

18 (4) The board shall include a report biennially-to-the
 19 legislature on the investments made under this section as a
 20 part of the information required by 17-7-111."

21 **Section 22.** Section 17-7-123, MCA, is amended to read:

22 "17-7-123. Form of executive budget. The budget
 23 submitted ~~shall~~ must set forth a balanced financial plan for
 24 the state government for each fiscal year of the ensuing
 25 biennium, which plan ~~shall~~ must consist of:

1 (1) a consolidated budget summary setting forth the
 2 aggregate figures of the budget in ~~such a manner as-to that~~
 3 ~~shows~~ show a balance between the total proposed
 4 disbursements and the total anticipated receipts, together
 5 with the other means of financing the budget for each fiscal
 6 year of the ensuing biennium, contrasted with the
 7 corresponding figures for the last completed fiscal year and
 8 the fiscal year in progress. The consolidated budget summary
 9 ~~shall~~ must be supported by explanatory schedules or
 10 statements, classifying receipts and disbursements contained
 11 therein by fund and, ~~where~~ when applicable, organizational
 12 unit;

13 (2) an analysis of the actual and projected receipts,
 14 disbursements, and solvency of each accounting entity within
 15 each fund for the current and subsequent biennium;

16 (3) a detailed analysis of receipts by accounting
 17 entity within fund indicating classification and source of
 18 funds;

19 (4) a departmental analysis summarizing past and
 20 proposed spending plans by agency and the means of financing
 21 the proposed plan. Information presented ~~shall~~ must include
 22 the following:

23 (a) a statement summary of departmental goals and
 24 objectives and a statement of goals and objectives for each
 25 program of the department;

(b) actual disbursements for the completed fiscal year of the current biennium, estimated disbursements for the current fiscal year, and the current funding level and the modified funding level, if any, for each department and each program of the department. ~~The funding levels must show the number of employees who were given a pay grade change under the pay schedule adopted pursuant to 2-18-303 and the net cost to the agency for such grade changes for the biennium. The changes must be listed in tabular form by:~~

~~{i}--position description;~~
~~{ii}--grade assigned prior to the completed fiscal year;~~
~~{iii}--grade assigned during the completed fiscal year;~~
~~{iv}--grade assigned during the current fiscal year;~~
~~{v}--recommended grade for the ensuing biennium;~~
~~{vi}--dollar difference for the upgrade or downgrade--for~~

~~each position; and~~

~~{vii}--net cost to the agency for grade changes;~~
~~{c}--actual disbursements for the completed fiscal year of the current biennium, estimated disbursements for the current fiscal year, and governor's recommendations for the ensuing biennium by program;~~

~~{d}--actual disbursements for the completed fiscal year of the current biennium, estimated disbursements for the current fiscal year, and governor's recommendations for the ensuing biennium by disbursement category; and~~

~~{e)}~~(c) a statement containing further recommendations of the governor for the ensuing biennium by program and disbursement category and other matters considered should he deem it necessary; and

(5) detailed recommendations for the state long-range building program. Each recommendation ~~shall~~ must be presented by department, institution, agency, or branch by funding source, with a description of each proposed project. An appropriation measure ~~shall~~ must be presented by project, source of funding, and department, agency, institution, or branch for which the project is primarily intended.

~~{6}--appropriation measures detailed by program, fund, and accounting entity, authorizing disbursements and related restrictions thereto by department, institution, or agency of the state."~~

NEW SECTION. Section 23. Additional budget data. In addition to the budget required in 17-7-123, the governor shall prepare and make available on request:

(1) a departmental analysis summarizing past and proposed spending plans by agency and the means of financing the proposed plan. Information available must include the following:

(a) a statement of departmental goals and objectives and a statement of goals and objectives for each program of the department; and

1 (b) schedules showing the number of employees who were
2 given a pay grade change under the pay schedule implemented
3 pursuant to 2-18-303 and the net cost to the agency for the
4 grade changes for the biennium. The changes must be listed
5 in tabular form by:

- 6 (i) position description;
- 7 (ii) grade assigned prior to the completed fiscal year;
- 8 (iii) grade assigned during the completed fiscal year;
- 9 (iv) grade assigned during the current fiscal year;
- 10 (v) recommended grade for the ensuing biennium;
- 11 (vi) dollar difference for the upgrade or downgrade for
12 each position; and
- 13 (vii) net cost to the agency for grade changes.
- 14 (2) appropriation measures detailed by program, fund,
15 and accounting entity, authorizing disbursements and related
16 restrictions by department, institution, or agency of the
17 state; and
- 18 (3) information submitted by agencies as required by
19 17-7-111.

20 **Section 24.** Section 18-7-303, MCA, is amended to read:

21 "18-7-303. Duties of committee. The committee shall:

- 22 (1) adopt standards for the efficient and economical
23 publication of public documents;
- 24 (2) review proposals for publishing of all public
25 documents prior to publication to determine:

1 (a) that the publication is necessary; and

2 (b) that the publication meets the standards of
3 efficient and economical publication; and

4 (3) at its discretion, prepare a report for submission
5 to the legislature, ~~as provided in 5-11-210~~, detailing the
6 savings to state government resulting from this part."

7 **Section 25.** Section 19-4-201, MCA, is amended to read:

8 "19-4-201. Administration by retirement board. The
9 retirement board shall administer and operate the retirement
10 system within the limitations prescribed by this chapter,
11 and to this end, it is the duty of the retirement board to:

- 12 (1) establish rules necessary for the proper
13 administration and operation of the retirement system;
- 14 (2) approve or disapprove all expenditures necessary
15 for the proper operation of the retirement system;
- 16 (3) keep a record of all its proceedings, which must be
17 open to public inspection;

18 (4) ~~publish a biennial report by January 1 of each year~~
19 ~~the legislature meets--which--reports--in--detail~~ submit a
20 report to the office of budget and program planning as a
21 part of the information required by 17-7-111, detailing the
22 fiscal transactions for the 2 fiscal years immediately
23 preceding the report due date, the amount of the accumulated
24 cash and securities of the retirement system, and the last
25 fiscal year balance sheet showing the assets and liabilities

1 of the retirement system ~~and submit the biennial report to~~
 2 ~~the governor and, as provided in 5-11-210, to the~~
 3 ~~legislature;~~

4 (5) keep in convenient form that data which is
 5 necessary for actuarial valuation of the various funds of
 6 the retirement system and for checking the experience of the
 7 retirement system;

8 (6) prepare an annual valuation of the assets and
 9 liabilities of the retirement system;

10 (7) prescribe a form for membership application which
 11 will provide adequate and necessary information for the
 12 proper operation of the retirement system;

13 (8) annually determine the rate of regular interest as
 14 prescribed in 19-4-501;

15 (9) establish and maintain the funds of the retirement
 16 system in accordance with the provisions of part 6 of this
 17 chapter; and

18 (10) perform such other duties and functions as are
 19 required to properly administer and operate the retirement
 20 system."

21 **Section 26.** Section 20-9-346, MCA, is amended to read:

22 "20-9-346. Duties of the superintendent of public
 23 instruction for state equalization aid distribution. The
 24 superintendent of public instruction shall administer the
 25 distribution of the state equalization aid by:

1 (1) establishing the annual entitlement of each
 2 district and county to state equalization aid, based on the
 3 data reported in the retirement and general fund budgets for
 4 each district that have been duly adopted for the current
 5 school fiscal year and verified by the superintendent of
 6 public instruction and by applying the verified data under
 7 the provisions of the state equalization aid allocation
 8 procedure prescribed in 20-9-347;

9 (2) distributing by state warrant or electronic
 10 transfer the state equalization aid and state advances for
 11 county equalization, for each district or county entitled to
 12 the aid, to the county treasurer of the respective county or
 13 county where the district is located, in accordance with the
 14 distribution ordered by the board of public education;

15 (3) keeping a record of the full and complete data
 16 concerning money available for state equalization aid, state
 17 advances for county equalization, and the entitlements for
 18 state equalization aid of the districts of the state;

19 (4) reporting to the board of public education the
 20 estimated amount that will be available for state
 21 equalization aid; and

22 (5) reporting to the legislature ~~as provided in~~
 23 5-11-210 office of budget and program planning as provided
 24 in 17-7-111:

25 (a) the figures and data available concerning

1 distributions of state equalization aid during the preceding
2 2 school fiscal years;

3 (b) the amount of state equalization aid then
4 available;

5 (c) the apportionment made of the available money but
6 not yet distributed;

7 (d) the latest estimate of accruals of money available
8 for state equalization aid; and

9 (e) the amount of state advances and repayment for
10 county equalization."

11 **Section 27.** Section 20-25-236, MCA, is amended to read:

12 "20-25-236. Report to legislature. The Montana
13 agricultural experiment station and the cooperative
14 extension service ~~shall~~ may, as provided in 5-11-210, report
15 to the legislature regarding the expenditures, activities,
16 and outcomes of the program provided for in 20-25-233
17 through 20-25-236."

18 **Section 28.** Section 20-25-301, MCA, is amended to read:

19 "20-25-301. Regents' powers and duties. The board of
20 regents of higher education shall serve as regents of the
21 Montana university system, shall use and adopt this style in
22 all its dealings ~~therewith~~ with the university system, and
23 shall:

24 (1) have general control and supervision of the units
25 of the Montana university system, which ~~shall--be~~ is

1 considered for all purposes one university;

2 (2) adopt rules, not inconsistent with the constitution
3 and the laws of the state, for its own government which are
4 proper and necessary for the execution of the powers and
5 duties conferred upon it by law;

6 (3) provide, subject to the laws of the state, rules
7 for the government of the system;

8 (4) grant diplomas and degrees to the graduates of the
9 system upon the recommendation of the faculties and have
10 discretion to confer honorary degrees upon persons other
11 than graduates upon the recommendation of the faculty of
12 ~~such~~ the institutions;

13 (5) keep a record of its proceedings;

14 (6) have, when not otherwise provided by law, control
15 of all books, records, buildings, grounds, and other
16 property of the system;

17 (7) receive from the board of land commissioners, other
18 boards, persons, or from the government of the United States
19 all funds, incomes, and other property the system may be
20 entitled to and use and appropriate the property for the
21 specific purpose of the grant or donation;

22 (8) have general control of all receipts and
23 disbursements of the system;

24 (9) appoint a president and faculty for each of the
25 institutions of the system, appoint any other necessary

officers, agents, and employees, and fix their compensation;

(10) confer upon the executive board of each of the units of the system ~~such authority as that~~ may be deemed considered expedient relating to immediate control and management, other than authority relating to financial matters or the selection of the teachers, employees, and faculty;

(11) confer, at the regents' discretion, upon the president and faculty of each of the units of the system for the best interest of the unit ~~such authority relating to the immediate control and management, other than financial, and the selection of teachers and employees;~~

(12) prevent unnecessary duplication of courses at the units of the system;

(13) appoint a certified professional geologist or registered mining engineer as the director of the Montana state bureau of mines and geology, who ~~shall be designated~~ is the state geologist, and appoint any other necessary assistants and employees and fix their compensation. ~~The regents shall prepare and, as provided in 5-11-2107, submit a report to each regular session of the legislature showing the progress and condition of the bureau, including any other necessary or required information.~~

(14) supervise and control the agricultural experiment station, along with any executive or subordinate board or

authority which may be appointed by the governor with the advice and consent of the regents;

(15) adopt a seal bearing on its face the words "Montana university system", which must be affixed to all diplomas and all other papers, instruments, or documents which may require it;

(16) assure an adequate level of security for data and information technology resources, as defined in 2-15-102, within the state university system. In carrying out this responsibility, the board of regents shall, at a minimum, address the responsibilities prescribed in 2-15-114."

Section 29. Section 33-22-1513, MCA, is amended to read:

"33-22-1513. **Operation of association plan.** (1) Upon acceptance by the lead carrier under 33-22-1516, an eligible person may enroll in the association plan by payment of the association plan premium to the lead carrier.

(2) Not less than 88% of the association plan premiums paid to the lead carrier may be used to pay claims and not more than 12% may be used for payment of the lead carrier's direct and indirect expenses as specified in 33-22-1514.

(3) Any income in excess of the costs incurred by the association in providing reinsurance or administrative services must be held at interest and used by the association to offset past and future losses due to claims

1 expenses of the association plan or be allocated to reduce
2 association plan premiums.

3 (4) (a) Each participating member of the association
4 shall share the losses due to claims expenses of the
5 association plan for plans issued or approved for issuance
6 by the association and shall share in the operating and
7 administrative expenses incurred or estimated to be incurred
8 by the association incident to the conduct of its affairs.
9 Claims expenses of the association plan that exceed the
10 premium payments allocated to the payment of benefits are
11 the liability of the association members. Association
12 members shall share in the claims expenses of the
13 association plan and operating and administrative expenses
14 of the association in an amount equal to the ratio of the
15 association member's total disability insurance premium
16 received from or on behalf of Montana residents divided by
17 the total disability insurance premium received by all
18 association members from or on behalf of Montana residents
19 as determined by the commissioner.

20 (b) For purposes of this subsection (4), "total
21 disability insurance premium" does not include premiums
22 received from disability income insurance, credit disability
23 insurance, disability waiver insurance, or life insurance.

24 (5) The association shall make an annual determination
25 of each association member's liability, if any, and may make

1 an annual fiscal yearend assessment if necessary. The
2 association may also, subject to the approval of the
3 commissioner, provide for interim assessments against the
4 association members as may be necessary to assure the
5 financial capability of the association in meeting the
6 incurred or estimated claims expenses of the association
7 plan and operating and administrative expenses of the
8 association until the association's next annual fiscal
9 yearend assessment. Payment of an assessment is due within
10 30 days of receipt by an association member of a written
11 notice of a fiscal yearend or interim assessment. Failure by
12 a contributing member to tender to the association the
13 assessment within 30 days is grounds for termination of
14 membership. An association member that ceases to do
15 disability insurance business within the state remains
16 liable for assessments through the calendar year during
17 which disability insurance business ceased. The association
18 may decline to levy an assessment against an association
19 member if the assessment, as determined pursuant to this
20 section, would not exceed \$10.

21 (6) Any annual fiscal yearend or interim assessment
22 levied against an association member may be offset, in an
23 amount equal to the assessment paid to the association,
24 against the premium tax payable by that association member
25 pursuant to 33-2-705 for the year in which the annual fiscal

yearend or interim assessment is levied. The insurance commissioner shall ~~as provided in 5-11-2107, report to the legislature report to the office of budget and program planning, as a part of the information required by 17-7-111,~~ the total amount of premium tax offset claimed by association members during the preceding biennium."

SECTION 30. SECTION 37-1-106, MCA, IS AMENDED TO READ:

"37-1-106. Biennial report to governor and legislature. The department, in cooperation with each licensing board, shall prepare a biennial report. The biennial report of the department shall contain for each board a summary of the board's activities, the board's goals and objectives, a detailed breakdown of board revenues and expenditures, statistics illustrating board activities concerning licensing, summary of complaints received and their disposition, number of licenses revoked or suspended, legislative or court action affecting the board, and any other information the department or board considers relevant. The department shall ~~provide a copy of~~ submit the report to the governor and ~~as provided in 5-11-2107, to the legislature~~ the office of budget and program planning as a part of the information required by 17-7-111."

Section 31. Section 44-2-304, MCA, is amended to read:

"44-2-304. Report by attorney general. The attorney general shall prepare submit, as a part of the information

required by 17-7-111, a report in detail covering the operations of the communications network, the accounting of all moneys money received and expended, and the need to expand or improve the system. ~~As provided in 5-11-2107, he shall submit the report to the legislature.~~"

SECTION 32. SECTION 44-12-206, MCA, IS AMENDED TO READ:

"44-12-206. Disposition of proceeds of sale -- report.

(1) Whenever property is seized, forfeited, and sold under the provisions of this chapter, the net proceeds of the sale must be distributed as follows:

(a) to the holders of security interests who have presented proper proof of their claims, if any, up to the amount of their interests in the property;

(b) the remainder, if any, to the county treasurer of the county in which the property was seized, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(c) through (1)(e);

(c) if the property was seized within the corporate limits of a city or town by a law enforcement agency of that city or town, the remainder, if any, to the city or town treasurer, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(d) and (1)(e);

(d) if the property was seized by an employee of the state, the remainder, if any, to the account established in subsection (3), except as provided in subsection (1)(e); and

(e) if the property was seized as a result of the efforts of more than one law enforcement agency, the remainder, if any, to the accounts required by this subsection (1), pro rata in the proportions represented by the agencies' expenses of investigation, as determined by the attorney general.

(2) All proceeds from any source that are deposited into a county, city, or town drug forfeiture account must in each fiscal year be appropriated to and remain available until expended by the confiscating agency for drug laws enforcement and education concerning drugs.

(3) Net proceeds received by the state under subsections (1)(d) and (1)(e) must be deposited in an account in the state special revenue fund to the credit of the department of justice. The department may expend the money in the account only for purposes of enforcement of drug laws. An amount up to \$125,000 each year is statutorily appropriated, as provided in 17-7-502, to the attorney general for enforcement of drug laws. Any expenditure in excess of \$125,000 each fiscal year requires approval through budget amendment, as provided in Title 17, chapter 7, part 4.

(4) The attorney general shall provide the legislature legislative finance committee and the legislative auditor with a detailed, written report of the amounts and property credited to the account no later than 4 months after the end of each fiscal year. The attorney general may not disclose any information that would compromise any investigation or prosecution."

SECTION 33. SECTION 44-13-103, MCA, IS AMENDED TO READ:

"44-13-103. Limitations on use of special law enforcement assistance account -- report. (1) After property is credited to the account, the attorney general may:

(a) transfer the property to any local or state law enforcement agency to be used for criminal investigation purposes;

(b) sell the property by public sale;

(c) destroy any illegal or controlled substances and sell or destroy raw materials, products, and equipment used or intended for use in manufacturing, compounding, or processing a controlled substance;

(d) compromise and pay claims against the property; and

(e) make any other disposition of the property authorized by law.

(2) Money and proceeds from property credited to the account may be used by the attorney general for:

(a) the payment of any expenses necessary to seize,

1 detain, appraise, inventory, safeguard, maintain, advertise,
2 or sell seized, detained, or forfeited property, including
3 but not limited to payment for contract services and
4 reimbursement to a federal, state, or local agency for its
5 expenses;

6 (b) the payment of awards for information or assistance
7 leading to a criminal proceeding or a civil forfeiture
8 proceeding;

9 (c) the compromise and payment of claims against
10 property;

11 (d) the payment of sums for criminal investigation
12 purposes, including but not limited to:

13 (i) payment of informants;

14 (ii) use by undercover agents to purchase unlawful
15 substances, including, without limitation, counterfeit or
16 real controlled substances, pornographic materials, stolen
17 property, or other contraband;

18 (iii) use by undercover agents as gambling front money;
19 and

20 (iv) payment of overtime to state or local law
21 enforcement officers when engaged in special criminal
22 investigations;

23 (e) the payment of funds into the account created by
24 53-9-109; and

25 (f) matching federal grants for criminal investigation

1 purposes.

2 (3) The attorney general shall,---as---provided---in
3 5-11-210, submit to the legislature legislative finance
4 committee and the legislative auditor a detailed written
5 report of the amounts and property credited to the account
6 and of the disposition of money and property credited to the
7 account, but may not make any disclosure that would
8 compromise any investigation or prosecution."

9 **Section 34.** Section 53-2-1107, MCA, is amended to read:

10 "53-2-1107. Job training plan -- requirements. (1) Each
11 private industry council shall prepare for the service
12 delivery area a job training plan that has been prepared in
13 accordance with this part and sections 103 through 105 of
14 the Job Training Partnership Act (29 U.S.C. 1513 through
15 1515).

16 (2) Each job training plan must include:

17 (a) the council's priorities for services and groups to
18 be served within the service delivery area;

19 (b) procedures to be used in identifying and selecting
20 program participants and in determining and verifying their
21 eligibility;

22 (c) the type of services and training to be provided,
23 including the estimated cost per participant;

24 (d) criteria for evaluating the content and quality of
25 services and training;

1 (e) performance standards as required under 53-2-1108;
 2 (f) procedures for selecting service providers as
 3 required under section 107 of the Job Training Partnership
 4 Act (29 U.S.C. 1517);
 5 (g) a plan for the coordination of services and
 6 training with other programs as required in 53-2-1109;
 7 (h) a procedure for preparing and submitting to the
 8 governor ~~and--as--provided--in--5-11-210-if-practically--the~~
 9 ~~legislature~~ an annual report that describes the activities
 10 conducted in the service delivery area during the program
 11 year and the extent to which activities exceeded or failed
 12 to meet the performance standards adopted in the job
 13 training plan; and
 14 (i) all other information required under section 104 of
 15 the Job Training Partnership Act (29 U.S.C. 1514)."
 16 **Section 35.** Section 53-6-110, MCA, is amended to read:
 17 "53-6-110. Report and recommendations to legislature on
 18 ~~medicaid funding.~~ (1) ~~At--the--commencement--of--each~~
 19 ~~legislative-session~~ As a part of the information required in
 20 17-7-111, the department of social and rehabilitation
 21 services shall submit a report, ~~as provided in 5-11-2107, to~~
 22 ~~the legislature~~ concerning medicaid funding for the next
 23 biennium. This report must include at least the following
 24 elements:
 25 (a) analysis of past and present funding levels for the

1 various categories and types of health services eligible for
 2 medicaid reimbursement;
 3 (b) projected increased medicaid funding needs for the
 4 next biennium. These projections ~~shall~~ must identify the
 5 effects of projected population growth and demographic
 6 patterns on at least the following elements:
 7 (i) trends in unit costs for services, including
 8 inflation;
 9 (ii) trends in use of services;
 10 (iii) trends in medicaid recipient levels; and
 11 (iv) the effects of new and projected facilities and
 12 services for which a need has been identified in the state
 13 health plan prepared pursuant to 42 U.S.C. 300m-2(a)(2).
 14 (2) As an integral part of the report, the department
 15 of social and rehabilitation services shall present a
 16 recommendation of funding levels for the medicaid program.
 17 The recommendation need not be consistent with the state
 18 health plan.
 19 (3) In arriving at the projections and recommendation
 20 required in subsections (1) and (2), the department of
 21 social and rehabilitation services shall consult with the
 22 department of health and environmental sciences.
 23 (4) In making its appropriations for medicaid funding,
 24 the legislature shall specify the portions of medicaid
 25 funding anticipated to be allocated to specific categories

and types of health care services."

Section 36. Section 53-20-104, MCA, is amended to read:

"53-20-104. Powers and duties of mental disabilities board of visitors. (1) The board is an independent board of inquiry and review to ensure that the treatment of all persons admitted to a residential facility is humane and decent and meets the requirements set forth in this part.

(2) The board shall review all plans for experimental research or hazardous treatment procedures involving persons admitted to a residential facility to ensure that the research project is humane and not unduly hazardous and that it complies with the principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States department of health and human services. An experimental research project involving persons admitted to a residential facility affected by this part may not be commenced unless it is approved by the mental disabilities board of visitors.

(3) The board shall investigate all cases of alleged mistreatment of a resident.

(4) The board shall at least annually inspect every residential facility that is providing a course of residential habilitation and treatment to any person pursuant to this part. The board shall inspect the physical

plant, including residential, recreational, dining, and sanitary facilities. It shall visit all wards and treatment or habilitation areas. The board shall inquire concerning all habilitation programs being implemented by the facility.

(5) The board shall inspect the file of each person admitted to a residential facility pursuant to this part to ensure that a habilitation plan exists and is being implemented. The board shall inquire concerning all use of restraints, isolation, or other extraordinary measures.

(6) The board may assist a resident at a residential facility in resolving any grievance he the resident may have concerning his the resident's admission or his course of treatment and habilitation in the facility.

(7) If the board believes that a facility is failing to comply with the provisions of this part in regard to its physical facilities or its treatment of any resident, it shall report its findings at once to the superintendent of the facility and the director of the department of corrections and human services. If appropriate, after waiting a reasonable time for a response from the superintendent or the director, the board may notify the parents or guardian of the resident involved, the next of kin, if known, the responsible person appointed by the court for the resident involved, and the district court that has jurisdiction over the facility.

(8) The board shall report annually to the governor and ~~shall, as provided in 5-11-2107, report to the legislature~~ concerning the status of the residential facilities and habilitation programs that it has inspected."

Section 37. Section 53-21-104, MCA, is amended to read:

"53-21-104. Powers and duties of mental disabilities board of visitors. (1) The board ~~shall be~~ is an independent board of inquiry and review to assure that the treatment of all persons either voluntarily or involuntarily admitted to a mental facility is humane and decent and meets the requirements set forth in this part.

(2) The board shall review all plans for experimental research involving persons admitted to a mental health facility to assure that the research project is humane and not unduly hazardous and that it complies with the principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States department of health, education, and welfare. No An experimental research project involving persons admitted to a mental health facility affected by this part may not be commenced unless it is approved by the mental disabilities board of visitors.

(3) The board shall at least annually inspect every mental health facility which is providing treatment and

evaluation to any person pursuant to this part. The board shall inspect the physical plant, including residential, recreational, dining, and sanitary facilities. It shall visit all wards and treatment areas. The board shall inquire concerning all treatment programs being implemented by the facility.

(4) The board shall annually insure that a treatment plan exists and is being implemented for each patient admitted or committed to a mental health facility under this part. The board shall inquire concerning all use of restraints, isolation, or other extraordinary measures.

(5) The board may assist any patient at a mental health facility in resolving any grievance he the patient may have concerning his the patient's commitment or his course of treatment in the facility.

(6) The board shall employ and be responsible for full-time legal counsel at the state hospital, whose responsibility ~~shall be~~ is to act on behalf of all patients at the institution. The board shall insure that there is sufficient legal staff and facilities to insure availability to all patients and shall require that the appointed counsel periodically interview every patient and examine his the patient's files and records. The board may employ additional legal counsel for representation of patients in a similar manner at any other mental health facility having inpatient

1 capability.

2 (7) If the board believes that any facility is failing
3 to comply with the provisions of this part in regard to its
4 physical facilities or its treatment of any patient, it
5 shall report its findings at once to the professional person
6 in charge of the facility and the director of the
7 department, and if appropriate, after waiting a reasonable
8 time for a response from such the professional person, the
9 board may notify the next of kin or guardian of any patient
10 involved, the friend of respondent appointed by the court
11 for any patient involved, and the district court which has
12 jurisdiction over the facility.

13 (8) The board shall report annually to the governor and
14 ~~shall,--as--provided--in-5-11-210,--report-to-the-legislature~~
15 concerning the status of the mental health facilities and
16 treatment programs which it has inspected."

17 **Section 38.** Section 53-24-204, MCA, is amended to read:

18 "53-24-204. Powers and duties of department. (1) To
19 carry out this chapter, the department may:

20 (a) accept gifts, grants, and donations of money and
21 property from public and private sources;

22 (b) enter into contracts;

23 (c) acquire and dispose of property.

24 (2) The department shall:

25 (a) approve treatment facilities as provided for in

1 53-24-208;

2 (b) prepare a comprehensive long-term state chemical
3 dependency plan every 4 years and update this plan each
4 biennium; ~~These updates or any part thereof may be included~~
5 ~~in the department's report to the legislature required in~~
6 ~~53-24-210;~~

7 (c) provide for and conduct statewide service system
8 evaluations;

9 (d) distribute state and federal funds to the counties
10 for approved treatment programs in accordance with the
11 provisions of 53-24-206;

12 (e) plan in conjunction with approved programs and
13 provide for training of program personnel delivering
14 services to chemically dependent persons;

15 (f) establish criteria to be used for the development
16 of new programs;

17 (g) certify and establish standards for the
18 certification of:

19 (i) chemical dependency counselors; and

20 (ii) instructors providing chemical dependency
21 educational courses;

22 (h) encourage planning for the greatest utilization of
23 funds by discouraging duplication of services, encouraging
24 efficiency of services through existing programs, and
25 encouraging rural counties to form multicounty districts or

contract with urban programs for services;

(i) cooperate with the board of pardons in establishing and conducting programs to provide treatment for chemically dependent and intoxicated persons in or on parole from penal institutions;

(j) establish standards for chemical dependency educational courses provided by state-approved treatment programs and approve or disapprove the courses; and

(k) assist all interested public agencies and private organizations in developing education and prevention programs for chemical dependency."

Section 39. Section 53-30-133, MCA, is amended to read:

"53-30-133. Administration of prison industries training program. (1) (a) The prison industries training program need not be a self-supporting program. The department of corrections and human services may enter into contracts and establish prices for products or services produced by this program. Within budgetary restrictions, the department shall establish prices that tend to maximize the amount of work available for inmates. All revenue raised through the program may be used only for the program.

(b) State agencies, local governments, school districts, authorities, and other local government entities are encouraged to explore the possibilities of using the prison industries training program. State agencies shall

cooperate with the department of corrections and human services in notifying governmental entities within the state of the program and of the services and products that are available.

(2) (a) The department of corrections and human services shall adopt rules implementing this program and ~~shall, as provided in 5-11-2107, report to the legislature its continuing plans and recommendations in implementing this program.~~ Any price lists established by the department are exempt from the provisions of Title 2, chapter 4 (the Montana Administrative Procedure Act), but the department may, if it considers it an effective method of dissemination, publish such the price lists in the Montana Administrative Register or the Administrative Rules of Montana, or both.

(b) The department of corrections and human services is subject to program audits of the prison industries training program by the legislative auditor."

Section 40. Section 72-16-202, MCA, is amended to read:

"72-16-202. Report to governor and legislature. The department of revenue shall biennially report ~~to the governor and, as provided in 5-11-2107, to the legislature~~ the general result of its labors and investigations in inheritance tax matters during the previous biennial period, together with specific reports of the several counties where

the administration of the inheritance tax laws has been lax and unsatisfactory, with such recommendations for action by the legislature as the department considers advisable and proper. The report required in this section must be consolidated with and made a part of the biennial report submitted by the department of revenue under 15-1-205."

Section 41. Section 75-1-203, MCA, is amended to read:

"75-1-203. Fee schedule -- ~~maximums~~. (1) In prescribing fees to be assessed against applicants for a lease, permit, contract, license, or certificate as specified in 75-1-202, an agency may adopt a fee schedule which may be adjusted depending upon the size and complexity of the proposed project. ~~No~~ A fee may not be assessed unless the application for a lease, permit, contract, license, or certificate will result in the agency incurring expenses in excess of \$2,500 to compile an environmental impact statement.

(2) The maximum fee that may be imposed by an agency ~~shall may~~ not exceed 2% of any estimated cost up to \$1 million, plus 1% of any estimated cost over \$1 million and up to \$20 million, plus 1/2 of 1% of any estimated cost over \$20 million and up to \$100 million, plus 1/4 of 1% of any estimated cost over \$100 million and up to \$300 million, plus 1/8 of 1% of any estimated cost in excess of \$300 million.

(3) If an application consists of two or more

facilities, the filing fee ~~shall~~ must be based on the total estimated cost of the combined facilities. The estimated cost ~~shall~~ must be determined by the agency and the applicant at the time the application is filed.

(4) Each agency shall review and revise its rules imposing fees as authorized by this part at least every 2 years. ~~Furthermore, each agency shall, pursuant to 5-11-2107, provide the legislature with a complete report on the fees collected prior to the time that a request for an appropriation is made to the legislature.~~

SECTION 42. SECTION 75-1-324, MCA, IS AMENDED TO READ:

"75-1-324. Duties of executive director and staff. It shall be the duty and function of the executive director and his ~~the~~ staff to:

(1) gather timely and authoritative information concerning the conditions and trends in the quality of the environment, both current and prospective, analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering or are likely to interfere with the achievement of the policy set forth in 75-1-103, and compile and submit to the governor and the legislature studies relating to such conditions and trends;

(2) review and appraise the various programs and activities of the state agencies, in the light of the policy

1 set forth in 75-1-103, for the purpose of determining the
2 extent to which such programs and activities are
3 contributing to the achievement of such policy and make
4 recommendations to the governor and the legislature with
5 respect thereto;

6 (3) develop and recommend to the governor and the
7 legislature state policies to foster and promote the
8 improvement of environmental quality to meet the
9 conservation, social, economic, health, and other
10 requirements and goals of the state;

11 (4) conduct investigations, studies, surveys, research,
12 and analyses relating to ecological systems and
13 environmental quality;

14 (5) document and define changes in the natural
15 environment, including the plant and animal systems, and
16 accumulate necessary data and other information for a
17 continuing analysis of these changes or trends and an
18 interpretation of their underlying causes;

19 (6) make and furnish such studies, reports thereon, and
20 recommendations with respect to matters of policy and
21 legislation as the legislature requests;

22 (7) analyze legislative proposals in clearly
23 environmental areas and in other fields where legislation
24 might have environmental consequences and assist in
25 preparation of reports for use by legislative committees,

1 administrative agencies, and the public;

2 (8) consult with and assist legislators who are
3 preparing environmental legislation to clarify any
4 deficiencies or potential conflicts with an overall ecologic
5 plan; and

6 (9) review and evaluate operating programs in the
7 environmental field in the several agencies to identify
8 actual or potential conflicts, both among such activities
9 and with a general ecologic perspective, and suggest
10 legislation to remedy such situations;

11 ~~(10) annually, beginning July 1, 1972, transmit to the~~
12 ~~governor and the legislature and make available to the~~
13 ~~general public an environmental quality report concerning~~
14 ~~the state of the environment, which shall contain:~~

15 ~~(a) the status and condition of the major natural,~~
16 ~~manmade, or altered environmental classes of the state,~~
17 ~~including but not limited to the air, the aquatic (including~~
18 ~~surface water and ground water) and the terrestrial~~
19 ~~environments, including but not limited to the forest,~~
20 ~~dryland, wetland, range, urban, suburban, and rural~~
21 ~~environments;~~

22 ~~(b) the adequacy of available natural resources for~~
23 ~~fulfilling human and economic requirements of the state in~~
24 ~~the light of expected population pressures;~~

25 ~~(c) current and foreseeable trends in the quality,~~

management, and utilization of such environments and the effects of those trends on the social, economic, and other requirements of the state in the light of expected population pressures;

(d) a review of the programs and activities (including regulatory activities) of the state and local governments and nongovernmental entities or individuals, with particular reference to their effect on the environment and on the conservation, development, and utilization of natural resources; and

(e) a program for remedying the deficiencies of existing programs and activities, together with recommendations for legislation."

Section 43. Section 75-1-1101, MCA, is amended to read:

"75-1-1101. Environmental contingency account objectives. (1) There is created an environmental contingency account within the state special revenue fund established in 17-2-102. The environmental contingency account is controlled by the governor.

(2) At the beginning of each biennium, \$175,000 must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund with the following exceptions:

(a) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account equals

or exceeds \$750,000, no allocation will be made; and

(b) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account is less than \$750,000, then an amount less than or equal to the difference between the unobligated cash balance and \$750,000, but not to exceed \$175,000, must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund.

(3) Funds are statutorily appropriated, as provided in 17-7-502, from the environmental contingency account upon the authorization of the governor to meet unanticipated public needs consistent with the following objectives:

(a) to support water development projects in communities that face an emergency or imminent need for such the services or to prevent the physical failure of a water project;

(b) to preserve vegetation, water, soil, fish, wildlife, or other renewable resources from an imminent physical threat or during an emergency, not including:

(i) natural disasters adequately covered by other funding sources; or

(ii) fire;

(c) to respond to an emergency or imminent threat to persons, property, or the environment caused by mineral development; and

(d) to fund the environmental quality protection fund provided for in 75-10-704 or to take other necessary actions, including the construction of facilities, to respond to actual or potential threats to persons, property, or the environment caused by hazardous wastes or other hazardous materials.

(4) Interest from funds in the environmental contingency account accrues to the resource indemnity trust interest account.

(5) The governor shall, ~~as provided in 5-11-2107~~, submit ~~to the legislature~~ submit, as a part of the information required by 17-7-111, a complete financial report on the environmental contingency account, including a description of all expenditures made since the preceding report."

SECTION 44. SECTION 75-10-533, MCA, IS AMENDED TO READ:

"75-10-533. Department to report fees ~~to legislature~~. The department shall, ~~as provided in 5-11-2107~~, report to ~~each legislature~~ the office of budget and program planning, as a part of the information required by 17-7-111, the amount collected under this part and 61-3-508 and the cost of administration of this part, except 75-10-520, to date so that any necessary adjustment of the amount of the fee may be made to assure that no more than the actual cost of operation of the program is collected."

Section 45. Section 75-10-704, MCA, is amended to read:

***75-10-704. Environmental quality protection fund. (1)**

There is created in the state special revenue fund an environmental quality protection fund to be administered as a revolving fund by the department. The department is authorized to expend amounts from the fund necessary to carry out the purposes of this part.

(2) The fund may be used by the department only to carry out the provisions of this part and for remedial actions taken by the department pursuant to this part in response to a release of hazardous or deleterious substances.

(3) The department shall:

(a) establish and implement a system for prioritizing sites for remedial action based on potential effects on human health and the environment; and

(b) investigate, negotiate, and take legal action, as appropriate, to identify liable persons, to obtain the participation and financial contribution of liable persons for the remedial action, to achieve remedial action, and to recover costs and damages incurred by the state.

(4) There must be deposited in the fund:

(a) all penalties, forfeited financial assurance, natural resource damages, and remedial action costs recovered pursuant to 75-10-715;

(b) all administrative penalties assessed pursuant to

1 75-10-714 and all civil penalties assessed pursuant to
2 75-10-711(5);

3 (c) funds appropriated to the fund by the legislature;
4 and

5 (d) funds received from the interest income of the
6 resource indemnity trust fund pursuant to 15-38-202.

7 (5) Whenever a legislative appropriation is
8 insufficient to carry out the provisions of this part and
9 additional money remains in the fund, the department shall
10 seek additional authority to spend money from the fund
11 through the budget amendment process provided for in Title
12 17, chapter 7, part 4.

13 (6) Whenever the amount of money in the fund is
14 insufficient to carry out remedial action, the department
15 may apply to the governor for a grant from the environmental
16 contingency account established pursuant to 75-1-1101.

17 ~~{7}--The--department--shall--as--provided--in--5-11-210,~~
18 ~~submit-to-the-legislature-a-complete-financial-report-on-the~~
19 ~~fund,-including-a-description-of-all-expenditures-made-since~~
20 ~~the-preceding-report:-"~~

21 **Section 46.** Section 76-11-203, MCA, is amended to read:

22 "76-11-203. Direction to state agencies. (1) The
23 department of natural resources and conservation shall
24 develop a plan for completing the soil survey and mapping
25 program in cooperation with and according to the standards

1 set forth by the national cooperative soil survey program
2 and the Montana state agricultural experiment station.

3 (2) The soil survey plan ~~shall~~ must identify all
4 projected local participation, all funds available from
5 state and federal agencies, including planning grants, and
6 any and all additional equipment, personnel, facilities,
7 supplies, maps and ~~such~~ other material necessary to complete
8 the soil survey and mapping program.

9 (3) The soil survey plan ~~shall~~ must determine
10 geographic areas without modern soil survey information and
11 ~~shall~~ must establish in cooperation with the national
12 cooperative soil survey program priorities for completing
13 soil surveys based upon the needs of the geographic areas.

14 (4) The department of natural resources and
15 conservation shall oversee the plan for completing the soil
16 survey and mapping program and shall report annually on its
17 progress to the governor not later than January 1 of each
18 year ~~and,-as-provided-in-5-11-210,-to-the-legislature."~~

19 **Section 47.** Section 76-12-109, MCA, is amended to read:

20 "76-12-109. Report to legislature. The board ~~shall~~ may,
21 as provided in 5-11-210, submit to each legislature a report
22 on its designation and acquisition activities."

23 **Section 48.** Section 82-11-161, MCA, is amended to read:

24 "82-11-161. Oil and gas production damage mitigation
25 account -- statutory appropriation. (1) There is an oil and

gas production damage mitigation account within the state special revenue fund established in 17-2-102. The oil and gas production damage mitigation account is controlled by the board.

(2) ~~On July 1, 1991, and at~~ At the beginning of each succeeding biennium, there must be allocated to the oil and gas production damage mitigation account \$50,000 from the interest income of the resource indemnity trust fund, except if at the beginning of a biennium the unobligated cash balance in the oil and gas production damage mitigation account:

(a) equals or exceeds \$200,000, no allocation will be made; or

(b) is less than \$200,000, then an amount less than or equal to the difference between the unobligated cash balance and \$200,000, but not more than \$50,000, must be allocated to the oil and gas production damage mitigation account from the interest income of the resource indemnity trust fund.

(3) In addition to the allocation provided in subsection (2), there must be deposited in the oil and gas production damage mitigation account:

(a) all funds received by the board pursuant to 82-11-136; and

(b) all fees received by the board from owners of producing wells pursuant to 82-11-162.

(4) If a sufficient balance exists in the account, funds are statutorily appropriated, as provided in 17-7-502, from the oil and gas production damage mitigation account, upon the authorization of the board, to pay the reasonable costs of properly plugging a well and either reclaiming or restoring, or both, a drill site or other drilling or producing area damaged by oil and gas operations if the board determines that the well, sump, hole, drill site, or drilling or producing area has been abandoned and the responsible person cannot be identified or located or if the responsible person fails or refuses to properly plug, reclaim, or restore the well, drill site, or drilling or producing area within a reasonable time after demand by the board. The responsible person shall, however, pay costs to the extent of his that person's available resources and is subsequently liable to fully reimburse the account or is subject to a lien on property as provided in 82-11-164 for costs expended from the account to properly plug, reclaim, or restore the well, drill site, or drilling or producing area and to mitigate any damage for which he the person is responsible.

(5) Interest from funds in the oil and gas production damage mitigation account accrues to that account.

~~(6) The board shall, as provided in 5-11-2107, submit to the legislature a complete financial report on the oil and~~

gas--production--damage--mitigation--account,--including--a
description--of--all--expenditures--made--since--the--preceding
report."

SECTION 49. SECTION 85-1-621, MCA, IS AMENDED TO READ:

"85-1-621. Report to the legislature. The department shall prepare a biennial report to the legislature describing the status of the water development program. The report must describe ongoing projects and activities and those which have been completed during the biennium. The report must identify and rank in order of priority the projects for which the department desires to seek congressional authorization and funding and the efforts the department will undertake in attempting to secure such authorization and funding. The report must also describe proposed projects and activities for the coming biennium and recommendations for necessary appropriations. A copy of the report shall be submitted to the president of the senate and the speaker of the house, to the members of the water policy committee established in 85-2-105, and, as provided in 5-11-210, to the legislature."

SECTION 50. SECTION 87-2-722, MCA, IS AMENDED TO READ:

"87-2-722. Auction of mountain sheep license. (1) The commission may issue one male mountain sheep license each year through a competitive auction. The commission shall promulgate rules for the use of the license and conduct of

the auction. A wildlife conservation organization involved in the conservation of mountain sheep may be authorized by the commission to conduct the license auction, in which case the authorized organization may retain proceeds of the sale, not to exceed 10%, to cover reasonable auction expenses.

(2) All proceeds remaining from the auction, whether conducted by the commission or as otherwise authorized by the commission, must be used by the department for the substantial benefit of mountain sheep. The proceeds from the auction must be used in addition to any other funds the department uses for the management of mountain sheep. The department shall report to each legislature concerning the use or investment of auction proceeds to the office of budget and program planning as a part of the information required by 17-7-111."

Section 51. Section 87-2-724, MCA, is amended to read:

"87-2-724. Auction of Shiras moose license. (1) The commission may issue one male Shiras moose license each year through a competitive auction. The commission shall promulgate rules for the use of the license and conduct of the auction. A wildlife conservation organization involved in the conservation of moose may be authorized by the commission to conduct the license auction, in which case the authorized organization may retain up to 10% of the proceeds of the sale to cover reasonable auction expenses.

(2) All proceeds remaining from the auction, whether conducted by the commission or as otherwise authorized by the commission, must be used by the department for the substantial benefit of moose. The proceeds from the auction must be used in addition to any other funds the department uses for the management of moose. ~~The department shall, as provided in 5-11-2107, report to each legislature concerning the use or investment of auction proceeds.~~

Section 52. Section 90-3-203, MCA, is amended to read:

"90-3-203. Powers and duties of board. The board shall:

(1) make loans in science and technology development projects pursuant to the provisions of this act in the following areas that have potential to stimulate economic development in Montana:

- (a) research capability development;
- (b) applied technology research;
- (c) technology transfer and assistance; and
- (d) startup capital or expansion capital projects for development and commercialization of innovative products and processes;

(2) accept grants or receive devises of money or property to be used in Montana for loans made pursuant to this chapter; and

(3) submit to the governor by January 1 of each odd-numbered year or when otherwise requested by the

governor at his request and, as provided in 5-11-2107, to the legislature a report describing the board's programs and accomplishments."

SECTION 53. SECTION 90-4-606, MCA, IS AMENDED TO READ:

"90-4-606. Submission to the legislature Program report and recommendations. ~~During the first week of the regular legislative session, the~~ The governor shall submit to the legislature for its approval the proposed projects to be funded by the energy conservation program for the next biennium as a part of the budget required by 17-7-123. ~~In his recommendation, the~~ The governor shall include make available, as provided by [section 23]:

- (1) the report prepared by the department;
 - (2) a description of the improvements to be financed;
 - (3) the estimated cost of each project and the total cost of the program; and
 - (4) the proposed method of financing the improvement.
- If energy conservation program bonds are proposed to be issued to finance the program improvements, the governor shall include within his the report a written statement by the department that the estimated annual energy savings to be derived from the installation of the energy saving equipment or improvements, upon completion, are expected to equal or exceed the annual debt service to be paid on the energy conservation program bonds proposed to be issued to

1 fund the costs of such equipment or improvements."

2 **Section 54.** Section 90-4-111, MCA, is amended to read:

3 "90-4-111. Biennial report. The department shall
4 monitor the grants awarded under 90-4-106 and 90-4-109 and
5 shall, as provided--in--5-11-210 requested, report its
6 expenditures and other information concerning the
7 implementation and effectiveness of specific projects or
8 programs for which grants were awarded under this part to
9 the legislature environmental quality council."

10 **SECTION 55.** SECTION 90-6-304, MCA, IS AMENDED TO READ:

11 "90-6-304. Accounts established. (1) There is within
12 the state agency fund type a hard-rock mining impact
13 account. Money is payable into this account from payments
14 made by a mining developer in compliance with the written
15 guarantee from the developer to meet the increased costs of
16 public services and facilities as specified in the impact
17 plan provided for in 90-6-307. The state treasurer shall
18 draw warrants from this account upon order of the board.

19 (2) There is within the state special revenue fund a
20 hard-rock mining impact trust account. Within this trust
21 account, there is established a reserve account not to
22 exceed \$100,000.

23 (a) Money within the hard-rock mining impact trust
24 account may be used:

25 (i) for the administrative and operating expenses of

1 the board, as provided by 90-6-303(4);

2 (ii) to establish and maintain the reserve account; and

3 (iii) for distribution to the counties of origin, as
4 provided by 90-6-331(1) and this section.

5 (b) Money within the hard-rock mining impact trust
6 reserve account may be used for the administrative and
7 operating expenses of the board if:

8 (i) the revenue provided under 15-37-117(1)(b) is less
9 than the amount appropriated for the administrative and
10 operating expenses of the board; or

11 (ii) the use of the reserve account revenue is necessary
12 to allow the board to meet its quasi-judicial
13 responsibilities under 90-6-307, 90-6-311, or 90-6-403(3).

14 ~~(c) The board shall report to the legislature any~~
15 ~~expenditure from the hard-rock mining impact trust reserve~~
16 ~~account.~~

17 (3) Money is payable into the hard-rock mining impact
18 trust account under the provisions of 15-37-117. After first
19 deducting the administrative and operating expenses of the
20 board, as provided in 90-6-303, and then establishing and
21 maintaining the reserve account in the amount of \$100,000,
22 as provided in subsection (2) of this section, the remaining
23 money must be segregated within the account by county of
24 origin. The state treasurer shall draw warrants from this
25 account upon order of the board."

1 NEW SECTION. **Section 56.** Repealer. Sections 53-24-210,
2 69-1-404, 80-12-402, 80-12-403, and 87-5-123, MCA, are
3 repealed.

4 NEW SECTION. **Section 57.** Codification instruction.
5 [Section ~~18~~ 23] is intended to be codified as an integral
6 part of Title 17, chapter 7, part 1, and the provisions of
7 Title 17, chapter 7, part 1, apply to [section ~~18~~ 23].

-End-

SENATE BILL NO. 384

INTRODUCED BY LYNCH, COBB

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING STATUTES GOVERNING AND REQUIRING REPORTS TO THE LEGISLATURE; REPEALING OBSOLETE OR REDUNDANT REPORTING REQUIREMENTS; SIMPLIFYING AND REDUCING BUDGET PUBLICATION REQUIREMENTS; AMENDING SECTIONS 1-11-204, 2-4-411, 2-7-104, 2-8-208, 2-15-108, 2-15-2021, 2-18-209, 2-18-301, 2-18-811, 2-18-1103, 3-1-702, 5-7-207, 5-11-210, 5-13-304, 5-17-103, 10-4-102, 13-37-120, 15-1-205, 17-4-107, 17-5-1650, 17-6-305, 17-7-123, 18-7-303, 19-4-201, 20-9-346, 20-25-236, 20-25-301, 33-22-1513, 37-1-106, 44-2-304, 44-12-206, 44-13-103, 53-2-1107, 53-6-110, 53-20-104, 53-21-104, 53-24-204, 53-30-133, 72-16-202, 75-1-203, 75-1-324, 75-1-1101, 75-10-533, 75-10-704, 76-11-203, 76-12-109, 82-11-161, 85-1-621, 87-2-722, 87-2-724, 90-3-203, AND 90-4-111, 90-4-606, AND 90-6-304, MCA; AND REPEALING SECTIONS 53-24-210, 69-1-404, 80-12-402, 80-12-403, AND 87-5-123, MCA."

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

Section 1. Section 5-11-210, MCA, is amended to read:

"5-11-210. Clearinghouse for reports to legislature.

(1) For the purposes of this section, "report" means:

(a) a document required to be prepared for the legislature as required in any of the sections listed in subsection (10) and

(b) unless otherwise provided by law, any other a report required by law to be given to or filed with the legislature.

(2) On or before September 1 of each year preceding the convening of a regular session of the legislature, an entity required to report to the legislature shall provide, in writing, to the executive director of the legislative council:

(a) the final title of the report;

(b) an abstract or description of the contents of the report, not to exceed one-page 100 words;

(c) a recommendation on how many copies of the report should be provided to the legislature;

(d) the reasons why the number of copies recommended

THERE ARE NO CHANGES IN THIS BILL
AND WILL NOT BE REPRINTED. PLEASE
REFER TO YELLOW COPY FOR COMPLETE TEXT.

HOUSE STANDING COMMITTEE REPORT

March 12, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 384 (third reading copy -- blue) be concurred in as amended .

Signed: 
Dick Simpkins, Chair

And, that such amendments read:

Carried by: Rep.Simpkins

1. Page 8, line 5.
Strike: "estimate"
Insert: "studies"

2. Page 8, lines 6 through 8.
Strike: "prepare" on line 6 through "continuously" on line 8

-END-

Committee Vote:
Yes 16, No 0.

HOUSE

SB 384

561643SC.Hpf

SENATE BILL NO. 384

INTRODUCED BY LYNCH, COBB

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING STATUTES GOVERNING AND REQUIRING REPORTS TO THE LEGISLATURE; REPEALING OBSOLETE OR REDUNDANT REPORTING REQUIREMENTS; SIMPLIFYING AND REDUCING BUDGET PUBLICATION REQUIREMENTS; AMENDING SECTIONS 1-11-204, 2-4-411, 2-7-104, 2-8-208, 2-15-108, 2-15-2021, 2-18-209, 2-18-301, 2-18-811, 2-18-1103, 3-1-702, 5-7-207, 5-11-210, 5-13-304, 5-17-103, 10-4-102, 13-37-120, 15-1-205, 17-4-107, 17-5-1650, 17-6-305, 17-7-123, 18-7-303, 19-4-201, 20-9-346, 20-25-236, 20-25-301, 33-22-1513, 37-1-106, 44-2-304, 44-12-206, 44-13-103, 53-2-1107, 53-6-110, 53-20-104, 53-21-104, 53-24-204, 53-30-133, 72-16-202, 75-1-203, 75-1-324, 75-1-1101, 75-10-533, 75-10-704, 76-11-203, 76-12-109, 82-11-161, 85-1-621, 87-2-722, 87-2-724, 90-3-203, AND 90-4-111, 90-4-606, AND 90-6-304, MCA; AND REPEALING SECTIONS 53-24-210, 69-1-404, 80-12-402, 80-12-403, AND 87-5-123, MCA."

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

Section 1. Section 5-11-210, MCA, is amended to read:

"5-11-210. Clearinghouse for reports to legislature.

(1) For the purposes of this section, "report" means:

~~{a}--a--document--required--to--be--prepared---for---the legislature--as--required--in--any-of-the-sections-listed-in subsection-{i0};--and~~

~~{b}--unless--otherwise--provided--by--law,--any--other a~~ report required by law to be given to or filed with the legislature.

(2) On or before September 1 of each year preceding the convening of a regular session of the legislature, an entity required to report to the legislature shall provide, in writing, to the executive director of the legislative council:

(a) the final title of the report;

(b) an abstract or description of the contents of the report, not to exceed one-page 100 words;

(c) a recommendation on how many copies of the report should be provided to the legislature;

(d) the reasons why the number of copies recommended is, in the opinion of the reporting entity, the appropriate number of copies; and

(e) an estimated cost for each copy of the report; and

~~{f}--the--date--on--which--the--entity--will--deliver--the final,--published--copies--of--the--report--to--the--legislature.~~

(3) After considering all of the information available about the report, including the number of legislators

1 requesting copies of the report pursuant to subsection (7),
 2 the legislative council or the executive director shall, in
 3 writing, direct the reporting entity to provide a specific
 4 number of copies. The number of copies required is at the
 5 sole discretion of the legislative council. The legislative
 6 council or the executive director may require the reporting
 7 entity to mail the copies of the report.

8 (4) The legislative council may require that the report
 9 be submitted in an electronic format useable on the
 10 legislature's current computer hardware, in a microform,
 11 such as microfilm or microfiche, or in a CD-ROM format,
 12 meaning compact disc read-only memory.

13 (5) Costs of preparing and distributing a report to the
 14 legislature, including writing, printing, postage,
 15 distribution, and all other costs, accrue to the reporting
 16 agency. Costs incurred in meeting the requirements of this
 17 section may not accrue to the legislative council.

18 (6) The executive director of the legislative council
 19 shall cause to be prepared a list of all reports required to
 20 be presented to the legislature from the list of titles
 21 received under subsection (2).

22 (7) The executive director shall, as soon as possible
 23 following a general election, mail to each holdover senator,
 24 senator-elect, and representative-elect a list of the titles
 25 of the reports, along with the abstracts prepared pursuant

1 to subsection (2)(b) ~~7--available--from--the--legislative~~
 2 ~~council~~. The list must include a form on which each member
 3 or member-elect receiving the list may indicate the report
 4 or reports that the member or member-elect would like to
 5 receive.

6 (8) The executive director or the legislative council
 7 shall make copies of reports requested pursuant to
 8 subsection (7) available to those members or members-elect
 9 by either requiring that copies be mailed pursuant to
 10 subsection (3) or by delivering copies of the reports during
 11 the first week of the legislative session.

12 (9) The executive director of the legislative council
 13 may keep as many copies of a report as he ~~considers~~ are
 14 necessary, and ~~copies of the report may be discarded at his~~
 15 discretion discard the rest.

16 (10) ~~{a} A report to the legislature includes a report~~
 17 ~~required to be made by a board, bureau, commission,~~
 18 ~~committee, council, department, division, fund, authority,~~
 19 ~~or officer of the state or a local government in 1-11-204,~~
 20 ~~2-4-411, 2-7-104, 2-8-112, 2-8-203, 2-8-207, 2-8-208,~~
 21 ~~2-15-2021, 2-18-209, 2-18-811, 2-18-1103, 3-1-702, 3-1-1126,~~
 22 ~~5-5-216, 5-13-304, 5-17-103, 5-18-203, 5-19-108, 10-4-102,~~
 23 ~~15-1-205, 17-4-107, 17-5-1650, 18-7-303, 19-4-201, 20-9-346,~~
 24 ~~20-25-236, 20-25-301, 22-3-107, 23-7-203, 33-22-1513,~~
 25 ~~37-1-106, 39-6-101, 39-51-407, 44-2-304, 44-13-103,~~

1 46-23-3167--53-2-1107---53-6-1107---53-20-1047---53-21-1047
 2 53-24-2047---53-24-2107---53-30-1337---69-1-4047---72-16-2027
 3 75-1-2037---75-1-11017---75-7-3047---75-10-5337---75-10-7047
 4 76-11-2037---76-12-1097---80-7-7137---80-12-4027---82-11-1617
 5 85-1-6217---85-2-1057---87-2-7247---87-5-1237---90-3-2037---or
 6 90-4-1117

7 {b} The procedure outlined in this section may also be
 8 used for a report required to be made to the legislature
 9 under the Multistate Tax Compact contained in 15-1-601, the
 10 Vehicle Equipment Safety Compact contained in 61-2-201, the
 11 Multistate Highway Transportation Agreement contained in
 12 61-10-1101, or the Western Interstate Nuclear Compact
 13 contained in 90-5-201."

14 **Section 2.** Section 1-11-204, MCA, is amended to read:

15 "1-11-204. Duties of code commissioner. (1) Prior to
 16 November 1 immediately preceding each regular legislative
 17 session, the code commissioner shall prepare and,---as
 18 provided--in--5-11-2107, submit to the legislative council a
 19 report, in tabular or other form, indicating the
 20 commissioner's recommendations for legislation that will:

- 21 (a) eliminate archaic or outdated laws;
- 22 (b) eliminate obsolete or redundant wording of laws;
- 23 (c) eliminate duplications in law and any laws repealed
 24 directly or by implication;
- 25 (d) clarify existing laws;

1 (e) correct errors and inconsistencies within the laws.
 2 (2) The commissioner shall cause to be prepared for
 3 publication with the Montana Code Annotated the following
 4 material:

- 5 (a) the statutory history of each code section;
- 6 (b) annotations of state and federal court decisions
 7 relating to the subject matter of the code;
- 8 (c) editorial notes, cross-references, and other matter
 9 the commissioner considers desirable or advantageous;
- 10 (d) the Declaration of Independence;
- 11 (e) the Constitution of the United States of America
 12 and amendments to the constitution;
- 13 (f) acts of congress relating to the authentication of
 14 laws and records;
- 15 (g) the Organic Act of the Territory of Montana;
- 16 (h) The Enabling Act;
- 17 (i) The 1972 Constitution of the State of Montana and
 18 any amendments to the constitution;
- 19 (j) ordinances relating to federal relations and
 20 elections;
- 21 (k) rules of civil, criminal, and appellate procedure
 22 and other rules of procedure the Montana supreme court may
 23 adopt; and
- 24 (l) a complete subject index, a popular name index, and
 25 comparative disposition tables or cross-reference indexes

relating sections of the Montana Code Annotated to prior compilations and session laws.

(3) After publication of the Montana Code Annotated, the code commissioner shall:

(a) annotate, arrange, and prepare for publication all laws of a general and permanent nature enacted at each legislative session and assign catchlines and code section numbers to each new section;

(b) continue to codify, index, arrange, rearrange, and generally update the Montana Code Annotated to maintain an orderly and logical arrangement of the laws in order to avoid future need for bulk revision;

(c) prepare and publish a report entitled "Official Report of the Montana Code Commissioner--(year)" that indicates, in tabular or other form, all changes made during the continuous recodification, other than punctuation, spelling, and capitalization, to clearly indicate the character of each change made since the last report.

(4) From time to time, the commissioner shall confer with members of the judiciary and the state bar relative to recodification procedures."

Section 3. Section 2-4-411, MCA, is amended to read:

"2-4-411. Report. The committee shall prepare and, as provided in 5-11-2107, submit a report to the legislature and may recommend amendments to the Montana Administrative

Procedure Act or the repeal, amendment, or adoption of a rule as provided in 2-4-412 and make other recommendations and reports as it considers advisable."

Section 4. Section 2-7-104, MCA, is amended to read:

"2-7-104. Revenue estimate STUDIES -- report to governor and legislature. The director of revenue shall prepare revenue estimates of state revenue from all sources and shall continuously study fiscal problems and tax structures of state and local governments and submit the studies to the governor and, as provided in 5-11-2107, requested, to the legislature, a legislative committee, or a member of the legislature."

Section 5. Section 2-8-208, MCA, is amended to read:

"2-8-208. Boards or licensing functions instituted by initiative. (1) If an initiative to establish a new licensing board or to add a new licensing responsibility to the duties of an existing licensing board is approved by the electorate, the committee shall:

(a) review the initiative to assess the degree to which it meets the criteria in 2-8-204(1);

(b) request that the petitioners provide sufficient information from practitioners or other persons to allow the committee to make an assessment as required by 2-8-204(3); and

(c) evaluate the petitioners' initiative in terms of:

(i) clarity and conciseness;

(ii) conformity to existing statutes and principles of administrative law; and

(iii) specificity of the delegation of authority to promulgate rules and set fees.

(2) The committee shall prepare ~~and, as provided in 5-11-210, submit~~ a report to and make it available for the legislature. The report must include:

(a) the committee's findings with respect to each of the criteria in 2-8-204;

(b) an estimate of the cost to the state of licensing the occupation or profession and a proposed schedule of fees that will cover the cost of the licensing program as required by 37-1-134;

(c) the committee's recommendation as to whether the initiative should be amended; and

(d) if amendments are recommended, a legislative proposal.

(3) Committee recommendations for amendments to the initiative must be incorporated in a bill introduced during the next session of the legislature."

SECTION 6. SECTION 2-15-108, MCA, IS AMENDED TO READ:

"2-15-108. Gender and racial balance -- report to legislature. (1) As vacancies occur and appointments are made, all appointing authorities of all appointive boards,

commissions, committees, and councils of state government shall take positive action to attain gender balance and proportional representation of minorities resident in Montana to the greatest extent possible.

(2) Pursuant to subsection (1), the secretary of state shall publish in the Montana Administrative Register on a monthly basis the recent appointments made by the executive branch and the upcoming vacancies on executive boards and commissions.

(3) ~~Prior to the 10th legislative day of each regular session, the~~ The governor shall report to the legislature, as provided in 5-11-210, on the progress made toward achieving the goals set forth in this section."

Section 7. Section 2-15-2021, MCA, is amended to read:

"2-15-2021. Gaming advisory council -- allocation -- composition -- compensation -- biennial report. (1) There is a gaming advisory council.

(2) The gaming advisory council is allocated to the department for administrative purposes only as prescribed in 2-15-121.

(3) The gaming advisory council consists of nine members. One member must be from the senate, and one member must be from the house of representatives. The senate committee on committees and the speaker of the house of representatives shall appoint the legislative members of the

1 council. The seven remaining members must be appointed by
 2 the department, with one representing the public at large,
 3 two representing local governments, one being a Native
 4 American, and three representing the gaming industry.

5 (4) Each gaming advisory council member is appointed to
 6 a 3-year term of office, except that three of the
 7 first-appointed original members shall serve a 1-year term,
 8 three (including both legislative members) shall serve a
 9 2-year term, and three shall serve a 3-year term. A member
 10 of the council may be removed for good cause by the
 11 appointing body provided for in subsection (3).

12 (5) The gaming advisory council shall appoint a
 13 chairman presiding officer from its members.

14 (6) Legislative members of the gaming advisory council
 15 are entitled to compensation and expenses, as provided in
 16 5-2-302, while the council is meeting. The remaining members
 17 are entitled to travel, meals, and lodging expenses as
 18 provided for in 2-18-501 through 2-18-503. Expenses of the
 19 council must be paid from licensing fees received by the
 20 department.

21 (7) The gaming advisory council shall, within its
 22 authorized budget, hold meetings and incur expenses as it
 23 considers necessary to study all aspects of gambling in the
 24 state.

25 (8) (a) The gaming advisory council shall submit a

1 biennial report to the department, at a time designated by
 2 the department, with recommendations for amendments to the
 3 gambling statutes, the need for additional or modified
 4 department rules, the clarification of existing rules, and
 5 other recommendations on the operation of the department or
 6 any other gambling-related matter.

7 (b) The biennial report required under subsection
 8 (8)(a) must be affixed to the report on gambling in the
 9 state that the department submits that year. ~~The department~~
 10 ~~and council shall, as provided in 5-11-210, submit the two~~
 11 ~~most recent department and council reports to the~~
 12 ~~legislature.~~

13 (c) The council may submit interim reports to the
 14 department as the council considers necessary.

15 (d) The council shall meet with the department upon
 16 request of the department.

17 (e) The department shall meet with the council upon
 18 request of the council.

19 (9) The department shall give each council member
 20 notice and a copy of each proposed change in administrative
 21 rules relating to gambling. The notice and copy must be
 22 given at the time a notice of proposed rules changes is
 23 filed with the secretary of state. The council shall review
 24 the proposal, may comment on it, and may attend any hearing
 25 on the proposal. The department shall consider any comment

1 by any council member or by the council as a whole prior to
2 adopting the proposed change."

3 **Section 8.** Section 2-18-209, MCA, is amended to read:

4 "2-18-209. ~~Status--report~~ Periodic evaluation. The
5 department of administration shall~~as provided in 5-11-210,~~
6 ~~report--to--the--legislature--the status of the study of the~~
7 ~~comparable worth--standard--and~~ periodically evaluate the
8 extent to which Montana's classification plan, and pay
9 schedules, and statutes adhere to or fall short of the
10 standard of equal pay for comparable worth. The department
11 shall may make recommendations to the legislature ~~as to what~~
12 regarding impediments exist to meeting this standard. ~~The~~
13 ~~department--shall--continue--to--make such reports until the~~
14 ~~standard is met."~~

15 **SECTION 9.** SECTION 2-18-301, MCA, IS AMENDED TO READ:

16 "2-18-301. Purpose and intent of part -- rules. (1) The
17 purpose of this part is to provide the market-based
18 compensation necessary to attract and retain competent and
19 qualified employees in order to perform the services the
20 state is required to provide to its citizens.

21 (2) It is the intent of the legislature that
22 compensation plans for state employees, excluding those
23 employees excepted under 2-18-103 or 2-18-104 and excluding
24 employees compensated under 2-18-313, 2-18-314, and
25 2-18-315, be based on an analysis of the labor market as

1 provided by the department in a salary survey. ~~report to the~~
2 ~~legislature at the start of each--legislative--session.~~ The
3 salary survey must be submitted to the office of budget and
4 program planning as a part of the information required by
5 17-7-111.

6 (3) Except as provided in 2-18-110 and 2-18-305(4), pay
7 schedules provided for in 2-18-312 through 2-18-315
8 supersede any other plan or systems established through
9 collective bargaining after the adjournment of the 52nd
10 legislature.

11 (4) Pay levels provided for in 2-18-312 through
12 2-18-315 may not be increased through collective bargaining
13 after adjournment of the 52nd legislature.

14 (5) Total funds required to implement the pay schedules
15 provided for in 2-18-312 through 2-18-315 for any employee
16 group or bargaining unit may not be increased through
17 collective bargaining over the amount appropriated by the
18 52nd legislature.

19 (6) The department shall administer the pay program
20 established by the legislature on the basis of merit,
21 internal equity, and competitiveness to external labor
22 markets when fiscally able.

23 (7) The department may promulgate rules not
24 inconsistent with the provisions of this part, collective
25 bargaining statutes, or negotiated contracts to carry out

the purposes of this part."

Section 10. Section 2-18-811, MCA, is amended to read:

"2-18-811. General duties of the department. The department shall:

(1) adopt rules for the conduct of its business under this part and to carry out the purposes of this part;

(2) negotiate and administer contracts for state employee group benefit plans;

(3) design state employee group benefit plans, establish specifications for bids, and make recommendations for acceptance or rejection of bids;

(4) prepare an annual report which describes the state employee group benefit plans being administered, details the historical and projected program costs and the status of reserve funds, and makes recommendations, if any, for change in existing state employee group benefit plans;

(5) prior to each legislative session, perform or obtain an analysis of rate adequacy of all state employee group benefit plans administered under this part; and

(6) ~~as provided in 5-11-2107~~, submit the report required in this section ~~to the legislature to the office of budget and program planning as a part of the information required by 17-7-111.~~"

Section 11. Section 2-18-1103, MCA, is amended to read:

"2-18-1103. Powers and duties of the department. The

department shall:

(1) adopt rules to equitably administer the employee incentive award program;

(2) provide an opportunity for all employees to participate in the program;

(3) assist agencies in making incentive awards under the program;

(4) grant or deny incentive awards in consultation with the incentive awards advisory council and determine the amount of each incentive award based on first-year monetary savings;

(5) hear appeals from employees on the operation of the program;

(6) prepare and submit, ~~as provided in 5-11-2107, a biennial report to the legislature containing as a part of the information required by 17-7-111,~~ a list of incentive awards and the corresponding savings to the state resulting from each employee's suggestion or invention and providing a general review of and recommendations for improving the program; and

(7) send a copy of all suggestions or inventions submitted under this program to the office of the legislative fiscal analyst."

Section 12. Section 3-1-702, MCA, is amended to read:

"3-1-702. Duties. The court administrator is the

1 administrative officer of the court. Under the direction of
2 the supreme court, the court administrator shall:

3 (1) prepare and present judicial budget requests to the
4 legislature;

5 (2) collect, compile, and report statistical and other
6 data relating to the business transacted by the courts and
7 provide the information to the legislature pursuant--to
8 ~~5-11-210~~ on request;

9 (3) recommend to the supreme court improvements in the
10 judiciary;

11 (4) administer state funding for district courts as
12 provided in chapter 5, part 9; and

13 (5) perform such other duties as that the supreme court
14 may assign."

15 **SECTION 13. SECTION 5-7-207, MCA, IS AMENDED TO READ:**

16 "5-7-207. Report to legislature. Beginning with the
17 first Tuesday following the beginning of any regular or
18 special session of the legislature and on the first Tuesday
19 of every month thereafter during which the legislature is in
20 session, the commissioner shall make available from his the
21 commissioner's records a report to each member of each house
22 of the legislature containing the names of lobbyists
23 registered under this chapter, not previously reported, the
24 names of the principals whom they represent as lobbyists,
25 and the subjects of legislation in which each principal is

1 interested."

2 **Section 14. Section 5-13-304, MCA, is amended to read:**

3 "5-13-304. Powers and duties. The legislative auditor
4 shall:

5 (1) conduct a financial and compliance audit of every
6 state agency every 2 years covering the 2-year period since
7 the last audit, unless otherwise required by state law;

8 (2) conduct a special audit whenever he the legislative
9 auditor determines it necessary and shall so advise the
10 members of the legislative audit committee;

11 (3) make a complete written report of each audit. A
12 copy of each report ~~shall~~ must be furnished to the
13 department of administration, the state agency which was
14 audited, each member of the committee, and the legislative
15 council.

16 (4) report immediately in writing to the attorney
17 general and the governor any apparent violation of penal
18 statutes disclosed by the audit of a state agency and
19 furnish the attorney general with all information ~~in-his~~
20 possession available relative to the violation;

21 (5) report immediately in writing to the governor any
22 instances of misfeasance, malfeasance, or nonfeasance by a
23 state officer or employee disclosed by the audit of a state
24 agency;

25 (6) report immediately to the surety upon the bond of

an official or employee when an audit discloses a shortage in the accounts of the official or employee. Failure to notify the surety does not release the surety from any obligation under the bond.

~~(7)--report--to--the--legislature--as--provided--in--5--11--210--~~
~~The report shall contain, among other things, copies of or summaries of audit reports on state agencies and any recommendations relating to such reports.~~

~~(8)(7)~~ have the authority to audit records of organizations and individuals receiving grants from or on behalf of the state to determine that the grants are administered in accordance with the grant terms and conditions. Whenever a state agency enters into an agreement to grant resources under its control to others, the agency must shall obtain the written consent of the grantee to the audit provided for in this subsection."

Section 15. Section 5-17-103, MCA, is amended to read:

"5-17-103. Report to legislature. The committee ~~shall~~ may prepare a written report of its activities and recommendations and present the report to the legislature as provided in 5-11-210 for the purpose of assisting the legislature in determining if such the recommendations should be implemented. To prepare its report and recommendations, the committee may receive assistance from the legislative council."

Section 16. Section 10-4-102, MCA, is amended to read:

"10-4-102. Department of administration duties and powers. (1) The department shall assist in the development of 9-1-1 systems in the state. The department shall:

(a) establish procedures for determining and evaluating requests for variations from minimum 9-1-1 service;

(b) upon request of a 9-1-1 jurisdiction, assist in planning an emergency 9-1-1 telephone system;

(c) establish criteria for evaluating plans;

(d) monitor implementation of approved plans for compliance with the plan and use of funding; and

(e) ~~as provided in 5-11-210, as it finds necessary,~~ report to the legislature the progress made in implementing a statewide emergency telephone system.

(2) The department shall obtain input from all 9-1-1 jurisdictions by creating an advisory council to participate in development and implementation of the 9-1-1 program in the state. The council must be established pursuant to 2-15-122. The highway patrol, emergency medical services organizations, telephone companies, the associated public safety communicators, the department of emergency services, police departments, sheriff's departments, local citizens, organizations, and other public safety organizations may submit recommendations for membership on the advisory council."

SECTION 17. SECTION 13-37-120, MCA, IS AMENDED TO READ:

"13-37-120. Reports. ~~The commissioner shall at the close of each fiscal year report to the legislature and the governor concerning the action he has taken, including the names, salaries, and duties of all individuals in his employ and the money he has disbursed.~~ The commissioner ~~shall also make further reports~~ may report as necessary on the matters within his the commissioner's jurisdiction that the legislature may prescribe and shall also make recommendations for further legislation that may appear desirable."

Section 18. Section 15-1-205, MCA, is amended to read:

"15-1-205. Biennial report -- contents. (1) The department shall transmit to the governor 20 days before the meeting of the legislature and ~~as provided in 5-11-210,~~ submit make available to the legislature a report of the department showing all the taxable property of the state, counties, and cities and its value, in tabulated form, with recommendations for improvements in the system of taxation, together with alternative measures as may be formulated for the consideration of the legislature. The department shall follow the provisions of 5-11-210 in preparing the report.

(2) The report or supplements to the report may also include:

(a) the gross dollar amount of revenue loss

attributable to:

(i) personal income and corporation license tax exemptions;

(ii) property tax exemptions for which application to the department or its agent is necessary;

(iii) deferral of income;

(iv) credits allowed against Montana personal income tax or Montana corporation license tax, reported separately;

(v) deductions from income; and

(vi) any other identifiable preferential treatment of income or property;

(b) any change in tax revenue of the state or any unit of local government attributable to a change in federal tax law; and

(c) any change in the revenue of any unit of local government attributable to a change in state tax law.

(3) The data described in subsection (2), if reported, must be related to the income and age of the taxpayer whenever such the information is available.

(4) (a) When reporting the data described in subsection (2)(a), the department shall identify any known purpose of the preferential treatment.

(b) Based upon the purpose of the preferential treatment, the department shall outline the available data necessary to determine the effectiveness of the preferential

1 treatment.

2 (5) In reporting the data described in subsection (2),
3 the department shall report any comparable data, if
4 available, from Wyoming, Idaho, North Dakota, and South
5 Dakota and from any other state the department may choose.

6 (6) The department must identify in a separate section
7 of the report any changes that have been made or that are
8 contemplated in property appraisal or assessment.

9 (7) The department may include a report showing the
10 selling price of gasoline at the wholesale level in prime
11 market centers of Montana and in surrounding states during
12 the biennium, with indexes tabulated at sufficient intervals
13 to show the comparative state price structures.

14 (8) The department shall include the inheritance tax
15 information required by 72-16-202 in a separate section of
16 the report."

17 **Section 19.** Section 17-4-107, MCA, is amended to read:

18 "17-4-107. Write-off procedures. (1) The state auditor
19 may establish procedures for canceling and writing off
20 accounts receivable carried on the books of the various
21 state agencies which that have been transferred to him the
22 state auditor's office pursuant to 17-4-104 and which that
23 are uncollectible or the continued pursuance of the
24 collection thereof of accounts would cost the state more
25 than the amount collected. Such The procedures shall must be

1 established in accordance with subsection (2).

2 (2) The department of administration may establish
3 procedures for canceling and writing off accounts receivable
4 carried on the books of various state agencies which are
5 uncollectible or the continued pursuance of the collection
6 would cost the state more than the amount collected. Such
7 The procedures shall must include the reporting as provided
8 in 5-11-2107, to the budget director of any canceling and
9 writing off of accounts receivable."

10 **Section 20.** Section 17-5-1650, MCA, is amended to read:

11 "17-5-1650. Annual report. By December 31 of each year,
12 the board shall publish a financial report for distribution
13 to the governor, the legislature as--provided--in--5-11-2107,
14 and the public. Distribution to the legislature is
15 accomplished by providing two copies to the office of the
16 legislative fiscal analyst, two copies to the legislative
17 council, and a copy to a legislator on request. The report
18 must include a statement of the board's current financial
19 position with respect to its activities under this part, a
20 summary of its activities pursuant to this part during the
21 previous year (including a listing of the local governmental
22 securities purchased by the board, a listing of the bonds
23 and notes sold by the board, and a summary of the
24 performance of any other investments of the board's funds
25 received under this part), an estimate of the levels of such

activities for the next year, and a comparison of ~~such the~~ activities during the previous year with the estimates of those activities that were made in the previous annual report."

SECTION 21. SECTION 17-6-305, MCA, IS AMENDED TO READ:

"17-6-305. Investment of up to twenty-five percent of coal tax trust fund in Montana economy -- report by board.

(1) Subject to the provisions of 17-6-201(1), the board shall endeavor to invest up to 25% of the permanent coal tax trust fund established in 17-6-203(6) in the Montana economy, with special emphasis on investments in new or expanding locally owned enterprises.

(2) In determining the probable income to be derived from investment of this revenue, the long-term benefit to the Montana economy must be considered.

(3) The legislature may provide additional procedures to implement this section.

(4) The board shall include a report biennially to--the legislature on the investments made under this section as a part of the information required by 17-7-111."

Section 22. Section 17-7-123, MCA, is amended to read:

"17-7-123. Form of executive budget. The budget submitted ~~shall~~ must set forth a balanced financial plan for the state government for each fiscal year of the ensuing biennium, which plan ~~shall~~ must consist of:

(1) a consolidated budget summary setting forth the aggregate figures of the budget in ~~such a manner as-to that~~ shows show a balance between the total proposed disbursements and the total anticipated receipts, together with the other means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding figures for the last completed fiscal year and the fiscal year in progress. The consolidated budget summary ~~shall~~ must be supported by explanatory schedules or statements, classifying receipts and disbursements contained therein by fund and, ~~where when~~ applicable, organizational unit;

(2) an analysis of the actual and projected receipts, disbursements, and solvency of each accounting entity within each fund for the current and subsequent biennium;

(3) a detailed analysis of receipts by accounting entity within fund indicating classification and source of funds;

(4) a departmental analysis summarizing past and proposed spending plans by agency and the means of financing the proposed plan. Information presented ~~shall~~ must include the following:

(a) a statement summary of departmental goals and objectives and a statement of goals and objectives for each program of the department;

1 (b) actual disbursements for the completed fiscal year
 2 of the current biennium, estimated disbursements for the
 3 current fiscal year, and the current funding level and the
 4 modified funding level, if any, for each department and each
 5 program of the department.~~The funding levels must show the~~
 6 ~~number of employees who were given a pay grade change under~~
 7 ~~the pay schedule adopted pursuant to 2-18-303 and the net~~
 8 ~~cost to the agency for such grade changes for the biennium.~~
 9 ~~The changes must be listed in tabular form by:~~

10 {i}--position description;
 11 {ii}--grade assigned prior to the completed fiscal year;
 12 {iii}--grade assigned during the completed fiscal year;
 13 {iv}--grade assigned during the current fiscal year;
 14 {v}--recommended grade for the ensuing biennium;
 15 {vi}--dollar difference for the upgrade or downgrade for
 16 each position; and
 17 {vii}--net cost to the agency for grade changes;
 18 {c}--~~actual disbursements for the completed fiscal year~~
 19 ~~of the current biennium, estimated disbursements for the~~
 20 ~~current fiscal year, and governor's recommendations for the~~
 21 ~~ensuing biennium by program;~~
 22 {d}--~~actual disbursements for the completed fiscal year~~
 23 ~~of the current biennium, estimated disbursements for the~~
 24 ~~current fiscal year, and governor's recommendations for the~~
 25 ~~ensuing biennium by disbursement category; and~~

1 {e}{c} a statement containing further recommendations
 2 of the governor for the ensuing biennium by program and
 3 disbursement category and other matters considered should he
 4 deem it necessary; and

5 (5) detailed recommendations for the state long-range
 6 building program. Each recommendation shall must be
 7 presented by department, institution, agency, or branch by
 8 funding source, with a description of each proposed project.
 9 An appropriation measure shall must be presented by project,
 10 source of funding, and department, agency, institution, or
 11 branch for which the project is primarily intended.

12 {6}--~~appropriation measures detailed by program, fund,~~
 13 ~~and accounting entity, authorizing disbursements and related~~
 14 ~~restrictions thereto by department, institution, or agency~~
 15 ~~of the state."~~

16 NEW SECTION. Section 23. Additional budget data. In
 17 addition to the budget required in 17-7-123, the governor
 18 shall prepare and make available on request:

19 (1) a departmental analysis summarizing past and
 20 proposed spending plans by agency and the means of financing
 21 the proposed plan. Information available must include the
 22 following:

23 (a) a statement of departmental goals and objectives
 24 and a statement of goals and objectives for each program of
 25 the department; and

(b) schedules showing the number of employees who were given a pay grade change under the pay schedule implemented pursuant to 2-18-303 and the net cost to the agency for the grade changes for the biennium. The changes must be listed in tabular form by:

- (i) position description;
- (ii) grade assigned prior to the completed fiscal year;
- (iii) grade assigned during the completed fiscal year;
- (iv) grade assigned during the current fiscal year;
- (v) recommended grade for the ensuing biennium;
- (vi) dollar difference for the upgrade or downgrade for each position; and
- (vii) net cost to the agency for grade changes.

(2) appropriation measures detailed by program, fund, and accounting entity, authorizing disbursements and related restrictions by department, institution, or agency of the state; and

(3) information submitted by agencies as required by 17-7-111.

Section 24. Section 18-7-303, MCA, is amended to read:

"18-7-303. Duties of committee. The committee shall:

- (1) adopt standards for the efficient and economical publication of public documents;
- (2) review proposals for publishing of all public documents prior to publication to determine:

- (a) that the publication is necessary; and
- (b) that the publication meets the standards of efficient and economical publication; and
- (3) at its discretion, prepare a report for submission to the legislature, ~~as provided in 5-11-210~~, detailing the savings to state government resulting from this part."

Section 25. Section 19-4-201, MCA, is amended to read:

"19-4-201. Administration by retirement board. The retirement board shall administer and operate the retirement system within the limitations prescribed by this chapter, and to this end, it is the duty of the retirement board to:

- (1) establish rules necessary for the proper administration and operation of the retirement system;
- (2) approve or disapprove all expenditures necessary for the proper operation of the retirement system;
- (3) keep a record of all its proceedings, which must be open to public inspection;
- (4) ~~publish a biennial report by January 1 of each year the legislature meets which reports in detail~~ submit a report to the office of budget and program planning as a part of the information required by 17-7-111, detailing the fiscal transactions for the 2 fiscal years immediately preceding the report due date, the amount of the accumulated cash and securities of the retirement system, and the last fiscal year balance sheet showing the assets and liabilities

1 of the retirement system and submit the biennial report to
 2 the governor and, as provided in 5-11-2107, to the
 3 legislature;

4 (5) keep in convenient form that data which is
 5 necessary for actuarial valuation of the various funds of
 6 the retirement system and for checking the experience of the
 7 retirement system;

8 (6) prepare an annual valuation of the assets and
 9 liabilities of the retirement system;

10 (7) prescribe a form for membership application which
 11 will provide adequate and necessary information for the
 12 proper operation of the retirement system;

13 (8) annually determine the rate of regular interest as
 14 prescribed in 19-4-501;

15 (9) establish and maintain the funds of the retirement
 16 system in accordance with the provisions of part 6 of this
 17 chapter; and

18 (10) perform such other duties and functions as are
 19 required to properly administer and operate the retirement
 20 system."

21 **Section 26.** Section 20-9-346, MCA, is amended to read:

22 "20-9-346. Duties of the superintendent of public
 23 instruction for state equalization aid distribution. The
 24 superintendent of public instruction shall administer the
 25 distribution of the state equalization aid by:

1 (1) establishing the annual entitlement of each
 2 district and county to state equalization aid, based on the
 3 data reported in the retirement and general fund budgets for
 4 each district that have been duly adopted for the current
 5 school fiscal year and verified by the superintendent of
 6 public instruction and by applying the verified data under
 7 the provisions of the state equalization aid allocation
 8 procedure prescribed in 20-9-347;

9 (2) distributing by state warrant or electronic
 10 transfer the state equalization aid and state advances for
 11 county equalization, for each district or county entitled to
 12 the aid, to the county treasurer of the respective county or
 13 county where the district is located, in accordance with the
 14 distribution ordered by the board of public education;

15 (3) keeping a record of the full and complete data
 16 concerning money available for state equalization aid, state
 17 advances for county equalization, and the entitlements for
 18 state equalization aid of the districts of the state;

19 (4) reporting to the board of public education the
 20 estimated amount that will be available for state
 21 equalization aid; and

22 (5) reporting to the legislature as provided in
 23 5-11-210 office of budget and program planning as provided
 24 in 17-7-111:

25 (a) the figures and data available concerning

1 distributions of state equalization aid during the preceding
2 2 school fiscal years;

3 (b) the amount of state equalization aid then
4 available;

5 (c) the apportionment made of the available money but
6 not yet distributed;

7 (d) the latest estimate of accruals of money available
8 for state equalization aid; and

9 (e) the amount of state advances and repayment for
10 county equalization."

11 **Section 27.** Section 20-25-236, MCA, is amended to read:

12 "20-25-236. Report to legislature. The Montana
13 agricultural experiment station and the cooperative
14 extension service ~~shall~~ may, as provided in 5-11-210, report
15 to the legislature regarding the expenditures, activities,
16 and outcomes of the program provided for in 20-25-233
17 through 20-25-236."

18 **Section 28.** Section 20-25-301, MCA, is amended to read:

19 "20-25-301. Regents' powers and duties. The board of
20 regents of higher education shall serve as regents of the
21 Montana university system, shall use and adopt this style in
22 all its dealings therewith with the university system, and
23 shall:

24 (1) have general control and supervision of the units
25 of the Montana university system, which ~~shall--be~~ is

1 considered for all purposes one university;

2 (2) adopt rules, not inconsistent with the constitution
3 and the laws of the state, for its own government which are
4 proper and necessary for the execution of the powers and
5 duties conferred upon it by law;

6 (3) provide, subject to the laws of the state, rules
7 for the government of the system;

8 (4) grant diplomas and degrees to the graduates of the
9 system upon the recommendation of the faculties and have
10 discretion to confer honorary degrees upon persons other
11 than graduates upon the recommendation of the faculty of
12 such the institutions;

13 (5) keep a record of its proceedings;

14 (6) have, when not otherwise provided by law, control
15 of all books, records, buildings, grounds, and other
16 property of the system;

17 (7) receive from the board of land commissioners, other
18 boards, persons, or from the government of the United States
19 all funds, incomes, and other property the system may be
20 entitled to and use and appropriate the property for the
21 specific purpose of the grant or donation;

22 (8) have general control of all receipts and
23 disbursements of the system;

24 (9) appoint a president and faculty for each of the
25 institutions of the system, appoint any other necessary

officers, agents, and employees, and fix their compensation;

(10) confer upon the executive board of each of the units of the system such authority as that may be deemed considered expedient relating to immediate control and management, other than authority relating to financial matters or the selection of the teachers, employees, and faculty;

(11) confer, at the regents' discretion, upon the president and faculty of each of the units of the system for the best interest of the unit such authority relating to the immediate control and management, other than financial, and the selection of teachers and employees;

(12) prevent unnecessary duplication of courses at the units of the system;

(13) appoint a certified professional geologist or registered mining engineer as the director of the Montana state bureau of mines and geology, who ~~shall--be--designated~~ is the state geologist, and appoint any other necessary assistants and employees and fix their compensation. ~~The regents shall prepare and, as provided in 5-11-2107, submit a report--to--each--regular-session-of-the-legislature--showing the progress and condition--of--the--bureau--including--any other necessary or required information;~~

(14) supervise and control the agricultural experiment station, along with any executive or subordinate board or

authority which may be appointed by the governor with the advice and consent of the regents;

(15) adopt a seal bearing on its face the words "Montana university system", which must be affixed to all diplomas and all other papers, instruments, or documents which may require it;

(16) assure an adequate level of security for data and information technology resources, as defined in 2-15-102, within the state university system. In carrying out this responsibility, the board of regents shall, at a minimum, address the responsibilities prescribed in 2-15-114."

Section 29. Section 33-22-1513, MCA, is amended to read:

"33-22-1513. Operation of association plan. (1) Upon acceptance by the lead carrier under 33-22-1516, an eligible person may enroll in the association plan by payment of the association plan premium to the lead carrier.

(2) Not less than 88% of the association plan premiums paid to the lead carrier may be used to pay claims and not more than 12% may be used for payment of the lead carrier's direct and indirect expenses as specified in 33-22-1514.

(3) Any income in excess of the costs incurred by the association in providing reinsurance or administrative services must be held at interest and used by the association to offset past and future losses due to claims

1 expenses of the association plan or be allocated to reduce
2 association plan premiums.

3 (4) (a) Each participating member of the association
4 shall share the losses due to claims expenses of the
5 association plan for plans issued or approved for issuance
6 by the association and shall share in the operating and
7 administrative expenses incurred or estimated to be incurred
8 by the association incident to the conduct of its affairs.
9 Claims expenses of the association plan that exceed the
10 premium payments allocated to the payment of benefits are
11 the liability of the association members. Association
12 members shall share in the claims expenses of the
13 association plan and operating and administrative expenses
14 of the association in an amount equal to the ratio of the
15 association member's total disability insurance premium
16 received from or on behalf of Montana residents divided by
17 the total disability insurance premium received by all
18 association members from or on behalf of Montana residents
19 as determined by the commissioner.

20 (b) For purposes of this subsection (4), "total
21 disability insurance premium" does not include premiums
22 received from disability income insurance, credit disability
23 insurance, disability waiver insurance, or life insurance.

24 (5) The association shall make an annual determination
25 of each association member's liability, if any, and may make

1 an annual fiscal yearend assessment if necessary. The
2 association may also, subject to the approval of the
3 commissioner, provide for interim assessments against the
4 association members as may be necessary to assure the
5 financial capability of the association in meeting the
6 incurred or estimated claims expenses of the association
7 plan and operating and administrative expenses of the
8 association until the association's next annual fiscal
9 yearend assessment. Payment of an assessment is due within
10 30 days of receipt by an association member of a written
11 notice of a fiscal yearend or interim assessment. Failure by
12 a contributing member to tender to the association the
13 assessment within 30 days is grounds for termination of
14 membership. An association member that ceases to do
15 disability insurance business within the state remains
16 liable for assessments through the calendar year during
17 which disability insurance business ceased. The association
18 may decline to levy an assessment against an association
19 member if the assessment, as determined pursuant to this
20 section, would not exceed \$10.

21 (6) Any annual fiscal yearend or interim assessment
22 levied against an association member may be offset, in an
23 amount equal to the assessment paid to the association,
24 against the premium tax payable by that association member
25 pursuant to 33-2-705 for the year in which the annual fiscal

yearend or interim assessment is levied. The insurance commissioner shall, ~~as provided in 5-11-210, report to the legislature~~ report to the office of budget and program planning, as a part of the information required by 17-7-111, the total amount of premium tax offset claimed by association members during the preceding biennium."

SECTION 30. SECTION 37-1-106, MCA, IS AMENDED TO READ:

"37-1-106. Biennial report ~~to governor and legislature.~~

The department, in cooperation with each licensing board, shall prepare a biennial report. The biennial report of the department shall contain for each board a summary of the board's activities, the board's goals and objectives, a detailed breakdown of board revenues and expenditures, statistics illustrating board activities concerning licensing, summary of complaints received and their disposition, number of licenses revoked or suspended, legislative or court action affecting the board, and any other information the department or board considers relevant. The department shall provide a copy of submit the report to the governor and, ~~as provided in 5-11-210, to the legislature~~ the office of budget and program planning as a part of the information required by 17-7-111."

Section 31. Section 44-2-304, MCA, is amended to read:

"44-2-304. Report by attorney general. The attorney general shall prepare submit, as a part of the information

required by 17-7-111, a report in detail covering the operations of the communications network, the accounting of all moneys money received and expended, and the need to expand or improve the system. ~~As provided in 5-11-210, he shall submit the report to the legislature.~~"

SECTION 32. SECTION 44-12-206, MCA, IS AMENDED TO READ:

"44-12-206. Disposition of proceeds of sale -- report.

(1) Whenever property is seized, forfeited, and sold under the provisions of this chapter, the net proceeds of the sale must be distributed as follows:

(a) to the holders of security interests who have presented proper proof of their claims, if any, up to the amount of their interests in the property;

(b) the remainder, if any, to the county treasurer of the county in which the property was seized, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(c) through (1)(e);

(c) if the property was seized within the corporate limits of a city or town by a law enforcement agency of that city or town, the remainder, if any, to the city or town treasurer, who shall establish and maintain a drug forfeiture account and deposit the remainder into the account, except as provided in subsections (1)(d) and (1)(e);

(d) if the property was seized by an employee of the state, the remainder, if any, to the account established in subsection (3), except as provided in subsection (1)(e); and

(e) if the property was seized as a result of the efforts of more than one law enforcement agency, the remainder, if any, to the accounts required by this subsection (1), pro rata in the proportions represented by the agencies' expenses of investigation, as determined by the attorney general.

(2) All proceeds from any source that are deposited into a county, city, or town drug forfeiture account must in each fiscal year be appropriated to and remain available until expended by the confiscating agency for drug laws enforcement and education concerning drugs.

(3) Net proceeds received by the state under subsections (1)(d) and (1)(e) must be deposited in an account in the state special revenue fund to the credit of the department of justice. The department may expend the money in the account only for purposes of enforcement of drug laws. An amount up to \$125,000 each year is statutorily appropriated, as provided in 17-7-502, to the attorney general for enforcement of drug laws. Any expenditure in excess of \$125,000 each fiscal year requires approval through budget amendment, as provided in Title 17, chapter 7, part 4.

(4) The attorney general shall provide the legislature legislative finance committee and the legislative auditor with a detailed, written report of the amounts and property credited to the account no later than 4 months after the end of each fiscal year. The attorney general may not disclose any information that would compromise any investigation or prosecution."

SECTION 33. SECTION 44-13-103, MCA, IS AMENDED TO READ:

"44-13-103. Limitations on use of special law enforcement assistance account -- report. (1) After property is credited to the account, the attorney general may:

(a) transfer the property to any local or state law enforcement agency to be used for criminal investigation purposes;

(b) sell the property by public sale;

(c) destroy any illegal or controlled substances and sell or destroy raw materials, products, and equipment used or intended for use in manufacturing, compounding, or processing a controlled substance;

(d) compromise and pay claims against the property; and

(e) make any other disposition of the property authorized by law.

(2) Money and proceeds from property credited to the account may be used by the attorney general for:

(a) the payment of any expenses necessary to seize,

1 detain, appraise, inventory, safeguard, maintain, advertise,
2 or sell seized, detained, or forfeited property, including
3 but not limited to payment for contract services and
4 reimbursement to a federal, state, or local agency for its
5 expenses;

6 (b) the payment of awards for information or assistance
7 leading to a criminal proceeding or a civil forfeiture
8 proceeding;

9 (c) the compromise and payment of claims against
10 property;

11 (d) the payment of sums for criminal investigation
12 purposes, including but not limited to:

13 (i) payment of informants;

14 (ii) use by undercover agents to purchase unlawful
15 substances, including, without limitation, counterfeit or
16 real controlled substances, pornographic materials, stolen
17 property, or other contraband;

18 (iii) use by undercover agents as gambling front money;
19 and

20 (iv) payment of overtime to state or local law
21 enforcement officers when engaged in special criminal
22 investigations;

23 (e) the payment of funds into the account created by
24 53-9-109; and

25 (f) matching federal grants for criminal investigation

1 purposes.

2 (3) The attorney general shall, ~~as provided in~~
3 ~~5-11-2107~~, submit to the legislature legislative finance
4 committee and the legislative auditor a detailed written
5 report of the amounts and property credited to the account
6 and of the disposition of money and property credited to the
7 account, but may not make any disclosure that would
8 compromise any investigation or prosecution."

9 **Section 34.** Section 53-2-1107, MCA, is amended to read:

10 **"53-2-1107. Job training plan -- requirements.** (1) Each
11 private industry council shall prepare for the service
12 delivery area a job training plan that has been prepared in
13 accordance with this part and sections 103 through 105 of
14 the Job Training Partnership Act (29 U.S.C. 1513 through
15 1515).

16 (2) Each job training plan must include:

17 (a) the council's priorities for services and groups to
18 be served within the service delivery area;

19 (b) procedures to be used in identifying and selecting
20 program participants and in determining and verifying their
21 eligibility;

22 (c) the type of services and training to be provided,
23 including the estimated cost per participant;

24 (d) criteria for evaluating the content and quality of
25 services and training;

(e) performance standards as required under 53-2-1108;

(f) procedures for selecting service providers as required under section 107 of the Job Training Partnership Act (29 U.S.C. 1517);

(g) a plan for the coordination of services and training with other programs as required in 53-2-1109;

(h) a procedure for preparing and submitting to the governor ~~and, as provided in 5-11-210, if practical, the legislature~~ an annual report that describes the activities conducted in the service delivery area during the program year and the extent to which activities exceeded or failed to meet the performance standards adopted in the job training plan; and

(i) all other information required under section 104 of the Job Training Partnership Act (29 U.S.C. 1514)."

Section 35. Section 53-6-110, MCA, is amended to read:

"53-6-110. Report and recommendations to legislature on ~~medicaid funding.~~ (1) ~~At the commencement of each legislative session~~ As a part of the information required in 17-7-111, the department of social and rehabilitation services shall submit a report ~~as provided in 5-11-210, to the legislature~~ concerning medicaid funding for the next biennium. This report must include at least the following elements:

(a) analysis of past and present funding levels for the

various categories and types of health services eligible for medicaid reimbursement;

(b) projected increased medicaid funding needs for the next biennium. These projections ~~shall~~ must identify the effects of projected population growth and demographic patterns on at least the following elements:

(i) trends in unit costs for services, including inflation;

(ii) trends in use of services;

(iii) trends in medicaid recipient levels; and

(iv) the effects of new and projected facilities and services for which a need has been identified in the state health plan prepared pursuant to 42 U.S.C. 300m-2(a)(2).

(2) As an integral part of the report, the department of social and rehabilitation services shall present a recommendation of funding levels for the medicaid program. The recommendation need not be consistent with the state health plan.

(3) In arriving at the projections and recommendation required in subsections (1) and (2), the department of social and rehabilitation services shall consult with the department of health and environmental sciences.

(4) In making its appropriations for medicaid funding, the legislature shall specify the portions of medicaid funding anticipated to be allocated to specific categories

and types of health care services."

Section 36. Section 53-20-104, MCA, is amended to read:

"53-20-104. Powers and duties of mental disabilities board of visitors. (1) The board is an independent board of inquiry and review to ensure that the treatment of all persons admitted to a residential facility is humane and decent and meets the requirements set forth in this part.

(2) The board shall review all plans for experimental research or hazardous treatment procedures involving persons admitted to a residential facility to ensure that the research project is humane and not unduly hazardous and that it complies with the principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States department of health and human services. An experimental research project involving persons admitted to a residential facility affected by this part may not be commenced unless it is approved by the mental disabilities board of visitors.

(3) The board shall investigate all cases of alleged mistreatment of a resident.

(4) The board shall at least annually inspect every residential facility that is providing a course of residential habilitation and treatment to any person pursuant to this part. The board shall inspect the physical

plant, including residential, recreational, dining, and sanitary facilities. It shall visit all wards and treatment or habilitation areas. The board shall inquire concerning all habilitation programs being implemented by the facility.

(5) The board shall inspect the file of each person admitted to a residential facility pursuant to this part to ensure that a habilitation plan exists and is being implemented. The board shall inquire concerning all use of restraints, isolation, or other extraordinary measures.

(6) The board may assist a resident at a residential facility in resolving any grievance he the resident may have concerning his the resident's admission or his course of treatment and habilitation in the facility.

(7) If the board believes that a facility is failing to comply with the provisions of this part in regard to its physical facilities or its treatment of any resident, it shall report its findings at once to the superintendent of the facility and the director of the department of corrections and human services. If appropriate, after waiting a reasonable time for a response from the superintendent or the director, the board may notify the parents or guardian of the resident involved, the next of kin, if known, the responsible person appointed by the court for the resident involved, and the district court that has jurisdiction over the facility.

(B) The board shall report annually to the governor and ~~shall--as--provided--in--5--11--2107--report--to--the--legislature~~ concerning the status of the residential facilities and habilitation programs that it has inspected."

Section 37. Section 53-21-104, MCA, is amended to read:

"53-21-104. Powers and duties of mental disabilities board of visitors. (1) The board ~~shall-be~~ is an independent board of inquiry and review to assure that the treatment of all persons either voluntarily or involuntarily admitted to a mental facility is humane and decent and meets the requirements set forth in this part.

(2) The board shall review all plans for experimental research involving persons admitted to a mental health facility to assure that the research project is humane and not unduly hazardous and that it complies with the principles of the statement on the use of human subjects for research of the American association on mental deficiency and with the principles for research involving human subjects required by the United States department of health, education, and welfare. ~~No~~ An experimental research project involving persons admitted to a mental health facility affected by this part may not be commenced unless it is approved by the mental disabilities board of visitors.

(3) The board shall at least annually inspect every mental health facility which is providing treatment and

evaluation to any person pursuant to this part. The board shall inspect the physical plant, including residential, recreational, dining, and sanitary facilities. It shall visit all wards and treatment areas. The board shall inquire concerning all treatment programs being implemented by the facility.

(4) The board shall annually insure that a treatment plan exists and is being implemented for each patient admitted or committed to a mental health facility under this part. The board shall inquire concerning all use of restraints, isolation, or other extraordinary measures.

(5) The board may assist any patient at a mental health facility in resolving any grievance ~~he~~ the patient may have concerning ~~his~~ the patient's commitment or ~~his~~ course of treatment in the facility.

(6) The board shall employ and be responsible for full-time legal counsel at the state hospital, whose responsibility ~~shall-be~~ is to act on behalf of all patients at the institution. The board shall insure that there is sufficient legal staff and facilities to insure availability to all patients and shall require that the appointed counsel periodically interview every patient and examine ~~his~~ the patient's files and records. The board may employ additional legal counsel for representation of patients in a similar manner at any other mental health facility having inpatient

1 capability.

2 (7) If the board believes that any facility is failing
3 to comply with the provisions of this part in regard to its
4 physical facilities or its treatment of any patient, it
5 shall report its findings at once to the professional person
6 in charge of the facility and the director of the
7 department, and if appropriate, after waiting a reasonable
8 time for a response from such the professional person, the
9 board may notify the next of kin or guardian of any patient
10 involved, the friend of respondent appointed by the court
11 for any patient involved, and the district court which has
12 jurisdiction over the facility.

13 (8) The board shall report annually to the governor and
14 ~~shall as provided in 5-11-210, report to the legislature~~
15 concerning the status of the mental health facilities and
16 treatment programs which it has inspected."

17 **Section 38.** Section 53-24-204, MCA, is amended to read:

18 "53-24-204. Powers and duties of department. (1) To
19 carry out this chapter, the department may:

20 (a) accept gifts, grants, and donations of money and
21 property from public and private sources;

22 (b) enter into contracts;

23 (c) acquire and dispose of property.

24 (2) The department shall:

25 (a) approve treatment facilities as provided for in

1 53-24-208;

2 (b) prepare a comprehensive long-term state chemical
3 dependency plan every 4 years and update this plan each
4 biennium; ~~These updates or any part thereof may be included~~
5 ~~in the department's report to the legislature required in~~
6 ~~53-24-210.~~

7 (c) provide for and conduct statewide service system
8 evaluations;

9 (d) distribute state and federal funds to the counties
10 for approved treatment programs in accordance with the
11 provisions of 53-24-206;

12 (e) plan in conjunction with approved programs and
13 provide for training of program personnel delivering
14 services to chemically dependent persons;

15 (f) establish criteria to be used for the development
16 of new programs;

17 (g) certify and establish standards for the
18 certification of:

19 (i) chemical dependency counselors; and

20 (ii) instructors providing chemical dependency
21 educational courses;

22 (h) encourage planning for the greatest utilization of
23 funds by discouraging duplication of services, encouraging
24 efficiency of services through existing programs, and
25 encouraging rural counties to form multicounty districts or

1 contract with urban programs for services;

2 (i) cooperate with the board of pardons in establishing
3 and conducting programs to provide treatment for chemically
4 dependent and intoxicated persons in or on parole from penal
5 institutions;

6 (j) establish standards for chemical dependency
7 educational courses provided by state-approved treatment
8 programs and approve or disapprove the courses; and

9 (k) assist all interested public agencies and private
10 organizations in developing education and prevention
11 programs for chemical dependency."

12 **Section 39.** Section 53-30-133, MCA, is amended to read:

13 "53-30-133. Administration of prison industries
14 training program. (1) (a) The prison industries training
15 program need not be a self-supporting program. The
16 department of corrections and human services may enter into
17 contracts and establish prices for products or services
18 produced by this program. Within budgetary restrictions, the
19 department shall establish prices that tend to maximize the
20 amount of work available for inmates. All revenue raised
21 through the program may be used only for the program.

22 (b) State agencies, local governments, school
23 districts, authorities, and other local government entities
24 are encouraged to explore the possibilities of using the
25 prison industries training program. State agencies shall

1 cooperate with the department of corrections and human
2 services in notifying governmental entities within the state
3 of the program and of the services and products that are
4 available.

5 (2) (a) The department of corrections and human
6 services shall adopt rules implementing this program and
7 ~~shall, as provided in 5-11-210, report to the legislature~~
8 ~~its continuing plans and recommendations in implementing~~
9 ~~this program.~~ Any price lists established by the department
10 are exempt from the provisions of Title 2, chapter 4 (the
11 Montana Administrative Procedure Act), but the department
12 may, if it considers it an effective method of
13 dissemination, publish such the price lists in the Montana
14 Administrative Register or the Administrative Rules of
15 Montana, or both.

16 (b) The department of corrections and human services is
17 subject to program audits of the prison industries training
18 program by the legislative auditor."

19 **Section 40.** Section 72-16-202, MCA, is amended to read:

20 "72-16-202. Report to governor and legislature. The
21 department of revenue shall biennially report to---the
22 ~~governor--and, as provided in 5-11-210, to the legislature~~
23 the general result of its labors and investigations in
24 inheritance tax matters during the previous biennial period,
25 together with specific reports of the several counties where

the administration of the inheritance tax laws has been lax and unsatisfactory, with such recommendations for action by the legislature as the department considers advisable and proper. The report required in this section must be consolidated with and made a part of the biennial report submitted by the department of revenue under 15-1-205."

Section 41. Section 75-1-203, MCA, is amended to read:

"75-1-203. Fee schedule -- maximums. (1) In prescribing fees to be assessed against applicants for a lease, permit, contract, license, or certificate as specified in 75-1-202, an agency may adopt a fee schedule which may be adjusted depending upon the size and complexity of the proposed project. No A fee may not be assessed unless the application for a lease, permit, contract, license, or certificate will result in the agency incurring expenses in excess of \$2,500 to compile an environmental impact statement.

(2) The maximum fee that may be imposed by an agency ~~shall~~ may not exceed 2% of any estimated cost up to \$1 million, plus 1% of any estimated cost over \$1 million and up to \$20 million, plus 1/2 of 1% of any estimated cost over \$20 million and up to \$100 million, plus 1/4 of 1% of any estimated cost over \$100 million and up to \$300 million, plus 1/8 of 1% of any estimated cost in excess of \$300 million.

(3) If an application consists of two or more

facilities, the filing fee ~~shall~~ must be based on the total estimated cost of the combined facilities. The estimated cost ~~shall~~ must be determined by the agency and the applicant at the time the application is filed.

(4) Each agency shall review and revise its rules imposing fees as authorized by this part at least every 2 years. ~~Furthermore, each agency shall, pursuant to 5-11-210, provide the legislature with a complete report on the fees collected prior to the time that a request for an appropriation is made to the legislature.~~"

SECTION 42. SECTION 75-1-324, MCA, IS AMENDED TO READ:

"75-1-324. Duties of executive director and staff. It shall be the duty and function of the executive director and ~~his~~ the staff to:

(1) gather timely and authoritative information concerning the conditions and trends in the quality of the environment, both current and prospective, analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering or are likely to interfere with the achievement of the policy set forth in 75-1-103, and compile and submit to the governor and the legislature studies relating to such conditions and trends;

(2) review and appraise the various programs and activities of the state agencies, in the light of the policy

1 set forth in 75-1-103, for the purpose of determining the
2 extent to which such programs and activities are
3 contributing to the achievement of such policy and make
4 recommendations to the governor and the legislature with
5 respect thereto;

6 (3) develop and recommend to the governor and the
7 legislature state policies to foster and promote the
8 improvement of environmental quality to meet the
9 conservation, social, economic, health, and other
10 requirements and goals of the state;

11 (4) conduct investigations, studies, surveys, research,
12 and analyses relating to ecological systems and
13 environmental quality;

14 (5) document and define changes in the natural
15 environment, including the plant and animal systems, and
16 accumulate necessary data and other information for a
17 continuing analysis of these changes or trends and an
18 interpretation of their underlying causes;

19 (6) make and furnish such studies, reports thereon, and
20 recommendations with respect to matters of policy and
21 legislation as the legislature requests;

22 (7) analyze legislative proposals in clearly
23 environmental areas and in other fields where legislation
24 might have environmental consequences and assist in
25 preparation of reports for use by legislative committees,

1 administrative agencies, and the public;

2 (8) consult with and assist legislators who are
3 preparing environmental legislation to clarify any
4 deficiencies or potential conflicts with an overall ecologic
5 plan; and

6 (9) review and evaluate operating programs in the
7 environmental field in the several agencies to identify
8 actual or potential conflicts, both among such activities
9 and with a general ecologic perspective, and suggest
10 legislation to remedy such situations.

11 ~~{10} annually, beginning July 1, 1972, transmit to the~~
12 ~~governor and the legislature and make available to the~~
13 ~~general public an environmental quality report concerning~~
14 ~~the state of the environment, which shall contain:~~

15 ~~{a} the status and condition of the major natural,~~
16 ~~manmade, or altered environmental classes of the state,~~
17 ~~including but not limited to the air, the aquatic (including~~
18 ~~surface water and ground water) and the terrestrial~~
19 ~~environments, including but not limited to the forest,~~
20 ~~dryland, wetland, range, urban, suburban, and rural~~
21 ~~environments;~~

22 ~~{b} the adequacy of available natural resources for~~
23 ~~fulfilling human and economic requirements of the state in~~
24 ~~the light of expected population pressures;~~

25 ~~{c} current and foreseeable trends in the quality,~~

1 management,--and--utilization--of--such--environments--and--the
 2 effects--of--those--trends--on--the--social,--economic,--and--other
 3 requirements---of---the--state--in--the--light--of--expected
 4 population--pressures;

5 (d)--a--review--of--the--programs--and--activities--(including
 6 regulatory--activities)--of--the--state--and--local--governments
 7 and--nongovernmental--entities--or--individuals,--with--particular
 8 reference--to--their--effect--on--the--environment--and--on--the
 9 conservation,---development,---and--utilization--of--natural
 10 resources,--and

11 (e)--a--program--for--remedying--the---deficiencies---of
 12 existing---programs---and---activities,---together---with
 13 recommendations--for--legislation."

14 **Section 43.** Section 75-1-1101, MCA, is amended to read:

15 "75-1-1101. Environmental contingency account
 16 objectives. (1) There is created an environmental
 17 contingency account within the state special revenue fund
 18 established in 17-2-102. The environmental contingency
 19 account is controlled by the governor.

20 (2) At the beginning of each biennium, \$175,000 must be
 21 allocated to the environmental contingency account from the
 22 interest income of the resource indemnity trust fund with
 23 the following exceptions:

24 (a) if at the beginning of any biennium the unobligated
 25 cash balance in the environmental contingency account equals

1 or exceeds \$750,000, no allocation will be made; and

2 (b) if at the beginning of any biennium the unobligated
 3 cash balance in the environmental contingency account is
 4 less than \$750,000, then an amount less than or equal to the
 5 difference between the unobligated cash balance and
 6 \$750,000, but not to exceed \$175,000, must be allocated to
 7 the environmental contingency account from the interest
 8 income of the resource indemnity trust fund.

9 (3) Funds are statutorily appropriated, as provided in
 10 17-7-502, from the environmental contingency account upon
 11 the authorization of the governor to meet unanticipated
 12 public needs consistent with the following objectives:

13 (a) to support water development projects in
 14 communities that face an emergency or imminent need for such
 15 the services or to prevent the physical failure of a water
 16 project;

17 (b) to preserve vegetation, water, soil, fish,
 18 wildlife, or other renewable resources from an imminent
 19 physical threat or during an emergency, not including:

20 (i) natural disasters adequately covered by other
 21 funding sources; or

22 (ii) fire;

23 (c) to respond to an emergency or imminent threat to
 24 persons, property, or the environment caused by mineral
 25 development; and

(d) to fund the environmental quality protection fund provided for in 75-10-704 or to take other necessary actions, including the construction of facilities, to respond to actual or potential threats to persons, property, or the environment caused by hazardous wastes or other hazardous materials.

(4) Interest from funds in the environmental contingency account accrues to the resource indemnity trust interest account.

(5) The governor shall ~~as provided in 5-11-2107~~ submit to the legislature submit, as a part of the information required by 17-7-111, a complete financial report on the environmental contingency account, including a description of all expenditures made since the preceding report."

SECTION 44. SECTION 75-10-533, MCA, IS AMENDED TO READ:

"75-10-533. Department to report fees to legislature.

The department shall ~~as provided in 5-11-2107~~ report to ~~each legislature~~ the office of budget and program planning, as a part of the information required by 17-7-111, the amount collected under this part and 61-3-508 and the cost of administration of this part, except 75-10-520, to date so that any necessary adjustment of the amount of the fee may be made to assure that no more than the actual cost of operation of the program is collected."

Section 45. Section 75-10-704, MCA, is amended to read:

"75-10-704. Environmental quality protection fund. (1)

There is created in the state special revenue fund an environmental quality protection fund to be administered as a revolving fund by the department. The department is authorized to expend amounts from the fund necessary to carry out the purposes of this part.

(2) The fund may be used by the department only to carry out the provisions of this part and for remedial actions taken by the department pursuant to this part in response to a release of hazardous or deleterious substances.

(3) The department shall:

(a) establish and implement a system for prioritizing sites for remedial action based on potential effects on human health and the environment; and

(b) investigate, negotiate, and take legal action, as appropriate, to identify liable persons, to obtain the participation and financial contribution of liable persons for the remedial action, to achieve remedial action, and to recover costs and damages incurred by the state.

(4) There must be deposited in the fund:

(a) all penalties, forfeited financial assurance, natural resource damages, and remedial action costs recovered pursuant to 75-10-715;

(b) all administrative penalties assessed pursuant to

1 75-10-714 and all civil penalties assessed pursuant to
2 75-10-711(5);

3 (c) funds appropriated to the fund by the legislature;
4 and

5 (d) funds received from the interest income of the
6 resource indemnity trust fund pursuant to 15-38-202.

7 (5) Whenever a legislative appropriation is
8 insufficient to carry out the provisions of this part and
9 additional money remains in the fund, the department shall
10 seek additional authority to spend money from the fund
11 through the budget amendment process provided for in Title
12 17, chapter 7, part 4.

13 (6) Whenever the amount of money in the fund is
14 insufficient to carry out remedial action, the department
15 may apply to the governor for a grant from the environmental
16 contingency account established pursuant to 75-1-1101.

17 ~~{7}--The department--shall,--as--provided--in--5-11-210,~~
18 ~~submit to the legislature a complete financial report on the~~
19 ~~fund, including a description of all expenditures made since~~
20 ~~the preceding report."~~

21 **Section 46.** Section 76-11-203, MCA, is amended to read:

22 "76-11-203. Direction to state agencies. (1) The
23 department of natural resources and conservation shall
24 develop a plan for completing the soil survey and mapping
25 program in cooperation with and according to the standards

1 set forth by the national cooperative soil survey program
2 and the Montana state agricultural experiment station.

3 (2) The soil survey plan ~~shall~~ must identify all
4 projected local participation, all funds available from
5 state and federal agencies, including planning grants, and
6 any and all additional equipment, personnel, facilities,
7 supplies, maps and such other material necessary to complete
8 the soil survey and mapping program.

9 (3) The soil survey plan ~~shall~~ must determine
10 geographic areas without modern soil survey information and
11 ~~shall~~ must establish in cooperation with the national
12 cooperative soil survey program priorities for completing
13 soil surveys based upon the needs of the geographic areas.

14 (4) The department of natural resources and
15 conservation shall oversee the plan for completing the soil
16 survey and mapping program and shall report annually on its
17 progress to the governor not later than January 1 of each
18 year and, ~~as provided in 5-11-210,~~ to the legislature."

19 **Section 47.** Section 76-12-109, MCA, is amended to read:

20 "76-12-109. Report to legislature. The board ~~shall~~ may,
21 as provided in 5-11-210, submit to each legislature a report
22 on its designation and acquisition activities."

23 **Section 48.** Section 82-11-161, MCA, is amended to read:

24 "82-11-161. Oil and gas production damage mitigation
25 account -- statutory appropriation. (1) There is an oil and

1 gas production damage mitigation account within the state
2 special revenue fund established in 17-2-102. The oil and
3 gas production damage mitigation account is controlled by
4 the board.

5 ~~(2) On July 17, 1991, and at~~ At the beginning of each
6 succeeding biennium, there must be allocated to the oil and
7 gas production damage mitigation account \$50,000 from the
8 interest income of the resource indemnity trust fund, except
9 if at the beginning of a biennium the unobligated cash
10 balance in the oil and gas production damage mitigation
11 account:

12 (a) equals or exceeds \$200,000, no allocation will be
13 made; or

14 (b) is less than \$200,000, then an amount less than or
15 equal to the difference between the unobligated cash balance
16 and \$200,000, but not more than \$50,000, must be allocated
17 to the oil and gas production damage mitigation account from
18 the interest income of the resource indemnity trust fund.

19 (3) In addition to the allocation provided in
20 subsection (2), there must be deposited in the oil and gas
21 production damage mitigation account:

22 (a) all funds received by the board pursuant to
23 82-11-136; and

24 (b) all fees received by the board from owners of
25 producing wells pursuant to 82-11-162.

1 (4) If a sufficient balance exists in the account,
2 funds are statutorily appropriated, as provided in 17-7-502,
3 from the oil and gas production damage mitigation account,
4 upon the authorization of the board, to pay the reasonable
5 costs of properly plugging a well and either reclaiming or
6 restoring, or both, a drill site or other drilling or
7 producing area damaged by oil and gas operations if the
8 board determines that the well, sump, hole, drill site, or
9 drilling or producing area has been abandoned and the
10 responsible person cannot be identified or located or if the
11 responsible person fails or refuses to properly plug,
12 reclaim, or restore the well, drill site, or drilling or
13 producing area within a reasonable time after demand by the
14 board. The responsible person shall, however, pay costs to
15 the extent of his that person's available resources and is
16 subsequently liable to fully reimburse the account or is
17 subject to a lien on property as provided in 82-11-164 for
18 costs expended from the account to properly plug, reclaim,
19 or restore the well, drill site, or drilling or producing
20 area and to mitigate any damage for which he the person is
21 responsible.

22 (5) Interest from funds in the oil and gas production
23 damage mitigation account accrues to that account.

24 ~~(6) The board shall, as provided in 5-11-210, submit to~~
25 ~~the legislature a complete financial report on the oil and~~

gas---production--damage--mitigation--account,--including--a
description-of-all-expenditures--made--since--the--preceding
report."

SECTION 49. SECTION 85-1-621, MCA, IS AMENDED TO READ:

"85-1-621. Report to--the--legislature. The department shall prepare a biennial report to---the---legislature describing the status of the water development program. The report must describe ongoing projects and activities and those which have been completed during the biennium. The report must identify and rank in order of priority the projects for which the department desires to seek congressional authorization and funding and the efforts the department will undertake in attempting to secure such authorization and funding. The report must also describe proposed projects and activities for the coming biennium and recommendations for necessary appropriations. A copy of the report shall be submitted to--the-president-of-the-senate-and--the-speaker-of-the-house, to the members of the water policy committee established in 85-2-105,--and,--as--provided--in 5-11-210, to the legislature."

SECTION 50. SECTION 87-2-722, MCA, IS AMENDED TO READ:

"87-2-722. Auction of mountain sheep license. (1) The commission may issue one male mountain sheep license each year through a competitive auction. The commission shall promulgate rules for the use of the license and conduct of

the auction. A wildlife conservation organization involved in the conservation of mountain sheep may be authorized by the commission to conduct the license auction, in which case the authorized organization may retain proceeds of the sale, not to exceed 10%, to cover reasonable auction expenses.

(2) All proceeds remaining from the auction, whether conducted by the commission or as otherwise authorized by the commission, must be used by the department for the substantial benefit of mountain sheep. The proceeds from the auction must be used in addition to any other funds the department uses for the management of mountain sheep. The department shall report to--each--legislature--concerning the use or investment of auction proceeds to the office of budget and program planning as a part of the information required by 17-7-111."

Section 51. Section 87-2-724, MCA, is amended to read:

"87-2-724. Auction of Shiras moose license. (1) The commission may issue one male Shiras moose license each year through a competitive auction. The commission shall promulgate rules for the use of the license and conduct of the auction. A wildlife conservation organization involved in the conservation of moose may be authorized by the commission to conduct the license auction, in which case the authorized organization may retain up to 10% of the proceeds of the sale to cover reasonable auction expenses.

(2) All proceeds remaining from the auction, whether conducted by the commission or as otherwise authorized by the commission, must be used by the department for the substantial benefit of moose. The proceeds from the auction must be used in addition to any other funds the department uses for the management of moose. ~~The department shall, as provided in 5-11-2107, report to each legislature concerning the use or investment of auction proceeds.~~

Section 52. Section 90-3-203, MCA, is amended to read:

"90-3-203. Powers and duties of board. The board shall:

(1) make loans in science and technology development projects pursuant to the provisions of this act in the following areas that have potential to stimulate economic development in Montana:

(a) research capability development;

(b) applied technology research;

(c) technology transfer and assistance; and

(d) startup capital or expansion capital projects for development and commercialization of innovative products and processes;

(2) accept grants or receive devises of money or property to be used in Montana for loans made pursuant to this chapter; and

(3) submit to the governor by January 1 of each odd-numbered year or when otherwise requested by the

~~governor at his request and, as provided in 5-11-2107, to the legislature a report describing the board's programs and accomplishments.~~

SECTION 53. SECTION 90-4-606, MCA, IS AMENDED TO READ:

~~"90-4-606. Submission to the legislature Program report and recommendations. During the first week of the regular legislative session, the~~ The governor shall submit to the legislature for its approval the proposed projects to be funded by the energy conservation program for the next biennium as a part of the budget required by 17-7-123. ~~in his recommendation, the~~ The governor shall include make available, as provided by [section 23]:

(1) the report prepared by the department;

(2) a description of the improvements to be financed;

(3) the estimated cost of each project and the total cost of the program; and

(4) the proposed method of financing the improvement.

If energy conservation program bonds are proposed to be issued to finance the program improvements, the governor shall include within his the report a written statement by the department that the estimated annual energy savings to be derived from the installation of the energy saving equipment or improvements, upon completion, are expected to equal or exceed the annual debt service to be paid on the energy conservation program bonds proposed to be issued to

fund the costs of such equipment or improvements."

Section 54. Section 90-4-111, MCA, is amended to read:

"90-4-111. Biennial report. The department shall monitor the grants awarded under 90-4-106 and 90-4-109 and shall, as provided--in--5-11-210 requested, report its expenditures and other information concerning the implementation and effectiveness of specific projects or programs for which grants were awarded under this part to the legislature environmental quality council."

SECTION 55. SECTION 90-6-304, MCA, IS AMENDED TO READ:

"90-6-304. Accounts established. (1) There is within the state agency fund type a hard-rock mining impact account. Money is payable into this account from payments made by a mining developer in compliance with the written guarantee from the developer to meet the increased costs of public services and facilities as specified in the impact plan provided for in 90-6-307. The state treasurer shall draw warrants from this account upon order of the board.

(2) There is within the state special revenue fund a hard-rock mining impact trust account. Within this trust account, there is established a reserve account not to exceed \$100,000.

(a) Money within the hard-rock mining impact trust account may be used:

(i) for the administrative and operating expenses of

the board, as provided by 90-6-303(4);

(ii) to establish and maintain the reserve account; and

(iii) for distribution to the counties of origin, as provided by 90-6-331(1) and this section.

(b) Money within the hard-rock mining impact trust reserve account may be used for the administrative and operating expenses of the board if:

(i) the revenue provided under 15-37-117(1)(b) is less than the amount appropriated for the administrative and operating expenses of the board; or

(ii) the use of the reserve account revenue is necessary to allow the board to meet its quasi-judicial responsibilities under 90-6-307, 90-6-311, or 90-6-403(3).

~~(c) The board shall report to the legislature any expenditure from the hard-rock mining impact trust reserve account.~~

(3) Money is payable into the hard-rock mining impact trust account under the provisions of 15-37-117. After first deducting the administrative and operating expenses of the board, as provided in 90-6-303, and then establishing and maintaining the reserve account in the amount of \$100,000, as provided in subsection (2) of this section, the remaining money must be segregated within the account by county of origin. The state treasurer shall draw warrants from this account upon order of the board."

1 NEW SECTION. **Section 56.** Repealer. Sections 53-24-210,
2 69-1-404, 80-12-402, 80-12-403, and 87-5-123, MCA, are
3 repealed.

4 NEW SECTION. **Section 57.** Codification instruction.
5 [Section ~~18~~ 23] is intended to be codified as an integral
6 part of Title 17, chapter 7, part 1, and the provisions of
7 Title 17, chapter 7, part 1, apply to [section ~~18~~ 23].

-End-