

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

INTRODUCED BY Julian Bradley / Franklin Cook House BILL NO. 552
BY REQUEST OF THE GENERAL GOVERNMENT SUBCOMMITTEE OF APPROPRIATIONS

A BILL FOR AN ACT ENTITLED: "AN ACT CHANGING THE DEPOSIT OF FUNDS COLLECTED FOR THE STATE WARRANT SYSTEM FROM THE SPECIAL REVENUE FUND TO THE INTERNAL SERVICE FUND; AMENDING SECTION 17-8-305, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 17-8-305, MCA, is amended to read:

"17-8-305. Cost accounting for warrant. ~~In his discretion it is the duty of the~~ The state auditor to ~~may~~ establish a cost accounting system to determine the unit cost of issuing and processing warrants and provide for a system of charges for services rendered in issuing and processing warrants for claims submitted by any department or agency of the state. ~~No such charge shall be made for warrants issued against the general fund. Funds collected under this section for budgeted programs shall be deposited to the credit of the general fund. Funds collected for new or unforeseen programs may~~ operation of the state warrant system must be deposited to the credit of ~~a state special revenue~~ an internal service fund account and expended for the purposes of paying the processing expenses incurred as a result of the ~~new program~~ state warrant system."

NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 1995.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0552, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill transferring funding for the state warrant writer system to internal service funding.

ASSUMPTIONS:


1. Total appropriation levels will not change due to this bill.
2. The new cost allocation method for warrant cost distribution is included in the present law base fixed cost allocations to all state agencies in the Governor's Executive Budget.
3. The fund switch to internal service funding (proprietary) in the State Auditor's Office is a new proposal in the Governor's Executive Budget. The new proposal will replace the present law fund structure that is a combination of general fund and state special revenue cost recovery from other state agencies.
4. Under this new cost allocation plan, state agencies will have financial incentives to choose lower cost options for making state payments through the state warrant writer system. If utilized, these incentives should eventually reduce the applicable per transaction warrant writer system fees paid by state agencies and the expense of operating the warrant writer system.

FISCAL IMPACT:

None.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Under the new cost allocation and funding plan, agencies will have financial incentives to choose lower cost options for making state payments through the state warrant writer system. Eventually, these incentives should reduce the warrant writer system fees for state agencies and the expense of operating the state warrant writer system.

 2.20.95

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning



JOE QUILICI, PRIMARY SPONSOR DATE
Fiscal Note for HB0552, as introduced

HB 552

1 *House* BILL NO. *552*
 2 INTRODUCED BY *Timothy Bondy* *Franklin Beck*
 3 BY REQUEST OF THE GENERAL GOVERNMENT SUBCOMMITTEE OF APPROPRIATIONS
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT CHANGING THE DEPOSIT OF FUNDS COLLECTED FOR THE
 6 STATE WARRANT SYSTEM FROM THE SPECIAL REVENUE FUND TO THE INTERNAL SERVICE FUND;
 7 AMENDING SECTION 17-8-305, MCA; AND PROVIDING AN EFFECTIVE DATE."
 8

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

11 **Section 1.** Section 17-8-305, MCA, is amended to read:

12 "17-8-305. **Cost accounting for warrant.** ~~In his discretion it is the duty of the~~ The state auditor to
 13 may establish a cost accounting system to determine the unit cost of issuing and processing warrants and
 14 provide for a system of charges for services rendered in issuing and processing warrants for claims
 15 submitted by any department or agency of the state. ~~No such charge shall be made for warrants issued~~
 16 against the general fund. Funds collected under this section for budgeted programs shall be deposited to
 17 the credit of the general fund. Funds collected for ~~new or unforeseen programs~~ may operation of the state
 18 warrant system must be deposited to the credit of a ~~state special revenue~~ an internal service fund ~~account~~
 19 and expended for the purposes of paying the processing expenses incurred as a result of the ~~new program~~
 20 state warrant system."
 21

22 **NEW SECTION. Section 2. Effective date.** [This act] is effective July 1, 1995.
 23

-END-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

House BILL NO. 552
INTRODUCED BY Julian Bradley / Franklin Buck
BY REQUEST OF THE GENERAL GOVERNMENT SUBCOMMITTEE OF APPROPRIATIONS

A BILL FOR AN ACT ENTITLED: "AN ACT CHANGING THE DEPOSIT OF FUNDS COLLECTED FOR THE STATE WARRANT SYSTEM FROM THE SPECIAL REVENUE FUND TO THE INTERNAL SERVICE FUND; AMENDING SECTION 17-8-305, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 17-8-305, MCA, is amended to read:

"17-8-305. Cost accounting for warrant. ~~In his discretion it is the duty of the~~ The state auditor to may establish a cost accounting system to determine the unit cost of issuing and processing warrants and provide for a system of charges for services rendered in issuing and processing warrants for claims submitted by any department or agency of the state. ~~No such charge shall be made for warrants issued against the general fund. Funds collected under this section for budgeted programs shall be deposited to the credit of the general fund. Funds collected for new or unforeseen programs may~~ operation of the state warrant system must be deposited to the credit of a state special revenue an internal service fund account and expended for the purposes of paying the processing expenses incurred as a result of the ~~new program~~ state warrant system."

NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 1995.

-END-

HOUSE BILL NO. 552

INTRODUCED BY QUILICI, GRADY, FRANKLIN, BECK

BY REQUEST OF THE GENERAL GOVERNMENT SUBCOMMITTEE OF APPROPRIATIONS

A BILL FOR AN ACT ENTITLED: "AN ACT CHANGING THE DEPOSIT OF FUNDS COLLECTED FOR THE STATE WARRANT SYSTEM FROM THE SPECIAL REVENUE FUND TO THE INTERNAL SERVICE FUND; AMENDING SECTION 17-8-305, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 17-8-305, MCA, is amended to read:

"17-8-305. Cost accounting for warrant. ~~In his discretion it is the duty of the~~ The state auditor ~~to~~ may establish a cost accounting system to determine the unit cost of issuing and processing warrants and provide for a system of charges for services rendered in issuing and processing warrants for claims submitted by any department or agency of the state. ~~No such charge shall be made for warrants issued against the general fund. Funds collected under this section for budgeted programs shall be deposited to the credit of the general fund. Funds collected for new or unforeseen programs may~~ operation of the state warrant system must be deposited to the credit of ~~a state special revenue~~ an internal service fund account and expended for the purposes of paying the processing expenses incurred as a result of the ~~new program~~ state warrant system."

NEW SECTION. Section 2. **Effective date.** [This act] is effective July 1, 1995.

-END-