

HOUSE BILL NO. 7

INTRODUCED BY ZOOK
BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

IN THE HOUSE

NOVEMBER 24, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS.
NOVEMBER 29, 1993	FIRST READING.
DECEMBER 7, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED. PRINTING REPORT.
DECEMBER 8, 1993	SECOND READING, DO PASS. ENGROSSING REPORT. THIRD READING, PASSED. AYES, 84; NOES, 12. TRANSMITTED TO SENATE.

IN THE SENATE

DECEMBER 9, 1993 INTRODUCED AND REFERRED TO COMMITTEE
ON FINANCE & CLAIMS.

FIRST READING.

DECEMBER 15, 1993 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

DECEMBER 16, 1993 SECOND READING, CONCURRED IN AS
AMENDED.

THIRD READING, CONCURRED IN.
AYES, 49; NOES, 1.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

DECEMBER 17, 1993

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS

CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. 7

INTRODUCED BY ZOOK

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE DEFINITIONS OF CURRENT FUNDING LEVEL AND MODIFIED FUNDING LEVEL FOR BUDGETING PURPOSES; REQUIRING THAT THE EXECUTIVE BUDGET AND THE BUDGET ANALYSIS OF THE LEGISLATIVE FISCAL ANALYST BE BASED ON THE LEVEL OF FUNDING PROVIDED BY THE PREVIOUS LEGISLATURE; AMENDING SECTIONS 5-12-303 AND 17-7-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 5-12-303, MCA, is amended to read:

"5-12-303. Fiscal analysis information from state agencies. (1) The legislative fiscal analyst ~~has--the authority to~~ may investigate and examine the costs and revenues of state government activities and may examine and obtain copies of the records, books, and files of any state agency, including confidential records.

(2) When confidential records and information are obtained from a state agency, the legislative fiscal analyst and staff must be subject to the same penalties for unauthorized disclosure of the confidential records and information provided for under the laws administered by the

state agency. The legislative fiscal analyst shall develop policies to prevent the unauthorized disclosure of confidential records and information obtained from state agencies.

(3) The legislative fiscal analyst may not obtain copies of individual income tax records protected under 15-30-303. The department of revenue shall make individual income tax data available by removing names, addresses, occupations, social security numbers, and taxpayer identification numbers. The department of revenue may not alter the data in any other way. The data is subject to the same restrictions on disclosure as are individual income tax returns.

(4) The budget director shall furnish the legislative fiscal analyst with copies of all budget requests, at the time of submission to the budget director as provided by law and, if requested, all underlying and supporting documentation.

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

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

(b) by December 1, a preliminary budget that must meet

1 the statutory requirements for submission of the budget to
2 the legislature;

3 (c) by December 3, a paper copy and an electronic copy
4 of the documents that reflect expenditures to the second
5 level, as provided in 17-1-102(3), by funding source and
6 detailed by accounting entity; and

7 (d) by December 15, all amendments to the preliminary
8 budget.

9 (6) Within 1 day after the legislative finance
10 committee presents its budget analysis to the legislature,
11 the budget director and the legislative fiscal analyst shall
12 exchange expenditure and disbursement recommendations by
13 second-level expenditure detail and by funding sources
14 detailed by accounting entity. This information must be
15 filed in the respective offices and be made available to the
16 legislature and the public. In preparing the budget analysis
17 for the next biennium for submission to the legislature, the
18 legislative fiscal analyst shall use the current funding
19 level and modified funding level as defined in 17-7-102.

20 (7) This section does not authorize publication or
21 public disclosure of information if the law prohibits
22 publication or disclosure."

23 **Section 2.** Section 17-7-102, MCA, is amended to read:

24 "17-7-102. Definitions. As used in this chapter, the
25 following definitions apply:

1 (1) "Additional services" means different services or
2 more of the same services.

3 (2) "Agency" means each state office, department,
4 division, board, commission, council, committee,
5 institution, university unit, or other entity or
6 instrumentality of the executive branch, office of the
7 judicial branch, or office of the legislative branch of
8 state government, except for purposes of capital projects
9 administered by the department of administration, for which
10 institutions are treated as one department and university
11 units as one system.

12 (3) "Approved long-range building program budget
13 amendment" means approval by the budget director of a
14 request submitted through the architecture and engineering
15 division of the department of administration to transfer
16 excess funds appropriated to a capital project within an
17 agency to increase the appropriation of another capital
18 project within that agency or to obtain financing to expand
19 a project with funds that were not available for
20 consideration by the legislature.

21 (4) "Approving authority" means:

22 (a) the governor or his the governor's designated
23 representative for executive branch agencies;

24 (b) the chief justice of the supreme court or his the
25 chief justice's designated representative for judicial

1 branch agencies;

2 (c) the speaker for the house of representatives;

3 (d) the president for the senate;

4 (e) appropriate legislative committees or a designated

5 representative for legislative branch agencies; or

6 (f) the board of regents of higher education or its

7 designated representative for the university system.

8 (5) "Budget amendment" means a legislative

9 appropriation to increase spending authority for the special

10 revenue fund, proprietary funds, or unrestricted subfund,

11 contingent on total compliance with all budget amendment

12 procedures.

13 (6) "Current funding level" means ~~that level of funding~~

14 ~~required to maintain operations and services at the level~~

15 ~~authorized by the previous legislature after adjustment for~~

16 ~~inflation~~ actual expenditures by an agency in the first year

17 of the prior biennium and actual appropriations by the

18 legislature for the second year of the biennium.

19 Expenditures and appropriations for nonrecurring expenses

20 may be excluded from the current level funding base. The

21 current funding level for an agency may not exceed the total

22 of actual expenditures from appropriations authorized by the

23 legislature in the first year of the prior biennium and

24 actual appropriations by the legislature for the second year

25 of the prior biennium.

1 (7) "Effectiveness measure" means a criterion for

2 measuring the degree to which the objective sought is

3 attained.

4 (8) "Emergency" means a catastrophe, disaster,

5 calamity, or other serious unforeseen and unanticipated

6 circumstance that has occurred subsequent to the time an

7 agency's appropriation was made, that was clearly not within

8 the contemplation of the legislature and the governor, and

9 that affects one or more functions of a state agency and the

10 agency's expenditure requirements for the performance of the

11 function or functions.

12 (9) "Modified funding level" means the current funding

13 level as adjusted to reflect workload increases, the

14 provision of new services, schedules or formulas that

15 increase or decrease funding requirements, inflationary

16 adjustments, personal services benefit increases, or changes

17 in authorized funding. Any amount in excess of the total

18 current funding level must be presented as a modified

19 funding level.

20 (10) "Necessary" means essential to the public welfare

21 and of a nature that cannot wait until the next legislative

22 session for legislative consideration.

23 (11) "Priority listing" means a ranking of proposed

24 expenditures in order of importance.

25 (12) "Program" means a combination of resources and

1 activities designed to achieve an objective or objectives.

2 (13) "Program size" means the magnitude of a program,
3 such as the size of clientele served, or the volume of
4 service in relation to the population or area; etc.

5 (14) "Program size indicator" means a measure to
6 indicate the magnitude of a program.

7 (15) "Requesting agency" means the agency of state
8 government that has requested a specific budget amendment.

9 (16) "University system unit" means the board of regents
10 of higher education, office of the commissioner of higher
11 education, university of Montana at Missoula, Montana state
12 university at Bozeman, Montana college of mineral science
13 and technology at Butte, eastern Montana college at
14 Billings, northern Montana college at Havre, western Montana
15 college of the university of Montana at Dillon, the
16 agricultural experiment station with central offices at
17 Bozeman, the forest and conservation experiment station with
18 central offices at Missoula, the cooperative extension
19 service with central offices at Bozeman, the bureau of mines
20 and geology with central offices at Butte, the fire services
21 training school at Great Falls, the vocational-technical
22 centers at Billings, Butte, Great Falls, Helena, and
23 Missoula, or the community colleges at Miles City, Glendive,
24 and Kalispell."

25 NEW SECTION. **Section 3.** Effective date. [This act] is

1 effective on passage and approval.

-End-

APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 7

INTRODUCED BY ZOOK

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE
DEFINITIONS OF CURRENT FUNDING LEVEL AND MODIFIED FUNDING
LEVEL FOR BUDGETING PURPOSES; REQUIRING THAT THE EXECUTIVE
BUDGET AND THE BUDGET ANALYSIS OF THE LEGISLATIVE FISCAL
ANALYST BE BASED ON THE LEVEL OF FUNDING PROVIDED REQUIRED
TO MAINTAIN OPERATIONS AND SERVICES AUTHORIZED BY THE
PREVIOUS LEGISLATURE; AMENDING SECTIONS 5-12-303 AND
17-7-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 5-12-303, MCA, is amended to read:

"5-12-303. Fiscal analysis information from state
agencies. (1) The legislative fiscal analyst ~~has--the~~
~~authority-to~~ may investigate and examine the costs and
revenues of state government activities and may examine and
obtain copies of the records, books, and files of any state
agency, including confidential records.

(2) When confidential records and information are
obtained from a state agency, the legislative fiscal analyst
and staff must be subject to the same penalties for
unauthorized disclosure of the confidential records and

information provided for under the laws administered by the
state agency. The legislative fiscal analyst shall develop
policies to prevent the unauthorized disclosure of
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(3) The legislative fiscal analyst may not obtain
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income tax data available by removing names, addresses,
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(4) The budget director shall furnish the legislative
fiscal analyst with copies of all budget requests, at the
time of submission to the budget director as provided by law
and, if requested, all underlying and supporting
documentation.

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

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

(b) by December 1, a preliminary budget that must meet the statutory requirements for submission of the budget to the legislature;

(c) by December 3, a paper copy and an electronic copy of the documents that reflect expenditures to the second level, as provided in 17-1-102(3), by funding source and detailed by accounting entity; and

(d) by December 15, all amendments to the preliminary budget.

(6) Within 1 day after the legislative finance committee presents its budget analysis to the legislature, the budget director and the legislative fiscal analyst shall exchange expenditure and disbursement recommendations by second-level expenditure detail and by funding sources detailed by accounting entity. This information must be filed in the respective offices and be made available to the legislature and the public. In preparing the budget analysis for the next biennium for submission to the legislature, the legislative fiscal analyst shall use the current funding level and modified funding level as defined in 17-7-102.

(7) This section does not authorize publication or public disclosure of information if the law prohibits publication or disclosure."

Section 2. Section 17-7-102, MCA, is amended to read:

"17-7-102. Definitions. As used in this chapter, the

following definitions apply:

(1) "Additional services" means different services or more of the same services.

(2) "Agency" means each state office, department, division, board, commission, council, committee, institution, university unit, or other entity or instrumentality of the executive branch, office of the judicial branch, or office of the legislative branch of state government, except for purposes of capital projects administered by the department of administration, for which institutions are treated as one department and university units as one system.

(3) "Approved long-range building program budget amendment" means approval by the budget director of a request submitted through the architecture and engineering division of the department of administration to transfer excess funds appropriated to a capital project within an agency to increase the appropriation of another capital project within that agency or to obtain financing to expand a project with funds that were not available for consideration by the legislature.

(4) "Approving authority" means:

(a) the governor or ~~his~~ the governor's designated representative for executive branch agencies;

(b) the chief justice of the supreme court or ~~his~~ the

1 chief justice's designated representative for judicial
2 branch agencies;

3 (c) the speaker for the house of representatives;

4 (d) the president for the senate;

5 (e) appropriate legislative committees or a designated
6 representative for legislative branch agencies; or

7 (f) the board of regents of higher education or its
8 designated representative for the university system.

9 (5) "Budget amendment" means a legislative
10 appropriation to increase spending authority for the special
11 revenue fund, proprietary funds, or unrestricted subfund,
12 contingent on total compliance with all budget amendment
13 procedures.

14 (6) "Current funding level" means ~~that level of funding~~
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17 ~~inflation actual expenditures by an agency in the first year~~
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20 ~~Expenditures and appropriations for nonrecurring expenses~~
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8 (B) Any amount in excess of the total current funding
9 level must be presented as a modified funding level.

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6 agricultural experiment station with central offices at
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11 training school at Great Falls, the vocational-technical
12 centers at Billings, Butte, Great Falls, Helena, and
13 Missoula, or the community colleges at Miles City, Glendive,
14 and Kalispell."

15 NEW SECTION. Section 3. Effective date. [This act] is
16 effective on passage and approval.

-End-

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(c) by December 3, a paper copy and an electronic copy of the documents that reflect expenditures to the second level, as provided in 17-1-102(3), by funding source and detailed by accounting entity; and

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2 branch agencies;

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25 (I) CHANGES RESULTING FROM WORKLOAD, CASELOAD, OR

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6 (V) CHANGES IN SOURCES OF FUNDING; AND

7 (VI) EXPENDITURES OR APPROPRIATIONS FOR EQUIPMENT.

8 (B) Any amount in excess of the total current funding
9 level must be presented as a modified funding level.

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6 agricultural experiment station with central offices at
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9 service with central offices at Bozeman, the bureau of mines
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11 training school at Great Falls, the vocational-technical
12 centers at Billings, Butte, Great Falls, Helena, and
13 Missoula, or the community colleges at Miles City, Glendive,
14 and Kalispell."

15 NEW SECTION. Section 3. Effective date. [This act] is
16 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 3
December 15, 1993

Page 2 of 3
December 15, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 7 (third reading copy -- blue), respectfully report that House Bill No. 7 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, lines 6 and 7.
Following: "DEFINITIONS OF" on line 6
Strike: "CURRENT" on line 6 through "FOR" on line 7
Insert: "TERMINOLOGY USED IN STATE"
Strike: "PURPOSES" on line 7
2. Title, line 9.
Strike: "REQUIRED"
3. Page 2, line 16.
Following: "requests,"
Insert: "in a format agreed upon by both the office of budget and program planning and the legislative fiscal analyst,"
4. Page 2, line 19.
Following: "documentation."
Insert: "In preparing the executive budget for the next biennium for submission to the legislature, the budget director shall use the base budget, the present law base, and new proposals as defined in 17-7-102."
5. Page 2, lines 21 and 22.
Following: "analyst" on line 21
Insert: ", "
Following: "basis" on line 22
Insert: "and in a format agreed upon by both the office of budget and program planning and the legislative fiscal analyst"
6. Page 2, lines 23 through 25.
Strike: "December 1," on line 23
Insert: "October 10, a preliminary budget reflecting the base budget and, November 1, a present law base for each agency and"
Following: "financing the" on line 24
Insert: "base"
Following: "budget" on line 25
Insert: "and present law base"

7. Page 3, line 1.
Strike: "December 1"
Insert: "November 15"

8. Page 3, line 4.
Strike: "December 3"
Insert: "November 12"

9. Page 3, lines 19 and 20.
Strike: "current" on line 19 through "modified funding level" on line 20
Insert: "base budget, the present law base, and new proposals"

10. Page 5, following line 8.
Insert: "(5) 'Base budget' means that level of funding authorized by the previous legislature."
Renummer: subsequent subsections

11. Page 5, line 14 through page 6, line 7.
Strike: Subsection (6) in its entirety
Insert: "(7) 'Present law base' means that level of funding required under present law to maintain operations and services at the level authorized by the previous legislature, including but not limited to:
(i) changes resulting from legally mandated workload, caseload, or enrollment increases or decreases;
(ii) changes in funding requirements resulting from constitutional or statutory schedules or formulas;
(iii) inflationary or deflationary adjustments; and
(iv) elimination of nonrecurring expenses."

12. Page 6, line 19 through page 7, line 9.
Strike: Subsection (9) in its entirety
Renummer: subsequent subsections

13. Page 7, following line 12.
Insert: "(11) 'New proposals' means requests to provide new nonmandated services, to change program services, to eliminate existing services, or to change sources of funding. For purposes of establishing the present law base, the distinction between new proposals and the adjustments to the base budget to develop the present law base is to be determined by the existence of constitutional or statutory requirements for the proposed expenditure. Any proposed increase or decrease that is not based on those requirements is considered a new proposal."
Renummer: subsequent subsections

W Amd. Coord.
SB Sec. of Senate

Senator Jacobson
Senator Carrying Bill

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14. Page 8, line 15.

Following: line 14

Insert: NEW SECTION. Section 3. Code commissioner instruction.

Wherever the term "current funding level" or a phrase meaning "current funding level" appears in Title 17, chapter 7, the code commissioner shall change the term or phrase to "base budget" and make the necessary grammatical changes to reflect the change in terminology. Wherever the term "modified funding level" or a phrase meaning "modified funding level" appears in Title 17, chapter 7, the code commissioner shall change the term or phrase to "present law base plus new proposals" and make necessary grammatical changes to reflect the change in terminology.

Renumber: subsequent section

-END-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

December 16, 1993 12:55 pm

Mr. Chairman: I move to amend House Bill No. 7 (third reading copy -- blue).

ADOPT

REJECT

Signed:


Senator Judy Jacobson

That such amendments read:

1. Amend the Senate Finance and Claims standing committee report on House Bill No. 7, dated December 15, 1993 as follows:

In: Amendment 11 in (7)
Following: "means that"
Insert: "additional"
Following: "level of funding"
Strike: "required"
Insert: "needed"
In: (iv)
Strike: "expenses"
Insert: "appropriations"

-END-

HB 7

SENATE

HOUSE BILL NO. 7

INTRODUCED BY ZOOK

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE
DEFINITIONS OF ~~CURRENT--FUNDING-LEVELS-AND-MODIFIED-FUNDING~~
~~LEVEL-FOR~~ TERMINOLOGY USED IN STATE BUDGETING PURPOSES;
REQUIRING THAT THE EXECUTIVE BUDGET AND THE BUDGET ANALYSIS
OF THE LEGISLATIVE FISCAL ANALYST BE BASED ON THE LEVEL OF
FUNDING ~~PROVIDED~~ REQUIRED TO MAINTAIN OPERATIONS AND
SERVICES AUTHORIZED BY THE PREVIOUS LEGISLATURE; AMENDING
SECTIONS 5-12-303 AND 17-7-102, MCA; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 5-12-303, MCA, is amended to read:

"5-12-303. Fiscal analysis information from state
agencies. (1) The legislative fiscal analyst ~~has---the~~
~~authority--to~~ may investigate and examine the costs and
revenues of state government activities and may examine and
obtain copies of the records, books, and files of any state
agency, including confidential records.

(2) When confidential records and information are
obtained from a state agency, the legislative fiscal analyst
and staff must be subject to the same penalties for

unauthorized disclosure of the confidential records and
information provided for under the laws administered by the
state agency. The legislative fiscal analyst shall develop
policies to prevent the unauthorized disclosure of
confidential records and information obtained from state
agencies.

(3) The legislative fiscal analyst may not obtain
copies of individual income tax records protected under
15-30-303. The department of revenue shall make individual
income tax data available by removing names, addresses,
occupations, social security numbers, and taxpayer
identification numbers. The department of revenue may not
alter the data in any other way. The data is subject to the
same restrictions on disclosure as are individual income tax
returns.

(4) The budget director shall furnish the legislative
fiscal analyst with copies of all budget requests, IN A
FORMAT AGREED UPON BY BOTH THE OFFICE OF BUDGET AND PROGRAM
PLANNING AND THE LEGISLATIVE FISCAL ANALYST, at the time of
submission to the budget director as provided by law and, if
requested, all underlying and supporting documentation. IN
PREPARING THE EXECUTIVE BUDGET FOR THE NEXT BIENNIUM FOR
SUBMISSION TO THE LEGISLATURE, THE BUDGET DIRECTOR SHALL USE
THE BASE BUDGET, THE PRESENT LAW BASE, AND NEW PROPOSALS AS
DEFINED IN 17-7-102.

(5) In the year preceding each legislative session, the budget director shall furnish the legislative fiscal analyst, on a confidential basis AND IN A FORMAT AGREED UPON BY BOTH THE OFFICE OF BUDGET AND PROGRAM PLANNING AND THE LEGISLATIVE FISCAL ANALYST:

(a) by ~~December-1~~ OCTOBER 10, A PRELIMINARY BUDGET REFLECTING THE BASE BUDGET AND, NOVEMBER 1, A PRESENT LAW BASE FOR EACH AGENCY AND a copy of the documents that reflect the anticipated receipts and other means of financing the BASE budget AND PRESENT LAW BASE for each fiscal year of the ensuing biennium;

(b) by ~~December--1~~ NOVEMBER 15, a preliminary budget that must meet the statutory requirements for submission of the budget to the legislature;

(c) by ~~December--3~~ NOVEMBER 12, a paper copy and an electronic copy of the documents that reflect expenditures to the second level, as provided in 17-1-102(3), by funding source and detailed by accounting entity; and

(d) by December 15, all amendments to the preliminary budget.

(6) Within 1 day after the legislative finance committee presents its budget analysis to the legislature, the budget director and the legislative fiscal analyst shall exchange expenditure and disbursement recommendations by second-level expenditure detail and by funding sources

detailed by accounting entity. This information must be filed in the respective offices and be made available to the legislature and the public. In preparing the budget analysis for the next biennium for submission to the legislature, the legislative fiscal analyst shall use the ~~current-funding level-and-modified-funding-level~~ BASE BUDGET, THE PRESENT LAW BASE, AND NEW PROPOSALS as defined in 17-7-102.

(7) This section does not authorize publication or public disclosure of information if the law prohibits publication or disclosure."

Section 2. Section 17-7-102, MCA, is amended to read:

"17-7-102. Definitions. As used in this chapter, the following definitions apply:

(1) "Additional services" means different services or more of the same services.

(2) "Agency" means each state office, department, division, board, commission, council, committee, institution, university unit, or other entity or instrumentality of the executive branch, office of the judicial branch, or office of the legislative branch of state government, except for purposes of capital projects administered by the department of administration, for which institutions are treated as one department and university units as one system.

(3) "Approved long-range building program budget

amendment" means approval by the budget director of a request submitted through the architecture and engineering division of the department of administration to transfer excess funds appropriated to a capital project within an agency to increase the appropriation of another capital project within that agency or to obtain financing to expand a project with funds that were not available for consideration by the legislature.

(4) "Approving authority" means:

(a) the governor or ~~his~~ the governor's designated representative for executive branch agencies;

(b) the chief justice of the supreme court or ~~his~~ the chief justice's designated representative for judicial branch agencies;

(c) the speaker for the house of representatives;

(d) the president for the senate;

(e) appropriate legislative committees or a designated representative for legislative branch agencies; or

(f) the board of regents of higher education or its designated representative for the university system.

(5) "BASE BUDGET" MEANS THAT LEVEL OF FUNDING AUTHORIZED BY THE PREVIOUS LEGISLATURE.

~~(5)~~ (6) "Budget amendment" means a legislative appropriation to increase spending authority for the special revenue fund, proprietary funds, or unrestricted subfund,

contingent on total compliance with all budget amendment procedures.

~~(6) -- "Current funding level" means that level of funding required to maintain operations and services at the level authorized by the previous legislature, after adjustment for inflation actual expenditures by an agency in the first year of the prior biennium and actual appropriations by the legislature for the second year of the biennium. Expenditures and appropriations for nonrecurring expenses may be excluded from the current level funding base. The current funding level for an agency may not exceed the total of actual expenditures from appropriations authorized by the legislature in the first year of the prior biennium and actual appropriations by the legislature for the second year of the prior biennium. THAT LEVEL OF FUNDING REQUIRED TO MAINTAIN OPERATIONS AND SERVICES AT THE LEVEL AUTHORIZED BY THE PREVIOUS LEGISLATURE. PERSONAL SERVICES ARE TO BE BASED ON STATUTORY PAY AND BENEFIT LEVELS AND ANTICIPATED UNEMPLOYMENT AND WORKERS' COMPENSATION INSURANCE RATES. EXPENDITURES FOR NONRECURRING EXPENSES MUST BE EXCLUDED FROM THE CURRENT LEVEL FUNDING BASE.~~

(7) "PRESENT LAW BASE" MEANS THAT ADDITIONAL LEVEL OF FUNDING REQUIRED NEEDED UNDER PRESENT LAW TO MAINTAIN OPERATIONS AND SERVICES AT THE LEVEL AUTHORIZED BY THE PREVIOUS LEGISLATURE, INCLUDING BUT NOT LIMITED TO:

1 (I) CHANGES RESULTING FROM LEGALLY MANADATED WORKLOAD,
2 CASELOAD, OR ENROLLMENT INCREASES OR DECREASES;

3 (II) CHANGES IN FUNDING REQUIREMENTS RESULTING FROM
4 CONSTITUTIONAL OR STATUTORY SCHEDULES OR FORMULAS;

5 (III) INFLATIONARY OR DEFLATIONARY ADJUSTMENTS; AND

6 (IV) ELIMINATION OF NONRECURRING EXPENSES
7 APPROPRIATIONS.

8 ~~{7}~~(8) "Effectiveness measure" means a criterion for
9 measuring the degree to which the objective sought is
10 attained.

11 ~~{8}~~(9) "Emergency" means a catastrophe, disaster,
12 calamity, or other serious unforeseen and unanticipated
13 circumstance that has occurred subsequent to the time an
14 agency's appropriation was made, that was clearly not within
15 the contemplation of the legislature and the governor, and
16 that affects one or more functions of a state agency and the
17 agency's expenditure requirements for the performance of the
18 function or functions.

19 ~~{9}~~ ~~{A}~~ "Modified--funding--level"--means--the--current
20 ~~funding-level-as-adjusted-to-reflect-workload-increases,~~ the
21 ~~provision--of--new--services,~~ ~~schedules--or--formulas--that~~
22 ~~increase--or--decrease--funding--requirements,~~ ~~inflationary~~
23 ~~adjustments,~~ ~~personal-services-benefit-increases,~~ or changes
24 ~~in-authorized-funding.~~

25 ~~{1}~~ ~~CHANGES---RESULTING---FROM---WORKLOAD,~~ ~~CASELOAD,~~ ~~OR~~

1 ~~ENROLLMENT-INCREASES-OR-DECREASES,~~

2 ~~{11}~~ ~~THE-PROVISION-OF-NEW-SERVICES,~~

3 ~~{111}~~ ~~SCHEDULES-OR-FORMULAS-THAT--INCREASE--OR--DECREASE~~
4 ~~FUNDING-REQUIREMENTS,~~

5 ~~{IV}~~ ~~INFLATIONARY-OR-DEFLATIONARY-ADJUSTMENTS,~~

6 ~~{V}~~ ~~CHANGES-IN-SOURCES-OF-FUNDING,~~ ~~AND~~

7 ~~{VI}~~ ~~EXPENDITURES-OR-APPROPRIATIONS-FOR-EQUIPMENT,~~

8 ~~{B}~~ ~~Any--amount--in-excess-of-the-total-current-funding~~
9 ~~level-must-be-presented-as-a-modified-funding-level;~~

10 (10) "Necessary" means essential to the public welfare
11 and of a nature that cannot wait until the next legislative
12 session for legislative consideration.

13 (11) "NEW PROPOSALS" MEANS REQUESTS TO PROVIDE NEW
14 NONMANDATED SERVICES, TO CHANGE PROGRAM SERVICES, TO
15 ELIMINATE EXISTING SERVICES, OR TO CHANGE SOURCES OF
16 FUNDING. FOR PURPOSES OF ESTABLISHING THE PRESENT LAW BASE,
17 THE DISTINCTION BETWEEN NEW PROPOSALS AND THE ADJUSTMENTS TO
18 THE BASE BUDGET TO DEVELOP THE PRESENT LAW BASE IS TO BE
19 DETERMINED BY THE EXISTENCE OF CONSTITUTIONAL OR STATUTORY
20 REQUIREMENTS FOR THE PROPOSED EXPENDITURE. ANY PROPOSED
21 INCREASE OR DECREASE THAT IS NOT BASED ON THOSE REQUIREMENTS
22 IS CONSIDERED A NEW PROPOSAL.

23 ~~{11}~~(12) "Priority listing" means a ranking of proposed
24 expenditures in order of importance.

25 ~~{12}~~(13) "Program" means a combination of resources and

1 activities designed to achieve an objective or objectives.

2 {13}(14) "Program size" means the magnitude of a
3 program, such as the size of clientele served, or the volume
4 of service in relation to the population or area, etc.

5 {14}(15) "Program size indicator" means a measure to
6 indicate the magnitude of a program.

7 {15}(16) "Requesting agency" means the agency of state
8 government that has requested a specific budget amendment.

9 {16}(17) "University system unit" means the board of
10 regents of higher education, office of the commissioner of
11 higher education, university of Montana at Missoula, Montana
12 state university at Bozeman, Montana college of mineral
13 science and technology at Butte, eastern Montana college at
14 Billings, northern Montana college at Havre, western Montana
15 college of the university of Montana at Dillon, the
16 agricultural experiment station with central offices at
17 Bozeman, the forest and conservation experiment station with
18 central offices at Missoula, the cooperative extension
19 service with central offices at Bozeman, the bureau of mines
20 and geology with central offices at Butte, the fire services
21 training school at Great Falls, the vocational-technical
22 centers at Billings, Butte, Great Falls, Helena, and
23 Missoula, or the community colleges at Miles City, Glendive,
24 and Kalispell."

25 NEW SECTION. SECTION 3. CODE COMMISSIONER INSTRUCTION.

1 WHEREVER THE TERM "CURRENT FUNDING LEVEL" OR A PHRASE
2 MEANING "CURRENT FUNDING LEVEL" APPEARS IN TITLE 17, CHAPTER
3 7, THE CODE COMMISSIONER SHALL CHANGE THE TERM OR PHRASE TO
4 "BASE BUDGET" AND MAKE THE NECESSARY GRAMMATICAL CHANGES TO
5 REFLECT THE CHANGE IN TERMINOLOGY. WHEREVER THE TERM
6 "MODIFIED FUNDING LEVEL" OR A PHRASE MEANING "MODIFIED
7 FUNDING LEVEL" APPEARS IN TITLE 17, CHAPTER 7, THE CODE
8 COMMISSIONER SHALL CHANGE THE TERM OR PHRASE TO "PRESENT LAW
9 BASE PLUS NEW PROPOSALS" AND MAKE NECESSARY GRAMMATICAL
10 CHANGES TO REFLECT THE CHANGE IN TERMINOLOGY.

11 NEW SECTION. Section 4. Effective date. [This act] is
12 effective on passage and approval.

-End-