

**** Bill No. ****

Introduced By *****

By Request of the Legislative Finance Committee

A Bill for an Act entitled: "An Act generally revising and clarifying laws related to appropriations; repealing the laws related to retired highway general obligation bonds; amending sections 16-11-124, 17-5-911, 17-5-912, 17-7-113, 17-7-122, 17-7-123, 20-9-603, 39-51-406, 50-19-322, 53-7-204, 53-22-104, 67-2-403, 75-10-625, 75-10-626, 80-7-908, 80-11-224, 87-1-201, and 90-4-201, MCA; repealing sections 17-5-501, 17-5-502, 17-5-503, 17-5-504, 17-5-505, 17-5-506, and 17-5-507, MCA."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 16-11-124, MCA, is amended to read:

"16-11-124. Disposition of license fees. (1) All license fees collected under the provisions of this part must be deposited with the state treasurer in the general fund.

(2) Each biennium, there must be appropriated to the department and the department of justice an amount justified and reasonable to operate the cigarette enforcement responsibilities of each department.

~~(3) All expenses charged against the appropriation must be justified by itemized claims coupled with standard accounting reports."~~

{ *Internal References to 16-11-124:*

16-11-105x }

Section 2. Section 17-5-911, MCA, is amended to read:

"17-5-911. Highway revenue bond debt service account -- deposit of bond proceeds. (1) There is in the debt service fund a highway revenue bond debt service account. ~~Subject only to the prior pledge and appropriation made by 17-5-507, the~~ The state treasurer ~~must~~ shall deposit ~~such~~ highway revenues ~~as may be~~ that are pledged to the payment of particular bonds, to the credit of the highway revenue bond debt service account as required by resolution or indenture.

(2) All proceeds of an issue of bonds must be deposited in a separate account in the state special revenue fund, except that any premiums and accrued interest received may be deposited in a separate account in the debt service fund established for that bond issue by resolution or indenture. No more than the principal and interest on the bonds due in any year may be retained in the highway revenue bond debt service account for the payment of bonds. The remainder of pledged revenues is available for authorized purposes of the department. Money deposited in ~~such~~ the separate accounts in the state special revenue fund until spent for project purposes may be pledged and appropriated for the payment of bonds, which are a first lien and prior charge upon ~~such~~ the funds, and ~~such~~ the funds may be used for payment of bonds to the extent highway revenues deposited in the highway revenue bond debt service account are not sufficient for ~~such~~ that purpose.

(3) Interest and investment earnings on the separate accounts named in subsections (1) and (2) ~~shall~~ must be retained in the separate accounts referred to in subsection (2)."

{*Internal References to 17-5-911: None.*}

Section 3. Section 17-5-912, MCA, is amended to read:

"17-5-912. Pledge of highway revenues. All or any portion of highway revenues may be pledged to the payment of the principal, interest, and redemption premium, if any, on particular issues of state highway revenue bonds, and ~~such the~~ the pledge is and remains at all times a first lien and prior charge upon ~~such the~~ the pledged highway revenues credited to the highway revenue bond debt service account, subject to ~~a first lien and charge in favor of certain highway bonds as provided in 17-5-507 and subject to the pledge of particular highway revenues to secure particular issues of highway revenue bonds.~~"

{*Internal References to 17-5-912: None.*}

Section 4. Section 17-7-113, MCA, is amended to read:

"17-7-113. Inquiries and investigations by budget director. The budget director or ~~his~~ the director's designated representative shall make ~~such~~ further inquiries and investigations ~~as he~~ that the budget director considers necessary as to any item included in the report and estimates furnished by any department, agency, or institution. ~~In making such investigations, he shall be allowed his travel expenses as provided for in 2-18-501 through 2-18-503, as amended, in~~

~~visiting any institution or department in the state."~~

{*Internal References to 17-7-113: None.*}

Section 5. Section 17-7-122, MCA, is amended to read:

"17-7-122. Preparation of budget. (1) The governor shall, following the receipt of the preliminary budget from the budget director, have prepared a budget for the ensuing biennium and shall submit the budget to the legislative fiscal analyst in accordance with 17-7-112 ~~for inclusion in the combined governor's budget and budget analysis report.~~

(2) Legislative branch budget proposals must be included in the budget submitted by the governor without changes.

(3) Judicial branch budget proposals must be included in the budget submitted by the governor, but expenditures above the current base budget need not be part of the balanced financial plan pursuant to 17-7-123."

{*Internal References to 17-7-122: None.*}

Section 6. Section 17-7-123, MCA, is amended to read:

"17-7-123. Form of executive budget. (1) The budget submitted must set forth a balanced financial plan for funds subject to appropriation and enterprise funds that transfer profits to the general fund or to accounts subject to appropriation for each accounting entity and for the state government for each fiscal year of the ensuing biennium. ~~The base level plan~~ budget must consist of:

(a) a consolidated budget summary setting forth the

aggregate figures of the budget in a manner that shows 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 explanatory schedules or statements.

(b) budget and full-time equivalent personnel position comparisons by agency, program, and appropriated funds for the current and subsequent biennium;

(c) the departmental mission and a statement of goals and objectives for the department;

(d) base budget disbursements for the completed fiscal year of the current biennium, estimated comparable disbursements for the current fiscal year, and the proposed present law base budget plus new proposals, if any, for each department and each program of the department;

(e) a statement containing recommendations of the governor for the ensuing biennium by program and disbursement category, including:

(i) explanations of appropriation and revenue measures included in the budget that involve policy changes;

(ii) matters not included as a part of the budget bill but included as a part of the executive budget, such as the state employee pay plan, programs funded through separate appropriations measures, and other matters considered necessary

for comprehensive public and legislative consideration of the state budget; and

(iii) a summary of budget requests that include proposed expenditures on information technology resources. The summary must include funding, program references, and a decision package reference;

(f) a report on:

(i) enterprise funds not subject to the requirements of subsections (1)(a) through (1)(e), including retained earnings and contributed capital, projected operations and charges, and projected fund balances; and

(ii) fees and charges in the internal service fund type, including changes in the level of fees and charges, projected use of the fees and charges, and projected fund balances. Fees and charges in the internal service fund type must be approved by the legislature in the general appropriations act. Fees and charges in a biennium may not exceed the level approved by the legislature in the general appropriations act effective for that biennium.

(g) any other financial or budgetary material agreed to by the budget director and the legislative fiscal analyst.

(2) The statement of departmental goals and objectives and the schedule for each fund required in 17-7-111(3)(b) of the executive budget are not required to be printed but must be available in the office of budget and program planning and on the internet."

{ *Internal References to 17-7-123:*

17-7-122x 17-7-124x 90-4-606x }

Section 7. Section 20-9-603, MCA, is amended to read:

"20-9-603. Acceptance and expenditure of federal moneys for state. (1) The governor and the superintendent of public instruction are authorized on behalf of the state of Montana to request and accept ~~such moneys as are now~~ money that is or will be made available under any act of congress of the United States or otherwise for purposes of public school building construction or for any other purposes of public schools and public education as permitted under the laws of the state of Montana and as authorized by the grants from the federal government. ~~Such moneys shall~~ The money must be deposited by the governor and superintendent of public instruction in the state treasury and ~~are appropriated and made~~ is available for appropriation to the superintendent of public instruction. ~~All such moneys shall~~ The money must be expended for the purpose of public school building construction or for any other purposes of public schools and public education as permitted under the laws of the state of Montana and as authorized by the grants from the federal government.

(2) The governor and superintendent of public instruction are further authorized on behalf of the state of Montana to accept ~~moneys~~ money provided from federal sources for the express purpose of distribution to nonpublic education. ~~Such moneys shall~~ The money must be deposited by the governor and superintendent of public instruction in the state treasury and ~~are appropriated and~~

~~made is~~ available for appropriation to the superintendent of public instruction. ~~All such moneys shall~~ The money must be distributed in the manner provided by the laws of the state of Montana and as authorized or expressed by grants from the federal government.

(3) All expenditures of ~~moneys~~ money from federal sources under this section ~~shall~~ must be made under the supervision and in the discretion of the superintendent of public instruction. Any balance in the account in which ~~such moneys are~~ the money is maintained ~~shall~~ may not lapse at any time but ~~shall~~ must be continuously available to the superintendent of public instruction for expenditures consistent with this title and acts of the federal government."

{ *Internal References to 20-9-603:*
20-3-106x 61-2-103x }

Section 8. Section 39-51-406, MCA, is amended to read:

"39-51-406. Unemployment insurance administration account.

(1) There is an account in the federal special revenue fund to be known as the unemployment insurance administration account. All money that is deposited, appropriated, or paid into this account is ~~appropriated and made~~ available for appropriation to the department. All money in the account must be expended solely for the purpose of defraying the costs of administration of this chapter and costs of administration of other legislation specifically delegated by the legislature to the department for administration.

(2) All money received and deposited in the account from the United States or any agency of the United States pursuant to section 302, Title III, of the Social Security Act, 42 U.S.C. 502, must be expended solely for the purpose and in the amounts found necessary by the secretary of labor for the proper and efficient administration of this chapter.

(3) The account consists of:

(a) all money received from the United States or any agency of the United States pursuant to section 302, Title III, of the Social Security Act, 42 U.S.C. 502, as amended; and

(b) all money, trust funds, supplies, facilities, or services furnished, deposited, paid, and received from the United States or any agency of the United States.

(4) Notwithstanding any provisions of this section, all money requisitioned and deposited in this account pursuant to 39-51-403 through 39-51-405 must remain part of the unemployment insurance fund and must be used only in accordance with the conditions specified in 39-51-403 through 39-51-405.

(5) All money in this account must be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for other accounts. The balance in this account may not lapse at any time but must be continuously available to the department for expenditure consistent with this chapter.

(6) Any reference to the unemployment insurance administration fund in this code means the unemployment insurance administration account in the federal special revenue fund."

{ Internal References to 39-51-406:
39-51-503 x }

Section 9. Section 50-19-322, MCA, is amended to read:

"50-19-322. Federal and other aid. (1) The department may apply for and receive federal aid and other funding available for the MIAMI project.

(2) Federal funds and other funding ~~as that~~ may be available ~~are~~ may be appropriated to the department for use in administering the provisions of this part."

{ Internal References to 50-19-322: None. }

Section 10. Section 53-7-204, MCA, is amended to read:

"53-7-204. Federal and other aid. (1) The department may apply for and receive federal aid money or other funding available for the programs provided for under this part.

(2) Federal funds and other funding ~~as that~~ may be available ~~are~~ may be appropriated to the department for use in administering the provisions of this part."

{ Internal References to 53-7-204: None. }

Section 11. Section 53-22-104, MCA, is amended to read:

"53-22-104. Annual budget. The department of public health and human services in its annual budget shall include amounts necessary to discharge the financial obligations incurred by it to carry out the purposes of the Interstate Compact on Mental Health, ~~and the legislature shall appropriate sums necessary for~~

~~carrying out the purposes of the compact."~~

{*Internal References to 53-22-104: None.*}

Section 12. Section 67-2-403, MCA, is amended to read:

"67-2-403. Federal aid. (1) The department may cooperate with the government of the United States and any agency or department ~~thereof~~ of the United States in the acquisition, construction, improvement, maintenance, and operation of airports and other air navigation facilities in this state and may comply with the laws of the United States and any regulations made under those laws for the expenditure of federal ~~moneys~~ money upon airports and other navigation facilities.

(2) The department may accept, receive, and receipt for federal ~~moneys~~ money and other ~~moneys~~ money, either public or private, for and in behalf of this state or a municipality of this state, for the acquisition, construction, improvement, maintenance, and operation of airports and other air navigation facilities, whether the work is to be done by the state or by the municipalities or jointly, aided by grants of aid from the United States upon terms and conditions prescribed by the laws of the United States and any rules made under them. The department may act as agent of a municipality of this state upon the request of the municipality in accepting, receiving, and receipting for moneys in its behalf for airports or other air navigation facility purposes and in contracting for the acquisition, construction, improvement, maintenance, or operation of airports or other air navigation facilities financed either in whole or in

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part by federal ~~moneys~~ money. The governing body of a municipality may designate the department as its agent for those purposes and enter into an agreement with it prescribing the terms and conditions of the agency in accordance with federal laws and rules. ~~Moneys~~ Money paid by the United States government shall must be retained by the state or paid to the municipalities under terms and conditions imposed by the United States government in making the grants.

(3) All contracts for the acquisition, construction, improvement, maintenance, and operation of airports or other air navigation facilities made by the department, either as the agent of this state or as the agent of a municipality, shall must be made under the laws of this state governing the making of ~~like~~ similar contracts by the state or by municipalities. However, where the acquisition, construction, improvement, maintenance, and operation of an airport, landing strip, or other air navigation facility is financed wholly or partially with federal ~~moneys~~ money, the department, as agent of the state or of a municipality of the state, may let contracts in the manner prescribed by the federal authorities, acting under the laws of the United States and any rules made under them.

(4) All ~~moneys~~ money accepted for disbursement by the department under subsection (2) ~~of this section shall~~ must be deposited in the state treasury and, unless otherwise prescribed by the authority from which the money is received, kept in separate funds, designated according to the purposes for which the ~~moneys were~~ money was made available, and held by the state

in trust for those purposes. All ~~those moneys are~~ money appropriated for the purposes for which ~~they were~~ it was made available, to must be spent in accordance with federal laws and regulations and with this title. The department may, whether acting for this state or as the agent of any of its municipalities or when requested by the United States government or an agency or department of the United States, disburse the ~~moneys~~ money appropriated for the designated purposes, but this does not preclude any other authorized method of disbursement."

{*Internal References to 67-2-403: None.*}

Section 13. Section 75-10-625, MCA, is amended to read:

"75-10-625. Authorization for sale of CERCLA bonds. The board of examiners is authorized to issue and sell CERCLA general obligation bonds in an amount not exceeding \$10 million upon the request of the department of environmental quality, as provided for in 75-10-623. Proceeds of the bonds or notes ~~are appropriated~~ to must be deposited in the hazardous waste/CERCLA special revenue account provided for in 75-10-621 to fund state participation in remedial action under section 104 of CERCLA, as amended, state costs for maintenance of sites at which remedial action under CERCLA has been completed, the state share required to obtain matching federal funds for underground storage tank corrective action, and costs of issuance of the bonds or notes."

{*Internal References to 75-10-625:
75-10-626 x*}

Section 14. Section 75-10-626, MCA, is amended to read:

"75-10-626. Agreement with department of environmental quality. For the proceeds of bonds or notes authorized ~~and appropriated~~ by this part, the board of examiners and the department of environmental quality may enter into an agreement under the terms of which the department shall pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes from which the appropriation was made and to accumulate and maintain reserves as may be required under the bonds. The agreement must further provide that income from the investment of bond proceeds and the reserves not required for the purposes presented in 75-10-625 must be credited against the department's payment obligation. The agreement must also allow for the accumulation of reserves during the first year that the bonds are outstanding, if required. Payments by the department must be made from available funds."

{ *Internal References to 75-10-626:*
75-10-627x }

Section 15. Section 80-7-908, MCA, is amended to read:

"80-7-908. Deposit and disbursement of funds -- records -- investment. (1) There is a state noxious weed forage account in the state special revenue account. All funds received by the department from fees or penalties collected or received under 80-7-905 through 80-7-907, 80-7-921, and 80-7-922(1) and all

other related funds received must be deposited in the state noxious weed forage account.

(2) The department may by contract allow for the collection of fees authorized under 80-7-907. A portion of the fees collected may be retained by the collector, and the portion of the fees assigned to the department must be submitted to the department. The contract must require:

- (a) a record of the name of the person collecting fees;
- (b) a record of fees collected;
- (c) a record of the amounts submitted to the department;
- (d) a record of the amount retained by the collector; and
- (e) that all records be kept in accordance with generally accepted accounting principles.

(3) Funds received under 80-7-905 through 80-7-907, 80-7-921, and 80-7-922(1) that are not immediately required for the purposes of this part must be invested under provisions of the unified investment program established in Title 17, chapter 6, part 2. The income from the investments must be deposited in the state special revenue fund and credited to the department.

(4) Funds received pursuant to this part are ~~appropriated~~ available for appropriation to the department for the administration of the noxious weed seed free forage program and for the purposes of this part."

{ *Internal References to 80-7-908:*
80-7-921x }

Section 16. Section 80-11-224, MCA, is amended to read:

"80-11-224. Determination of amount and allocation of assessment. (1) The committee shall set the amount of the assessment each year in accordance with 80-11-206.

(2) Money deposited in the wheat and barley account pursuant to 80-11-210 is ~~appropriated~~ available for appropriation to the committee for purposes of carrying out research and marketing under this part.

(3) The committee may be assessed costs by the department for the services it provides upon request or pursuant to 2-15-121. However, the costs charged must have a substantial relationship to the cost of services supplied."

{*Internal References to 80-11-224: None.*}

Section 17. Section 87-1-201, MCA, is amended to read:

"87-1-201. Powers and duties. (1) The department shall supervise all the wildlife, fish, game, game and nongame birds, waterfowl, and the game and fur-bearing animals of the state and may implement voluntary programs that encourage hunting access on private lands and that promote harmonious relations between landowners and the hunting public. It The department possesses all powers necessary to fulfill the duties prescribed by law and to bring actions in the proper courts of this state for the enforcement of the fish and game laws and the rules adopted by the department.

(2) The department shall enforce all the laws of the state respecting the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and

nongame birds within the state.

(3) The department has the exclusive power to spend for the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and nongame birds all state funds collected or acquired for that purpose, whether arising from state appropriation, licenses, fines, gifts, or otherwise. Money collected or received from the sale of hunting and fishing licenses or permits, from the sale of seized game or hides, from fines or damages collected for violations of the fish and game laws, or from appropriations or received by the department from any other sources is ~~appropriated to and~~ under control of the department and is available for appropriation to the department.

(4) The department may discharge any appointee or employee of the department for cause at any time.

(5) The department may dispose of all property owned by the state used for the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and nongame birds that is of no further value or use to the state and shall turn over the proceeds from the sale to the state treasurer to be credited to the fish and game account in the state special revenue fund.

(6) The department may not issue permits to carry firearms within this state to anyone except regularly appointed officers or wardens.

(7) The department is authorized to make, promulgate, and enforce reasonable rules and regulations not inconsistent with the provisions of chapter 2 that in its judgment will accomplish

the purpose of chapter 2.

(8) The department is authorized to promulgate rules relative to tagging, possession, or transportation of bear within or outside of the state.

(9) (a) The department shall implement programs that:

(i) manage wildlife, fish, game, and nongame animals in a manner that prevents the need for listing under 87-5-107 or under the federal Endangered Species Act, 16 U.S.C. 1531, et seq.;

(ii) manage listed species, sensitive species, or a species that is a potential candidate for listing under 87-5-107 or under the federal Endangered Species Act, 16 U.S.C. 1531, et seq., in a manner that assists in the maintenance or recovery of those species; and

(iii) manage elk, deer, and antelope populations based on habitat estimates determined as provided in 87-1-322 and maintain elk, deer, and antelope population numbers at or below population estimates as provided in 87-1-323. In implementing an elk management plan, the department shall, as necessary to achieve harvest and population objectives, request that land management agencies open public lands and public roads to public access during the big game hunting season.

(b) In maintaining or recovering a listed species, a sensitive species, or a species that is a potential candidate for listing, the department shall seek, to the fullest extent possible, to balance maintenance or recovery of those species with the social and economic impacts of species maintenance or recovery.

(c) Any management plan developed by the department pursuant to this subsection (9) is subject to the requirements of Title 75, chapter 1, part 1.

(d) This subsection (9) does not affect the ownership or possession, as authorized under law, of a privately held listed species, a sensitive species, or a species that is a potential candidate for listing.

(10) The department shall publish an annual game count, estimating to the department's best ability the numbers of each species of game animal, as defined in 87-2-101, in the hunting districts and administrative regions of the state. In preparing the publication, the department may incorporate field observations, hunter reporting statistics, or any other suitable method of determining game numbers. The publication must include an explanation of the basis used in determining the game count."

{*Internal References to 87-1-201: None.*}

Section 18. Section 90-4-201, MCA, is amended to read:

"90-4-201. Weatherization money sources -- consolidation.

(1) All federal funds and grants available and becoming eligible to Montana under the provisions of the U.S. department of energy low-income weatherization assistance program, the U.S. department of health and human services low-income home energy assistance program, and any other federal funds intended to increase the energy efficiency of dwellings occupied by persons of low and fixed incomes, except for Title XX of the Social Security Act, are to be coordinated and are ~~appropriated~~ available for

appropriation to the department of public health and human services.

(2) The department of public health and human services shall allocate and spend for home weatherization programs under this part at least 5% of the funds received from the U.S. department of health and human services low-income home energy assistance program if federal law permits this allocation."

{Internal References to 90-4-201:
90-4-215 x}

NEW SECTION. **Section 19. {standard} Repealer.** Sections 17-5-501, 17-5-502, 17-5-503, 17-5-504, 17-5-505, 17-5-506, and 17-5-507, MCA, are repealed.

{Internal References to 17-5-501: 17-5-503r 17-5-503r 17-5-506r
Internal References to 17-5-502: None.
Internal References to 17-5-503: 17-5-506r
Internal References to 17-5-504: None.
Internal References to 17-5-505: None.
Internal References to 17-5-506: None.
Internal References to 17-5-507: 17-5-911a 17-5-912a }

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