

1 House BILL NO. 30
2 INTRODUCED BY ALLEN
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT AGENCY
5 BUDGET SUBMISSIONS INCLUDE A REFERENCE SPECIFYING WHETHER AN
6 AGENCY PROGRAM IS DISCRETIONARY OR MANDATED BY FEDERAL OR
7 STATE LAW AND SPECIFYING THE SANCTIONS FOR THE STATE'S
8 NONCOMPLIANCE; AMENDING SECTIONS 17-7-111 AND 17-7-123, MCA;
9 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 17-7-111, MCA, is amended to read:

13 "17-7-111. Agency program budgets -- form distribution
14 and contents. (1) In the preparation of a state budget, the
15 budget director shall, not later than July 1 in the year
16 preceding the convening of the legislature, distribute to
17 all state offices and departments, including the judicial
18 branch and the legislative branch, the proper forms
19 necessary for the preparation of budget estimates. These
20 forms must be prescribed by the budget director to procure
21 the information required by subsection (2).

22 (2) The agency budget requests, when completed by the
23 budget office, must set forth a balanced financial plan for
24 the agency completing the forms for each fiscal year of the
25 ensuing biennium. The plan must consist of:

1 (a) a consolidated agency budget summary for current
2 level expenditures and for each modification request setting
3 forth the aggregate figures of the full-time equivalent
4 personnel positions (FTE) and the budget, showing a balance
5 between the total proposed disbursements and the total
6 anticipated receipts, together with the other means of
7 financing the budget for each fiscal year of the ensuing
8 biennium, contrasted with the corresponding figures for the
9 last completed fiscal year and the fiscal year in progress.
10 The consolidated budget summary must be supported by
11 schedules classifying receipts and disbursements contained
12 in the summary by fund and, when applicable, organizational
13 unit.

14 (b) a schedule of the actual and projected receipts,
15 disbursements, and solvency of each accounting entity within
16 each fund for the current and subsequent biennium;

17 (c) a detailed schedule of receipts, by accounting
18 entity within each fund, indicating classification and
19 source of funds;

20 (d) an agency schedule summarizing past and proposed
21 spending plans and the means of financing the proposed plan.
22 Information presented must include the following:

23 (i) a statement of agency goals and objectives and a
24 statement of goals and objectives for each program of the
25 agency. The goals and objectives must include, in a concise

form, sufficient specific information and quantifiable information to enable the legislature to formulate an appropriations policy regarding the agency and its programs and to allow a determination, at some future date, on whether the agency has succeeded in attaining its goals and objectives. The goals and objectives must contain a list of duties prioritized by the department director to reflect the director's opinion concerning the importance of the duties assigned to the agency by law. ~~Any-discretionary-programs established-by-the-agency-that-are-not-required-by-law--must also-be-enumerated.~~

(ii) actual FTE and disbursements for the completed fiscal year of the current biennium, estimated FTE and disbursements for the current fiscal year, and the agency's request for the ensuing biennium, by program; and

(iii) actual disbursements for the completed fiscal year of the current biennium, estimated disbursements for the current fiscal year, and the agency's recommendations for the ensuing biennium, by disbursement category; and

(e) a reference, for each program included in the agency budget request, identifying whether the program may be operated at the discretion of the agency or whether the agency is required by federal or state law to operate, administer, or manage the program. The reference for mandated programs must include:

(i) citation to the specific federal or state law that requires operation, administration, or management of the program;

(ii) the sanction to the state for failure to implement a federal requirement or conditions attached to the receipt of federal funds; and

(iii) the amount and fund type of required state matching funds.

(f) other information the budget director feels is necessary for the preparation of a budget.

(3) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with 17-7-112:

(a) detailed recommendations for the state long-range building program. Each recommendation must be presented by department, institution, agency, or branch by funding source, with a description of each proposed project; and

(b) the proposed pay plan schedule for all executive branch employees, with the specific cost and funding recommendations for each agency. Submission of a pay plan schedule under this subsection is not an unfair labor practice under 39-31-401.

(4) The board of regents shall submit, with its budget request for each university unit in accordance with 17-7-112, a report on the university system bonded indebtedness and related finances as provided in this

subsection (4). The report must include the following information for each year of the biennium, contrasted with the same information for the last completed fiscal year and the fiscal year in progress:

(a) a schedule of estimated total bonded indebtedness for each university unit by bond indenture;

(b) a schedule of estimated revenue, expenditures, and fund balances by fiscal year for each outstanding bond indenture, clearly delineating the accounts relating to each indenture and the minimum legal funding requirements for each bond indenture; and

(c) a schedule showing the total funds available from each bond indenture and its associated accounts, with a list of commitments and planned expenditures from such accounts, itemized by revenue source and project for each year of the current and ensuing bienniums.

(5) The budget director 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."

Section 2. Section 17-7-123, MCA, is amended to read:

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

(1) a consolidated budget summary setting forth the aggregate figures of the budget in a manner that shows 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 must be supported by explanatory schedules or statements, classifying receipts and disbursements contained therein by fund and, 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 must include the following:

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

4 (b) actual disbursements for the completed fiscal year
5 of the current biennium, estimated disbursements for the
6 current fiscal year, and the current funding level and the
7 modified funding level, if any, for each department and each
8 program of the department; and

9 (c) a reference for each program as required under
10 17-7-111(2)(e); and

11 (d) a statement containing recommendations of the
12 governor for the ensuing biennium by program and
13 disbursement category and other matters considered
14 necessary; and

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

22 NEW SECTION. **Section 3.** Effective date. [This act] is
23 effective on passage and approval.

-End-

HOUSE BILL NO. 30
INTRODUCED BY LARSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT AGENCY BUDGET SUBMISSIONS INCLUDE A REFERENCE SPECIFYING WHETHER AN AGENCY PROGRAM IS DISCRETIONARY OR MANDATED BY FEDERAL OR STATE LAW AND--SPECIFYING--THE--SANCTIONS--FOR--THE--STATE'S NONCOMPLIANCE; AMENDING SECTIONS 17-7-111 AND 17-7-123, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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(2) The agency budget requests, when completed by the budget office, must set forth a balanced financial plan for the agency completing the forms for each fiscal year of the ensuing biennium. The plan must consist of:

(a) a consolidated agency budget summary for current level expenditures and for each modification request setting forth the aggregate figures of the full-time equivalent personnel positions (FTE) and the budget, showing 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 must be supported by schedules classifying receipts and disbursements contained in the summary by fund and, when applicable, organizational unit.

(b) a schedule of the actual and projected receipts, disbursements, and solvency of each accounting entity within each fund for the current and subsequent biennium;

(c) a detailed schedule of receipts, by accounting entity within each fund, indicating classification and source of funds;

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1 form, sufficient specific information and quantifiable
 2 information to enable the legislature to formulate an
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 4 and to allow a determination, at some future date, on
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 6 objectives. The goals and objectives must contain a list of
 7 duties prioritized by the department director to reflect the
 8 director's opinion concerning the importance of the duties
 9 assigned to the agency by law. ~~Any discretionary programs~~
 10 ~~established by the agency that are not required by law must~~
 11 ~~also be enumerated.~~

12 (ii) actual FTE and disbursements for the completed
 13 fiscal year of the current biennium, estimated FTE and
 14 disbursements for the current fiscal year, and the agency's
 15 request for the ensuing biennium, by program; and

16 (iii) actual disbursements for the completed fiscal year
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 18 current fiscal year, and the agency's recommendations for
 19 the ensuing biennium, by disbursement category; and

20 (e) a reference, for each program included in the
 21 agency budget request, identifying whether the program may
 22 be operated at the discretion of the agency or whether the
 23 agency is required by federal or state law to operate,
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1 ~~(i) citation to the specific federal or state law that~~
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 3 ~~program;~~

4 ~~(ii) the sanction to the state for failure to implement~~
 5 ~~a federal requirement or conditions attached to the receipt~~
 6 ~~of federal funds; and~~

7 ~~(iii) the amount and fund type of required state~~
 8 ~~matching funds;~~

9 (f) other information the budget director feels is
 10 necessary for the preparation of a budget.

11 (3) The budget director shall prepare and submit to the
 12 legislative fiscal analyst in accordance with 17-7-112:

13 (a) detailed recommendations for the state long-range
 14 building program. Each recommendation must be presented by
 15 department, institution, agency, or branch by funding
 16 source, with a description of each proposed project; and

17 (b) the proposed pay plan schedule for all executive
 18 branch employees, with the specific cost and funding
 19 recommendations for each agency. Submission of a pay plan
 20 schedule under this subsection is not an unfair labor
 21 practice under 39-31-401.

22 (4) The board of regents shall submit, with its budget
 23 request for each university unit in accordance with
 24 17-7-112, a report on the university system bonded
 25 indebtedness and related finances as provided in this

subsection (4). The report must include the following information for each year of the biennium, contrasted with the same information for the last completed fiscal year and the fiscal year in progress:

(a) a schedule of estimated total bonded indebtedness for each university unit by bond indenture;

(b) a schedule of estimated revenue, expenditures, and fund balances by fiscal year for each outstanding bond indenture, clearly delineating the accounts relating to each indenture and the minimum legal funding requirements for each bond indenture; and

(c) a schedule showing the total funds available from each bond indenture and its associated accounts, with a list of commitments and planned expenditures from such accounts, itemized by revenue source and project for each year of the current and ensuing bienniums.

(5) The budget director 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."

Section 2. Section 17-7-123, MCA, is amended to read:

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

(1) a consolidated budget summary setting forth the aggregate figures of the budget in a manner that shows 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 must be supported by explanatory schedules or statements, classifying receipts and disbursements contained therein by fund and, 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 must include the following:

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2 a statement of goals and objectives for each program of the
3 department;

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5 of the current biennium, estimated disbursements for the
6 current fiscal year, and the current funding level and the
7 modified funding level, if any, for each department and each
8 program of the department; and

9 (c) a reference for each program as required under
10 17-7-111(2)(e); and

11 (d) a statement containing recommendations of the
12 governor for the ensuing biennium by program and
13 disbursement category and other matters considered
14 necessary; and

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

22 NEW SECTION. Section 3. Effective date. [This act] is
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 13 fiscal year of the current biennium, estimated FTE and
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 15 request for the ensuing biennium, by program; and

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 17 of the current biennium, estimated disbursements for the
 18 current fiscal year, and the agency's recommendations for
 19 the ensuing biennium, by disbursement category; and

20 (e) a reference, for each program included in the
 21 agency budget request, identifying whether the program may
 22 be operated at the discretion of the agency or whether the
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 18 branch employees, with the specific cost and funding
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Section 2. Section 17-7-123, MCA, is amended to read:

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8 program of the department; and

9 (c) a reference for each program as required under
10 17-7-111(2)(e); and

11 (d) a statement containing recommendations of the
12 governor for the ensuing biennium by program and
13 disbursement category and other matters considered
14 necessary; and

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

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

-End-