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

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INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.

FIRST READING.

DECEMBER 15, 1993 COMMITTEE RECOMMEND BILL DE 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.

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THIRD READING, AMENDMENTS CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 7 1 2 INTRODUCED BY ZOOK 2 3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING 3 4 4 5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING 5 THE 6 DEFINITIONS OF CURRENT FUNDING LEVEL AND MODIFIED FUNDING б 7 LEVEL FOR BUDGETING PURPOSES: REQUIRING THAT THE EXECUTIVE 7 8 BUDGET AND THE BUDGET ANALYSIS OF THE LEGISLATIVE FISCAL R ANALYST BE BASED ON THE LEVEL OF FUNDING PROVIDED BY THE 9 9 10 PREVIOUS LEGISLATURE; AMENDING SECTIONS 5-12-303 AND 10 11 17-7-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." 11 12 12 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 13 14 Section 1. Section 5-12-303, MCA, is amended to read: 14 15 15 *5-12-303. Piscal analysis information from state 16 16 agencies. (1) The legislative fiscal analyst has--the 17 17 authority-to may investigate and examine the costs and 18 18 revenues of state government activities and may examine and 19 19 obtain copies of the records, books, and files of any state 20 20 agency, including confidential records. 21 (2) When confidential records and information are 21 22 22 obtained from a state agency, the legislative fiscal analyst 23 23 and staff must be subject to the same penalties for 24 24 unauthorized disclosure of the confidential records and 25 25 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.

5 (3) The legislative fiscal analyst may not obtain 6 copies of individual income tax records protected under 7 15-30-303. The department of revenue shall make individual 8 income tax data available by removing names, addresses, 9 occupations, social security numbers, and taxpayer 10 identification numbers. The department of revenue may not 11 alter the data in any other way. The data is subject to the 12 same restrictions on disclosure as are individual income tax 13 returns.

14 (4) The budget director shall furnish the legislative 15 fiscal analyst with copies of all budget requests, at the 16 time of submission to the budget director as provided by law 17 and, if requested, all underlying and supporting 18 documentation.

19 (5) In the year preceding each legislative session, the

- 20 budget director shall furnish the legislative fiscal analyst
- 21 on a confidential basis:
- (a) by December 1, a copy of the documents that reflect
- 23 the anticipated receipts and other means of financing the
- 24 budget for each fiscal year of the ensuing biennium;
- 5 (b) by December 1, a preliminary budget that must meet

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the statutory requirements for submission of the budget to
 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 B budget.

9 (6) Within 1 day after the legislative finance committee presents its budget analysis to the legislature. 10 the budget director and the legislative fiscal analyst shall 11 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 filed in the respective offices and be made available to the 15 legislature and the public. In preparing the budget analysis 16 17 for the next biennium for submission to the legislature, the legislative fiscal analyst shall use the current funding 18 level and modified funding level as defined in 17-7-102. 19

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

3 (2) "Agency" means each state office, department, 4 division, board, commission. council. committee, 5 institution, university unit, or other entity or instrumentality of the executive branch, office of the 6 judicial branch, or office of the legislative branch of 7 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 units as one system. 11

(3) "Approved long-range building program budget 12 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 agency to increase the appropriation of another capital 17 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:

(a) the governor or his <u>the governor's</u> designated
 representative for executive branch agencies;

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

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branch agencies; 1 (c) the speaker for the house of representatives; 2 (d) the president for the senate; 3 (e) appropriate legislative committees or a designated 4 representative for legislative branch agencies; or 5 (f) the board of regents of higher education or its 6 designated representative for the university system. 7 legislative amendment" means а (5) "Budget 8 appropriation to increase spending authority for the special 9 revenue fund, proprietary funds, or unrestricted subfund, 10 contingent on total compliance with all budget amendment 11 procedures. 12 (6) "Current funding level" means that-level-of-funding 13 required-to-maintain-operations-and-services--at--the--level 14 authorized-by-the-previous-legislature7-after-adjustment-for 15 inflation actual expenditures by an agency in the first year 16 of the prior biennium and actual appropriations by the 17 legislature for the second year of the biennium. 18 Expenditures and appropriations for nonrecurring expenses 19 may be excluded from the current level funding base. The 20 current funding level for an agency may not exceed the total 21 of actual expenditures from appropriations authorized by the 22 legislature in the first year of the prior biennium and 23 actual appropriations by the legislature for the second year 24 25 of the prior biennium.

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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

(7) "Effectiveness measure" means a criterion

measuring the degree to which the objective sought is

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 proposed24 expenditures in order of importance.

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

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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 state8 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 education, university of Montana at Missoula, Montana state 11 university at Bozeman, Montana college of mineral science 12 13 and technology at Butte, eastern Montana college at Billings, northern Montana college at Havre, western Montana 14 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 central offices at Missoula, the cooperative extension 18 service with central offices at Bozeman, the bureau of mines 19 and geology with central offices at Butte, the fire services 20 training school at Great Falls, the vocational-technical 21 centers at Billings, Butte, Great Falls, Helena, and 22 Missoula, or the community colleges at Miles City, Glendive, 23 24 and Kalispell."

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

1 effective on passage and approval.

-End-

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53rd Legislature Special Session 11/93

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HB 0007/02

1	HOUSE BILL NO. 7
2	INTRODUCED BY ZOOK
3	BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE
6	DEFINITIONS OF CURRENT FUNDING LEVEL AND MODIFIED FUNDING
7	LEVEL FOR BUDGETING PURPOSES; REQUIRING THAT THE EXECUTIVE
8	BUDGET AND THE BUDGET ANALYSIS OF THE LEGISLATIVE FISCAL
9	ANALYST BE BASED ON THE LEVEL OF FUNDING PROVIDED REQUIRED
10	TO MAINTAIN OPERATIONS AND SERVICES AUTHORIZED BY THE
11	PREVIOUS LEGISLATURE; AMENDING SECTIONS 5-12-303 AND
12	17-7-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
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14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15	Section 1. Section 5-12-303, MCA, is amended to read:
16	"5-12-303. Fiscal analysis information from state
17	agencies. (1) The legislative fiscal analyst hasthe
18	authority-to may investigate and examine the costs and

18 suthority-to may investigate and examine the costs and 19 revenues of state government activities and may examine and 20 obtain copies of the records, books, and files of any state 21 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

Montana Legislative Council

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
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6 (3) The legislative fiscal analyst may not obtain 7 copies of individual income tax records protected under 8 15-30-303. The department of revenue shall make individual 9 income tax data available by removing names, addresses, 10 occupations, social security numbers, and taxpayer 11 identification numbers. The department of revenue may not alter the data in any other way. The data is subject to the 12 13 same restrictions on disclosure as are individual income tax 14 returns.

15 (4) The budget director shall furnish the legislative 16 fiscal analyst with copies of all budget requests, at the 17 time of submission to the budget director as provided by law 18 and, if requested, all underlying and supporting 19 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;

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

4 (c) by December 3, a paper copy and an electronic copy 5 of the documents that reflect expenditures to the second 6 level, as provided in 17-1-102(3), by funding source and 7 detailed by accounting entity; and

8 (d) by December 15, all amendments to the preliminary9 budget.

10 (6) Within 1 day after the legislative finance 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 14 second-level expenditure detail and by funding sources 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 19 legislative fiscal analyst shall use the current funding 20 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

1 following definitions apply:

2 (1) "Additional services" means different services or3 more of the same services.

4 (2) "Agency" means each state office, department, 5 division. board, commission, council, committee, 6 institution, university unit, or other entity or 7 instrumentality of the executive branch, office of the 8 judicial branch, or office of the legislative branch of 9 state government, except for purposes of capital projects 10 administered by the department of administration, for which 11 institutions are treated as one department and university units as one system. 12

13 (3) "Approved long-range building program budget 14 amendment" means approval by the budget director of a 15 request submitted through the architecture and engineering division of the department of administration to transfer 16 17 excess funds appropriated to a capital project within an 18 agency to increase the appropriation of another capital 19 project within that agency or to obtain financing to expand 20 a project with funds that were not available for consideration by the legislature. 21

- 22 (4) "Approving authority" means:
- 23 (a) the governor or his the governor's designated
 24 representative for executive branch agencies;
- 25 (b) the chief justice of the supreme court or his the

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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
15	required-to-maintain-operations-and-servicesatthelevel
16	authorized-by-the-previous-legislature;-after-adjustment-for
17	inflation actual-expenditures-by-an-agency-in-the-first-year
18	ofthepriorbienniumandactualappropriations-by-the
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6	EXPENDITURES FOR NONRECURRING EXPENSES MUST BE EXCLUDED FROM
7	THE CURRENT LEVEL FUNDING BASE.
8	(7) "Effectiveness measure" means a criterion for
9	measuring the degree to which the objective sought is
10	attained.
11	(8) "Emergency" means a catastrophe, disaster,
12	calamity, or other serious unforeseen and unanticipated
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14	agency's appropriation was made, that was clearly not within
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1	ENROLLMENT INCREASES OR DECREASES;
2	(II) THE PROVISION OF NEW SERVICES;
3	(III) SCHEDULES OR FORMULAS THAT INCREASE OR DECREASE
4	FUNDING REQUIREMENTS;
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8	(B) Any amount in excess of the total current funding
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education, university of Montana at Missoula, Montana state 1 2 university at Bozeman, Montana college of mineral science 3 and technology at Butte, eastern Montana college at Billings, northern Montana college at Havre, western Montana 4 5 college of the university of Montana at Dillon, the 6 agricultural experiment station with central offices at Bozeman, the forest and conservation experiment station with 7 central offices at Missoula, the cooperative extension 8 9 service with central offices at Bozeman, the bureau of mines 10 and geology with central offices at Butte, the fire services 11 training school at Great Falls, the vocational-technical centers at Billings, Butte, Great Falls, Helena, and 12 Missoula, or the community colleges at Miles City, Glendive, 13 14 and Kalispell."

NEW SECTION. Section 3. Effective date. [This act] is 15

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-End-

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THIRD READING

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6	representative for legislative branch agencies; or
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9	(5) "Budget amendment" means a legislative
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21	provisionofnewservices; schedulesorformulasthat
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23	<u>adjustments;-personal-services-benefit-increases;</u> or-changes
24	in-authorized-funding:
25	(I) CHANGES RESULTING FROM WORKLOAD, CASELOAD, OR

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1 ENROLLMENT INCREASES OR DECREASES: 2 (II) THE PROVISION OF NEW SERVICES: 3 (III) SCHEDULES OR FORMULAS THAT INCREASE OR DECREASE 4 FUNDING REQUIREMENTS; 5 (IV) INFLATIONARY OR DEFLATIONARY ADJUSTMENTS; (V) CHANGES IN SOURCES OF FUNDING; AND 6 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) "Priority listing" means a ranking of proposed expenditures in order of importance. 14 (12) "Program" means a combination of resources and 15 16 activities designed to achieve an objective or objectives. 17 (13) "Program size" means the magnitude of a program, 18 such as the size of clientele served, or the volume of service in relation to the population or area-etc. 19 (14) "Program size indicator" means a measure to 20 indicate the magnitude of a program. 21 22 (15) "Requesting agency" means the agency of state 23 government that has requested a specific budget amendment. 24 (16) "University system unit" means the board of regents 25 of higher education, office of the commissioner of higher -7-HB 7

1 education, university of Montana at Missoula, Montana state 2 university at Bozeman, Montana college of mineral science and technology at Butte, eastern Montana college at 3 Billings, northern Montana college at Havre, western Montana 4 5 college of the university of Montana at Dillon, the agricultural experiment station with central offices at 6 7 Bozeman, the forest and conservation experiment station with central offices at Missoula, the cooperative extension 8 9 service with central offices at Bozeman, the bureau of mines 10 and geology with central offices at Butte, the fire services training school at Great Falls, the vocational-technical 11 12 centers at Billings, Butte, Great Falls, Helena, and 13 Missoula, or the community colleges at Miles City, Glendive, 14 and Kalispell."

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

-End-

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SENATE STANDING COMMITTEE REPORT

Page 1 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, Chair Senatof 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: "<u>REQUIRED</u>"

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"

<u>W</u> Amd. Coord. <u>Sunatore</u> <u>Aarobson</u> <u>33</u> Sec. of Senate Senator Carrying Bill 151416SC.Sma 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." Renumber: 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 Renumber: subsequent subsections

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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." Renumber: subsequent subsections

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14. Page 8, line 15. Following: line 14 Insert: <u>NEW SECTION.</u> 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 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-

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151416SC.Sma

December 16, 1993 12:55 pm

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



REJECT

Signed: Jacobson

That such amendments read:

1. Amend the Senate Finanace 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

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HB 0007/03

1 HOUSE BILL NO. 7 1 INTRODUCED BY ZOOK 2 2 3 3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING 4 Δ 5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE 5 6 DEFINITIONS OF CURRENT--FUNDING-LEVEL-AND-MODIFIED-FUNDING 6 7 7 **LEVEL-FOR TERMINOLOGY USED IN STATE BUDGETING PURPOSES;** REQUIRING THAT THE EXECUTIVE BUDGET AND THE BUDGET ANALYSIS 8 я 9 OF THE LEGISLATIVE FISCAL ANALYST BE BASED ON THE LEVEL OF 9 10 FUNDING PROVIDED REGUIRED TO MAINTAIN OPERATIONS AND 10 SERVICES AUTHORIZED BY THE PREVIOUS LEGISLATURE; AMENDING 11 11 12 SECTIONS 5-12-303 AND 17-7-102, MCA; AND PROVIDING AN 12 13 IMMEDIATE EFFECTIVE DATE." 13 14 14 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 15 16 16 Section 1. Section 5-12-303, MCA, is amended to read: 17 17 "5-12-303. Fiscal analysis information from state 18 18 agencies. (1) The legislative fiscal analyst has---the 19 19 authority--to may investigate and examine the costs and 20 20 revenues of state government activities and may examine and 21 21 obtain copies of the records, books, and files of any state 22 22 agency, including confidential records. 23 23 (2) When confidential records and information are 24 24 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.

7 (3) The legislative fiscal analyst may not obtain 8 copies of individual income tax records protected under 9 15-30-303. The department of revenue shall make individual 10 income tax data available by removing names, addresses, 11 occupations, social security numbers, and taxpayer 12 identification numbers. The department of revenue may not 13 alter the data in any other way. The data is subject to the 14 same restrictions on disclosure as are individual income tax 15 returns.

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



-2- HB 7 REFERENCE BILL AS AMENDET (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:

6 (a) by Becember-17 OCTOBER 10, A PRELIMINARY BUDGET
7 REFLECTING THE BASE BUDGET AND, NOVEMBER 1, A PRESENT LAW
8 BASE FOR EACH AGENCY AND a copy of the documents that
9 reflect the anticipated receipts and other means of
10 financing the BASE budget AND PRESENT LAW BASE for each
11 fiscal year of the ensuing biennium;

12 (b) by Becember--1 NOVEMBER 15, a preliminary budget 13 that must meet the statutory requirements for submission of 14 the budget to the legislature;

(c) by Becember--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

19 (d) by December 15, all amendments to the preliminary20 budget.

21 (6) Within 1 day after the legislative finance 22 committee presents its budget analysis to the legislature, 23 the budget director and the legislative fiscal analyst shall 24 exchange expenditure and disbursement recommendations by 25 second-level expenditure detail and by funding sources

detailed by accounting entity. This information must be 1 2 filed in the respective offices and be made available to the 3 legislature and the public. In preparing the budget analysis for the next biennium for submission to the legislature, the 4 5 legislative fiscal analyst shall use the current-funding 6 ievel-and-modified-funding-level BASE BUDGET. THE PRESENT LAW BASE, AND NEW PROPOSALS as defined in 17-7-102. 7 (7) This section does not authorize publication or 8 9 public disclosure of information if the law prohibits publication or disclosure." 10 11 Section 2. Section 17-7-102, MCA, is amended to read: 12 "17-7-102. Definitions. As used in this chapter, the 13 following definitions apply: 14 (1) "Additional services" means different services or 15 more of the same services. 16 (2) "Agency" means each state office, department, 17 division, board, commission, council, committee, 18 institution, university unit, or other entity or 19 instrumentality of the executive branch, office of the 20 judicial branch, or office of the legislative branch of 21 state government, except for purposes of capital projects administered by the department of administration, for which 22 23 institutions are treated as one department and university 24 units as one system.

25 (3) "Approved long-range building program budget

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amendment" means approval by the budget director of a 1 request submitted through the architecture and engineering 2 3 division of the department of administration to transfer excess funds appropriated to a capital project within an 4 5 agency to increase the appropriation of another capital 6 project within that agency or to obtain financing to expand 7 a project with funds that were not available for consideration by the legislature. 8

(4) "Approving authority" means:

9

10 (a) the governor or his the governor's designated 11 representative for executive branch agencies;

12 (b) the chief justice of the supreme court or his the
13 <u>chief justice's</u> designated representative for judicial
14 branch agencies:

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

16 (d) the president for the senate;

17 (e) appropriate legislative committees or a designated18 representative for legislative branch agencies; or

19 (f) the board of regents of higher education or its20 designated representative for the university system.

 21
 (5) "BASE BUDGET" MEANS THAT LEVEL OF FUNDING

 22
 AUTHORIZED BY THE PREVIOUS LEGISLATURE.

23 (5)(6) "Budget amendment" means a legislative
 24 appropriation to increase spending authority for the special
 25 revenue fund, proprietary funds, or unrestricted subfund,

contingent on total compliance with all budget amendment procedures.

3 +6)--"Current-funding-level"-means-that-level-of-funding 4 required-to-maintain-operations-and-services--at--the--level 5 authorized-by-the-previous-legislature-after-adjustment-for inflation actual-expenditures-by-an-agency-in-the-first-year 6 7 of--the--prior--biennium--and--actual--appropriations-by-the 8 legislature--for--the---second---year---of---the---biennium; 9 Expenditures--and--appropriations--for-nonrecurring-expenses 10 may-be-excluded-from-the-current--level--funding--base---Phe 11 current-funding-level-for-an-agency-may-not-exceed-the-total 12 of-actual-expenditures-from-appropriations-authorized-by-the 13 legislature--in--the--first--year--of-the-prior-biennium-and 14 actual-appropriations-by-the-legislature-for-the-second-year 15 of-the-prior-biennium- THAT-BEVEB--OP--PUNDING--REQUIRED--TO 16 MAINTAIN--OPERATIONS-AND-SERVICES-AT-THE-LEVEL-AUTHORIBED-BY 17 THE-FREVIOUS-BEGISBATURE:-PERSONAL-SERVICES-ARE-TO-BE-BASED 18 ON---STATUTORY---PAY--AND--BENEFIT--LEVELS--AND--ANTICIPATED 19 UNEMPLOYMENT--AND--WORKERS---COMPENSATION--INSURANCE--RATES-20 EXPENDITURES-FOR-NONRECURRING-EXPENSES-MUST-BE-EXCLUBED-FROM 21 THE-CURRENT-LEVEL-PUNDING-BASE-22 (7) "PRESENT LAW BASE" MEANS THAT ADDITIONAL LEVEL OF 23 FUNDING REQUIRED NEEDED UNDER PRESENT LAW TO MAINTAIN OPERATIONS AND SERVICES AT THE LEVEL AUTHORIZED BY THE 24 25 PREVIOUS LEGISLATURE, INCLUDING BUT NOT LIMITED TO:

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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	<pre>(7)(8) "Effectiveness measure" means a criterion for</pre>
9	measuring the degree to which the objective sought is
10	attained.
11	(0) "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) <u>(A)</u>-"Modifiedfundinglevel"meansthecurrent
20	funding-level-as-adjusted-to-reflect-workload-increases7-the
21	provisionofnewservices7 schedulesorformulasthat
22	increaseordecreasefundingrequirements7inflationary
23	adjustments7-personal-services-benefit-increases7 or-changes
24	in-authorized-funding.
25	ti)ehangesresultingpromworkboad,easeboad,or

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1	ENROLLMENT-INCREASES-OR-DECREASES7
2	<u>+II}-THE-PROVISION-OF-NEW-SERVICES;</u>
3	{!!!}-SCHEDULES-OR-PORMULAS-THATINCREASEORDECREASE
4	PUNDING-REQUIREMENTS;
5	<u>{!V}-INPLATIONARY-OR-DEPLATIONARY-ADJUSTMENTS;</u>
6	<u>tv)ehanges-in-sources-op-punding;-and</u>
7	<u>{VI}-EXPENSITURES-OR-APPROPRIATIONS-POR-EQUIPMENT-</u>
8	(B)Anyamountin-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	<pre>(11) "Priority listing" means a ranking of proposed</pre>
24	expenditures in order of importance.
25	<pre>(12)(13) "Program" means a combination of resources and</pre>

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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.

tl6+(17) "University system unit" means the board of 9 regents of higher education, office of the commissioner of 10 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 Billings, northern Montana college at Havre, western Montana 14 college of the university of Montana at Dillon, the 15 16 agricultural experiment station with central offices at 17 Bozeman, the forest and conservation experiment station with central offices at Missoula, the cooperative extension 18 19 service with central offices at Bozeman, the bureau of mines and geology with central offices at Butte, the fire services 20 training school at Great Falls, the vocational-technical 21 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.

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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 OF 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-

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