

1 HOUSE BILL NO. 64

2 INTRODUCED BY M. MCCANN

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING AGENCY PROGRAM BUDGETS TO CONTAIN A
5 PRIORITIZED PLAN TO REDUCE BASE BUDGETS BY 15 PERCENT; AND AMENDING SECTION 17-7-111,
6 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. Preparation of state budget -- agency program budgets -- form distribution and**
12 **contents.** (1) (a) To prepare a state budget, the executive branch, the legislature, and the citizens of the state
13 need information that is consistent and accurate. Necessary information includes detailed disbursements by fund
14 type for each agency and program for the appropriate time period, recommendations for creating a balanced
15 budget, and recommended disbursements and estimated receipts by fund type and fund category.

16 (b) Subject to the requirements of this chapter, the budget director and the legislative fiscal analyst shall
17 by agreement:

18 (i) establish necessary standards, formats, and other matters necessary to share information between
19 the agencies and to ensure that information is consistent and accurate for the preparation of the state's budget;
20 and

21 (ii) provide for the collection and provision of budgetary and financial information that is in addition to or
22 different from the information otherwise required to be provided pursuant to this section.

23 (2) In the preparation of a state budget, the budget director shall, not later than the date specified in
24 17-7-112(1), distribute to all agencies the proper forms and instructions necessary for the preparation of budget
25 estimates by the budget director. These forms must be prescribed by the budget director to procure the
26 information required by subsection (3). The forms must be submitted to the budget director by the date provided
27 in 17-7-112(2) or the agency's budget is subject to preparation based upon estimates as provided in 17-7-112(5).
28 The budget director may refuse to accept forms that do not comply with the provisions of this section or the
29 instructions given for completing the forms.

30 (3) The agency budget request must set forth a balanced financial plan for the agency completing the

1 forms for each fiscal year of the ensuing biennium. The plan must consist of:

2 (a) a consolidated agency budget summary of funds subject to appropriation for the current base budget
3 expenditures, including statutory appropriations, and for each present law adjustment and new proposal request
4 setting forth the aggregate figures of the full-time equivalent personnel positions (FTE) and the budget, showing
5 a balance between the total proposed disbursements and the total anticipated receipts, together with the other
6 means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding
7 figures for the last completed fiscal year and the fiscal year in progress;

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

10 (c) a statement of the agency mission and a statement of goals and objectives for each program of the
11 agency. The goals and objectives must include, in a concise form, sufficient specific information and quantifiable
12 information to enable the legislature to formulate an appropriations policy regarding the agency and its programs
13 and to allow a determination, at some future date, on whether the agency has succeeded in attaining its goals
14 and objectives.

15 (d) actual FTE and disbursements for the completed fiscal year of the current biennium, estimated FTE
16 and disbursements for the current fiscal year, and the agency's request for the ensuing biennium, by program;

17 (e) actual disbursements for the completed fiscal year of the current biennium, estimated disbursements
18 for the current fiscal year, and the agency's recommendations for the ensuing biennium, by disbursement
19 category;

20 (f) a reference, for each program included in the agency budget request, identifying whether the program
21 may be operated at the discretion of the agency or whether the agency is required by federal or state law to
22 operate, administer, or manage the program; ~~and~~

23 (g) FOR ONLY AGENCIES WITH MORE THAN 20 FTE, a plan to reduce the proposed budget to 85% of the
24 current base budget. The plan must include:

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

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

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

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

30 (4) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with

1 17-7-112:

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

4 (b) the proposed pay plan schedule for all executive branch employees at the program level by fund, with
5 the specific cost and funding recommendations for each agency. Submission of a pay plan schedule under this
6 subsection is not an unfair labor practice under 39-31-401.

7 (c) agency proposals for the use of cultural and aesthetic project grants under Title 22, chapter 2, part
8 3, the renewable resource grant and loan program under Title 85, chapter 1, part 6, the reclamation and
9 development grants program under Title 90, chapter 2, part 11, and the treasure state endowment program under
10 Title 90, chapter 6, part 7.

11 (5) The board of regents shall submit, with its budget request for each university unit in accordance with
12 17-7-112, a report on the university system bonded indebtedness and related finances as provided in this
13 subsection (5). The report must include the following information for each year of the biennium, contrasted with
14 the same information for the last completed fiscal year and the fiscal year in progress:

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

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

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

22 (6) The budget director may not obtain copies of individual income tax records protected under
23 15-30-303. The department of revenue shall make individual income tax data available by removing names,
24 addresses, occupations, social security numbers, and taxpayer identification numbers. The department of
25 revenue may not alter the data in any other way. The data is subject to the same restrictions on disclosure as are
26 individual income tax returns."

27 - END -

