

1 HOUSE BILL NO. 523

2 INTRODUCED BY J. SINRUD

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE USE OF REVERTED UNEXPENDED AND
5 UNENCUMBERED APPROPRIATIONS; AMENDING SECTION 17-7-304, MCA; AND PROVIDING AN
6 IMMEDIATE EFFECTIVE DATE."

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

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10 **Section 1.** Section 17-7-304, MCA, is amended to read:

11 **"17-7-304. Disposal of unexpended appropriations.** (1) All money appropriated for any specific
12 purpose except that appropriated for the university system units listed in subsection (2) [or state money
13 appropriated for the state children's health insurance program provided for in Title 53, chapter 4, part 10,] and
14 except as provided in subsection (4) must, after the expiration of the time for which appropriated, revert to the
15 several funds and accounts from which originally appropriated. However, any unexpended balance in any specific
16 appropriation may be used for the years for which the appropriation was made or may be used to fund the
17 provisions of 2-18-1203 through 2-18-1205 and 19-2-706 in the succeeding year.

18 (2) Except as provided in 17-2-108 and subsection (3) of this section, all money appropriated for the
19 university of Montana campuses at Missoula, Butte, Dillon, and Helena and the Montana state university
20 campuses at Bozeman, Billings, Havre, and Great Falls, the agricultural experiment station with central offices
21 at Bozeman, the forest and conservation experiment station with central offices at Missoula, the cooperative
22 extension service with central offices at Bozeman, and the bureau of mines and geology with central offices in
23 Butte must, after the expiration of the time for which appropriated, revert to an account held by the board of
24 regents. The board of regents is authorized to maintain a fund balance. There is a statutory appropriation, as
25 provided in 17-7-502, to use the funds held in this account in accordance with a long-term plan for major and
26 deferred maintenance expenditures and equipment or fixed assets purchases prepared by the affected university
27 system units and approved by the board of regents. The affected university system units may, with the approval
28 of the board of regents, modify the long-term plan at any time to address changing needs and priorities. The
29 board of regents shall communicate the plan to each legislature, to the finance committee when requested by
30 the committee, and to the office of budget and program planning.

1 (3) Subsection (2) does not apply to reversions that are the result of a reduction in spending directed
2 by the governor pursuant to 17-7-140. Any amount that is a result of a reduction in spending directed by the
3 governor must revert to the fund or account from which it was originally appropriated.

4 (4) (a) Subject to subsection (4)(b), after the end of a fiscal year, 30% of the money appropriated to an
5 agency for that year by the general appropriations act for personal services, operating expenses, and equipment,
6 by fund type, and remaining unexpended and unencumbered at the end of the year may be reappropriated to be
7 spent during the following 2 years for any purpose that is consistent with the goals and objectives of the agency
8 except for a purpose that was rejected by the legislature in the session in which the appropriation was made. The
9 dollar amount of the 30% amount that may be carried forward and spent must be determined by the office of
10 budget and program planning.

11 (b) (i) Any portion of the 30% of the unexpended and unencumbered money referred to in subsection
12 (4)(a) that was appropriated to a legislative branch entity may be deposited in the account established in
13 5-11-407.

14 (ii) After the end of a biennium, any portion of the unexpended and unencumbered money appropriated
15 for the operation of the preceding legislature in a separate appropriation act may be deposited in the account
16 established in 5-11-407. The approving authority shall determine the portion of the unexpended and
17 unencumbered money that is deposited in the account. (Bracketed language terminates on occurrence of
18 contingency--sec. 7, Ch. 565, L. 2005.)"

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20 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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