

## 1 SENATE BILL NO. 35

2 INTRODUCED BY JENKINS

3 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PROCEDURES AND STANDARDS FOR MAKING  
6 BUDGET COMPARISONS AND DETERMINING BUDGET PERFORMANCE."

7

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

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10 **NEW SECTION. Section 1. Definitions.** As used in [section 2], the following definitions apply:11 (1) "Current biennium" means the biennium during which the legislature is meeting in regular  
12 session.13 (2) "Next biennium" means the biennium for which the regular session of the legislature makes  
14 appropriations.

15 (3) (a) "State resources" means:

16 (i) the general fund;

17 (ii) state special revenue funds other than private funds;

18 (iii) federal special revenue funds;

19 (iv) proprietary funds that require an appropriation;

20 (v) long-range building program appropriations; and

21 (vi) agency funds distributed to local governments.

22 (b) The term does not include:

23 (i) debt service funds;

24 (ii) capital project funds other than those appropriated;

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26 (iv) fund transfers;

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- 1 (ix) nonexpendable trust funds;  
2 (x) pension trust funds;  
3 (xi) noncash accounting entries; and  
4 (xii) private funds deposited in state special revenue accounts.

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6 **NEW SECTION. Section 2. Budget performance -- comparison.** (1) The measure of budget  
7 performance is the total actual or estimated expenditure of state resources that reflects the cost of general  
8 government operations funded by taxes and fees.

9 (2) In preparing budget comparisons, the office of budget and program planning and the legislative  
10 fiscal division shall compare actual expenditures of state resources in the first year of the current biennium  
11 plus appropriations of state resources in the second year of the current biennium to appropriations of state  
12 resources in the next biennium.

13 (3) The legislative fiscal analyst and the budget director shall enter into an agreement on  
14 measurement standards for budget comparisons. The office of budget and program planning and the  
15 legislative finance division shall use the same methodology to estimate revenue and amounts of statutory  
16 appropriations. If there are differences in estimates of revenue or amounts of statutory appropriations, the  
17 legislative fiscal analyst shall explain the differences as part of the independent analysis of the executive  
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19 (4) Budget comparisons must include the same attributes and methods of calculation. Items that  
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21 appropriations, and emergency appropriations, must be included in budget comparisons, but must be  
22 segregated and indicated as noncomparable items.

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24 **NEW SECTION. Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified  
25 as an integral part of Title 17, chapter 7, and the provisions of Title 17, chapter 7, apply to [sections 1 and  
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