

1
2 INTRODUCED BY

House BILL NO 580
M. C. ...
BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE *BH Bamhart*

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5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING AGENCY PROGRAM BUDGETS TO CONTAIN A
6 PLAN TO REDUCE BASE BUDGETS BY 15 PERCENT; AND AMENDING SECTION 17-7-111, MCA."
7

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

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

11 **"17-7-111. Agency program budgets -- form distribution and contents.** (1) In the preparation of
12 a state budget, the budget director shall, not later than July 1 in the year preceding the convening of the
13 legislature, distribute to all state offices and departments, including the judicial branch and the legislative
14 branch, the proper forms necessary for the preparation of budget estimates. These forms must be
15 prescribed by the budget director to procure the information required by subsection (2).

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

19 (a) a consolidated agency budget summary for the current base budget expenditures and for each
20 modification request setting forth the aggregate figures of the full-time equivalent personnel positions (FTE)
21 and the budget, showing a balance between the total proposed disbursements and the total anticipated
22 receipts, together with the other means of financing the budget for each fiscal year of the ensuing
23 biennium, contrasted with the corresponding figures for the last completed fiscal year and the fiscal year
24 in progress. The consolidated budget summary must be supported by schedules classifying receipts and
25 disbursements contained in the summary by fund and, when applicable, organizational unit.

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

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

30 (d) an agency schedule summarizing past and proposed spending plans and the means of financing

1 the proposed plan. Information presented must include the following:

2 (i) a statement of agency goals and objectives and a statement of goals and objectives for each
3 program of the agency. The goals and objectives must include, in a concise form, sufficient specific
4 information and quantifiable information to enable the legislature to formulate an appropriations policy
5 regarding the agency and its programs and to allow a determination, at some future date, on whether the
6 agency has succeeded in attaining its goals and objectives. The goals and objectives must contain a list of
7 duties prioritized by the department director to reflect the director's opinion concerning the importance of
8 the duties assigned to the agency by law.

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

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

15 (e) a reference, for each program included in the agency budget request, identifying whether the
16 program may be operated at the discretion of the agency or whether the agency is required by federal or
17 state law to operate, administer, or manage the program;

18 (f) a plan to reduce the proposed budget to 85% of the current base budget. The plan must
19 include:

20 (i) a list of services that would be eliminated or reduced;

21 (ii) for each service included in the list, the savings that would result from the elimination or
22 reduction; and

23 (iii) the consequences or impacts of the proposed elimination or reduction of each service.

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

25 (3) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with
26 17-7-112:

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

30 (b) the proposed pay plan schedule for all executive branch employees, with the specific cost and

1 funding recommendations for each agency. Submission of a pay plan schedule under this subsection is not
2 an unfair labor practice under 39-31-401.

3 (4) The board of regents shall submit, with its budget request for each university unit in accordance
4 with 17-7-112, a report on the university system bonded indebtedness and related finances as provided
5 in this subsection (4). The report must include the following information for each year of the biennium,
6 contrasted with the same information for the last completed fiscal year and the fiscal year in progress:

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

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

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

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

19 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0580, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

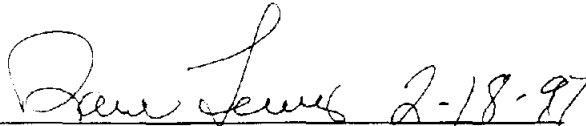
A bill requiring agency program budgets to contain a plan to reduce base budgets by 15 percent.

ASSUMPTIONS:

1. Agencies of all branches of government would be required to submit the information required by the proposal in addition to their normal budget request. Special forms would be developed for agency use, but none of the information would be captured in the budget system in its anticipated design.
2. The agency responses would be printed in a supplemental volume in the budget book series and absorbed within the publication budget approved by the appropriation subcommittee.
3. The executive budget development process would continue as usual and reflect Governor's recommendations.

FISCAL IMPACT:

Absorbed within the publication budget approved by the subcommittee.


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


MATT MCCANN, PRIMARY SPONSOR DATE

Fiscal Note for HB0580, as introduced
HB580

APPROVED BY COM ON
APPROPRIATIONS

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INTRODUCED BY

House BILL NO *580*
McCam *Burgess* *Chris Pink*
BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE *BH Beahm*

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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 the current base budget 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;

(d) an agency schedule summarizing past and proposed spending plans and the means of financing

1 the proposed plan. Information presented must include the following:

2 (i) a statement of agency goals and objectives and a statement of goals and objectives for each
3 program of the agency. The goals and objectives must include, in a concise form, sufficient specific
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7 duties prioritized by the department director to reflect the director's opinion concerning the importance of
8 the duties assigned to the agency by law.

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

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13 disbursements for the current fiscal year, and the agency's recommendations for the ensuing biennium, by
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25 (3) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with
26 17-7-112:

27 (a) detailed recommendations for the state long-range building program. Each recommendation
28 must be presented by department, institution, agency, or branch by funding source, with a description of
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30 (b) the proposed pay plan schedule for all executive branch employees, with the specific cost and

1 funding recommendations for each agency. Submission of a pay plan schedule under this subsection is not
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3 (4) The board of regents shall submit, with its budget request for each university unit in accordance
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5 in this subsection (4). The report must include the following information for each year of the biennium,
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8 (b) a schedule of estimated revenue, expenditures, and fund balances by fiscal year for each
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-END-

APPROVED BY COM ON
FINANCE & CLAIMS

1 HOUSE BILL NO. 580

2 INTRODUCED BY MCCANN, BERGSAGEL, COBB, PECK, BARNHART

3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE

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