

1 HOUSE BILL NO. 52

2 INTRODUCED BY KOTTEL

3 BY REQUEST OF THE DEPARTMENT OF COMMERCE

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING THE CENSUS AND ECONOMIC INFORMATION
 6 CENTER OF THE DEPARTMENT OF COMMERCE FROM COPY SERVICE FEE LIMITATIONS; REQUIRING THE
 7 COPY SERVICE FEES TO BE DEPOSITED IN A SPECIAL REVENUE ACCOUNT TO BE USED BY THE CENTER
 8 TO UPDATE ITS COMPUTER EQUIPMENT, TO COMPILE AND PRODUCE STATISTICAL DATA, AND TO
 9 PROVIDE FOR PLANNING ACTIVITIES FOR CONDUCTING THE DECENNIAL CENSUS; AMENDING SECTION
 10 90-1-101, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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 14 **NEW SECTION.** **Section 1. Exemption from copying service fee limitation -- special revenue**
 15 **account.** (1) Notwithstanding the provisions of 2-6-110(3), the census and economic information center
 16 of the department of commerce may charge persons requesting copying services, including the compilation
 17 of electronic data, for the first one-half hour of copying services provided and may charge an hourly fee
 18 not to exceed the hourly rate for the current fiscal year for a state employee classified as a grade 14,
 19 market salary, under 2-18-312.

20 (2) Fees recovered by the department under this section must be deposited in a special revenue
 21 account to be used by the census and economic information center to update its existing computer
 22 systems, to compile and produce statistical data, and to provide for planning activities related to conducting
 23 the decennial census.

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 25 **Section 2.** Section 90-1-101, MCA, is amended to read:

26 **"90-1-101. Declaration of necessity and public policy.** (1) It is ~~hereby declared to be a necessity~~
 27 ~~and~~ the public policy of the state to promote, stimulate, and encourage the planning and development of
 28 the economy of the state in order to provide for the social and economic prosperity of its citizens. ~~Such~~
 29 The promotion and development of industry, commerce, agriculture, labor, and natural resources of the
 30 state require that cognizance be taken of the continuing migration of people to the urban areas in search

1 of job opportunities and of the fact that Montana is making a needed transition to a diversified economy.
2 Community planning, greater diversification of industry and attraction of additional industry, accelerated
3 development of natural resources, expansion of existing industry, creation of new uses for agricultural
4 products, greater emphasis on scientific research, development of new markets for the products of the
5 state, and the attainment of a proper balance in the overall economic base are all necessary in order to
6 create additional employment opportunities, increase personal income, and promote the general welfare of
7 the people of this state.

8 (2) The legislature recognizes that consistency and continuity in the adoption and application of
9 environmental rules are essential to the protection and enhancement of Montana's economic well-being,
10 that consistency and continuity are particularly important to those persons who have made a financial
11 commitment after completing an application for an environmental permit based on the existence of certain
12 environmental rules, and that those persons are entitled to a reasonable expectation that requirements in
13 ~~such~~ a permit will not be changed to their detriment. Therefore, when a person makes a financial
14 commitment after having completed an application for an environmental permit, it is the policy of the state
15 not to change the requirements for ~~such~~ the permit to the detriment of the applicant or permittee without
16 having first taken into account and given consideration to previous expenditures made by the applicant or
17 permittee.

18 (3) The department of commerce ~~shall be~~ is regarded as performing a governmental function in
19 carrying out the provisions of 90-1-102 through 90-1-109 and [section 1]."

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21 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an
22 integral part of Title 90, chapter 1, part 1, and the provisions of Title 90, chapter 1, part 1, apply to
23 [section 1].

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25 **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 1995.

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-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0052, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act exempting the Census and Economic Information Center of the Department of Commerce from copy service fee limitations and requiring copy service fees be deposited in a special revenue account to be used by the center to update its computer equipment, to compile and produce statistical data, and to provide for planning activities for conducting the decennial census.

ASSUMPTIONS:

1. A state special revenue account for the Census and Economic Information Center (CEIC) will be established for the income from the sale of data products.
2. Annual revenues are estimated to be \$15,000 which will be deposit directly into the CEIC state special revenue account.
3. Revenue will be used for the purchase of a computer and software, computer processing, and electronic information.
4. The assumptions above already are included in the recommended Executive Budget.

FISCAL IMPACT:

There will be no additional fiscal impact.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Revenue from the sale of census materials is highly cyclical, high when a volume of new census data is available, beginning about two years after the completion of the census until mid-decade, when orders decline. Because of this cyclical nature, revenues can fluctuate greatly. In years when revenues are falling, equipment purchases and/or projects would be postponed until such time as revenues begin to increase.

DEDICATION OF REVENUE:

a) Are there persons or entities that benefit from this dedicated revenue that do not pay? (Please explain)

No. The dedicated revenue will be used to procure newer equipment which will allow CEIC staff to more efficiently make information available to the general public, businesses, and governmental agencies, including local development organizations. Additionally, revenue will be used in producing a new Statistical Abstract which will allow businesses from other states to learn about Montana and will assist in grant applications to benefit Montana businesses and governmental units. Operating expenses for Census 2000 planning activities would also be paid from this account. All fees collected from sales of data would be used to more efficiently and effectively serve the needs of Montana citizens, businesses, and governmental units.

b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?

The establishment of a state special revenue fund would enable CEIC to more efficiently and effectively serve its customers by ensuring that improvements in the delivery of program services are based on fees collected from the users of its services. The 1993 Legislature (special session) indicated that a movement towards a greater fee recovery for the CEIC program was desirable. The establishment of a state special revenue fund would give the program additional incentive and encouragement toward achieving this goal.

(continued)

David Lewis 1-5-95
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Deb Kottel 1-5-95
DEB KOTTEL, PRIMARY SPONSOR DATE

Fiscal Note for HB0052, as introduced

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c) Is the source of revenue relevant to current use of the funds and adequate to fund the program/activity that is intended? Yes No (if no, explain)

d) Does the need for this state special revenue provision still exist? Yes No (Explain)

The proposed legislation establishes a state special revenue account which is necessary for CEIC to fulfill its function under 90-1-109, MCA.

e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please explain)
The dedicated revenue provision, which this proposed legislation would establish, does not diminish the legislature's ability to control expenditures or establish priorities.

f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please explain)

Yes. The Legislature has recognized the need for citizens, businesses, and government agencies of Montana to have effective access to statistical information to be used for program administration, planning, grant applications, business plans and site locations, etc. The services of CEIC directly support the economic development activities of the Department of Commerce by providing needed information to staff and the private sector, as well as local development organizations.

g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

The proposed legislation, which contains a dedicated revenue provision, would increase program efficiencies within the agency. The additional services CEIC customers desire would be funded through collections from fees those customers pay for program services. Additionally, the establishment of a state special revenue fund would address the Legislature's expressed wish that the CEIC program move towards greater fee recovery.

The program could adequately account for program activity if funded from the general fund. However, it would be much more difficult for the Legislature and the agency to accurately predict and establish revenue and appropriation amounts during each ten-year cycle.