

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

STEVE BULLOCK  
GOVERNOR



ANGELA McLEAN  
LT. GOVERNOR

April 10, 2015

The Honorable Austin Knudsen  
Speaker of the House  
State Capitol  
Helena, MT 59620

The Honorable Debby Barrett  
President of the Senate  
State Capitol  
Helena, MT 59620

Dear Speaker Knudsen and President Barrett:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto House Bill 315 (HB 315), "AN ACT REVISING THE MONTANA FEDERAL MANDATES ACT; REVISING THE LEGISLATIVE DECLARATION; SPECIFYING CRITERIA FOR NOTICES OF ADMINISTRATIVE RULEMAKING IMPLEMENTING FEDERAL MANDATES; REQUIRING INTERIM COMMITTEES TO REVIEW AGENCIES' COMPLIANCE WITH THE FEDERAL MANDATES ACT; PROVIDING FOR CERTAIN INFORMATION AND RECOMMENDATIONS CONCERNING FEDERAL MANDATES TO BE INCLUDED IN THE STATE BUDGETING PROCESS; AMENDING SECTIONS 2-1-402, 2-1-405, 2-1-407, 2-1-408, 2-4-302, 5-5-215, AND 17-7-111, MCA; AND PROVIDING AN EFFECTIVE DATE."

HB 315 increases bureaucracy and red tape. The Montana Federal Mandates Act currently requires that state agencies implementing federal policies identify any federal regulations that are inconsistent with Montana policy or that do not advance Montana policy in a cost-effective manner. State agencies must then provide information and recommendations to the Office of Budget and Program Planning regarding regulatory or monetary savings to the state that could be achieved by meeting "the intent of applicable federal statutes but...not necessarily follow[ing] all applicable federal regulations, guidelines, or policies." The Governor's Office must then review and compile relevant agency information and prepare a report to the legislature that estimates the costs of federal programs.

HB 315 requires that an additional report be prepared by the Governor's Office and presented to the legislative finance committee prior to recommending a budget to the legislature. The report is to include recommendations for "changes in state statutes that are necessary to provide the state agency with the authority to implement state policies in a way that will create additional savings or greater

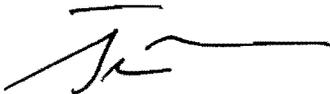
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reductions in regulatory burdens in the governor's budget based on information, state statutes, and the United States Constitution." Additionally, the existing report that is already required to be delivered to the legislature would, under HB 315, also be delivered to the legislative council. The legislative council is then to provide the report to all legislative interim committees. The bill further requires (1) that agencies provide notice in any rulemaking showing how proposed rules comply with the existing requirements of the act; (2) that legislative interim committees review programs that implement federal statutes, monitor state agency compliance with the Federal Mandates Act, and report to the legislative council on their oversight activities; and (3) that the office of budget and program planning redevelop existing forms to gather information from agencies on federally mandated programs.

HB 315 creates a bureaucratic morass out of the Federal Mandates Act and does not serve any clear purpose. The bill requires duplicative reporting; adds regulatory requirements; requires the redevelopment of existing forms; and imposes new reporting mandates on the Legislature. Under current law the Legislature has received a report on the estimated costs of federal mandates to the state of Montana every session since 1995. The Legislature has the information needed to make policy with regard to federal mandates.

Increasing the efficiency of state government operations is a central goal of my administration. HB 315 would undermine the efficiency of state government operation for no clear purpose. For these reasons, I veto HB 315.

Sincerely,



STEVE BULLOCK  
Governor

cc: Legislative Services Division  
Secretary of State