



AN ACT GENERALLY REVISING THE LAWS GOVERNING INFORMATION TECHNOLOGY; PROVIDING FOR A CHIEF INFORMATION OFFICER; ESTABLISHING POLICIES FOR STATE INFORMATION TECHNOLOGY; ESTABLISHING DUTIES AND RESPONSIBILITIES CONCERNING INFORMATION TECHNOLOGY; AMENDING SECTIONS 2-3-301, 2-6-214, 2-15-102, 2-15-114, 2-15-404, 2-15-1514, 2-15-2212, 2-17-301, 2-17-303, 2-17-306, 2-17-322, 2-17-323, 2-17-503, 2-18-103, 5-11-402, 5-11-403, 5-12-205, 10-3-106, 17-7-111, 17-7-112, 17-7-123, 18-4-313, 61-3-345, AND 61-3-346, MCA; REPEALING SECTIONS 2-17-302, 2-17-304, 2-17-305, 2-17-321, 2-17-501, AND 2-17-502, MCA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Legislature finds that information technology is becoming a critical component of the methods used by state agencies in providing information and services to Montana citizens; and

WHEREAS, the cost for information technology is increasing both in absolute and relative terms in agency budgets; and

WHEREAS, information technology, in order to be deployed most effectively, must be carefully managed and coordinated throughout state agencies.

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

Section 1. Information technology board -- membership -- qualifications -- vacancies -- compensation. (1) There is an information technology board. The board consists of 19 members who are appointed as follows:

- (a) the director of the department of administration, who serves as presiding officer of the board;
- (b) the chief information officer provided for in [section 5];
- (c) the director of the office of budget and program planning;
- (d) six members who are directors of state agencies and who are appointed by the governor;
- (e) two members representing local government, appointed by the governor;
- (f) one member representing the public service commission, appointed by the public service commission;
- (g) one member representing the private sector, appointed by the governor;
- (h) one member of the house of representatives, appointed by the speaker of the house of

representatives;

(i) one member of the senate, appointed by the president of the senate;

(j) one member representing the legislative branch, appointed by the legislative branch computer system planning council;

(k) one member representing the judicial branch, appointed by the chief justice of the supreme court;

(l) one member representing the university system, appointed by the board of regents; and

(m) one member representing K-12 education, appointed by the superintendent of public instruction.

(2) Appointments must be made without regard to political affiliation and must be made solely for the wise management of the information technology resources used by the state.

(3) A vacancy occurring on the board must be filled by the appointing authority in the same manner as the original appointment.

(4) The board shall function in an advisory capacity as defined in 2-15-102.

(5) Members of the board must be reimbursed and compensated in the same manner as members of quasi-judicial boards under 2-15-124(7), except that legislative members are reimbursed and compensated as provided in 5-2-302.

Section 2. Short title. [Sections 2 through 18] may be cited as the "Montana Information Technology Act".

Section 3. Policy. (1) It is the policy of the state that information technology be used to improve the quality of life of Montana citizens by providing educational opportunities, creating quality jobs and a favorable business climate, improving government, and protecting individual privacy and the privacy of the information contained within information technology systems.

(2) It is the policy of the state that the development of information technology resources in the state must be conducted in an organized, deliberative, and cost-effective manner. The following principles must guide the development of state information technology resources:

(a) There are statewide information technology policies, standards, procedures, and guidelines applicable to all state agencies and other entities using the state network.

(b) Whenever feasible and cost-effective, common data is entered once and shared among agencies.

(c) In order to minimize unwarranted duplication, similar information technology systems and data

management applications are implemented and managed in a coordinated manner.

(d) Planning and development of information technology resources are conducted in conjunction with budget development and approval.

(e) Information technology systems are deployed aggressively whenever it can be shown that it will provide improved services to Montana citizens.

(f) Public-private partnerships are used to deploy information technology systems when practical and cost-effective.

(g) State information technology systems are developed in cooperation with the federal government and local governments with the objective of providing seamless access to information and services to the greatest degree possible.

(h) State information technology systems are able to accommodate electronic transmissions between the state and its citizens, businesses, and other government entities.

(3) It is the policy of the state that the department must be accountable to the governor, the legislature, and the citizens of Montana.

Section 4. Definitions. In [sections 2 through 18], unless the context requires otherwise, the following definitions apply:

(1) "Board" means the information technology board established in [section 1].

(2) "Central computer center" means any stand-alone or shared computer and associated equipment, software, facilities, and services administered by the department for use by state agencies.

(3) "Chief information officer" means a person appointed by the director of the department to carry out the duties and responsibilities of the department relating to information technology.

(4) "Data" means any information stored on information technology resources.

(5) "Department" means the department of administration established in 2-15-1001.

(6) "Electronic access system" means a system capable of making data accessible by means of an information technology facility in a voice, video, or electronic data form, including but not limited to the internet.

(7) "Information technology" means hardware, software, and associated services and infrastructure used to store or transmit information in any form, including voice, video, and electronic data.

(8) "State agency" means any entity of the executive branch, including the university system.

(9) "Statewide telecommunications network" means any telecommunications facilities, circuits,

equipment, software, and associated contracted services administered by the department for the transmission of voice, video, or electronic data from one device to another.

Section 5. Chief information officer -- duties. The duties of the chief information officer include but are not limited to:

- (1) carrying out all powers and duties of the department as assigned by the director of the department;
- (2) serving as the chief policy advisor to the director of the department on statewide information technology issues; and
- (3) assisting and advising the director of the department on the enforcement responsibilities provided in [section 8].

Section 6. Powers and duties of department. (1) The department is responsible for carrying out the planning and program responsibilities for information technology for state government. The department:

- (a) shall encourage and foster the development of new and innovative information technology within state government;
- (b) shall promote, coordinate, and approve the development and sharing of shared information technology application software, management systems, and information that provide similar functions for multiple state agencies;
- (c) shall cooperate with the department of commerce to promote economic development initiatives based on information technology;
- (d) shall establish and enforce a state strategic information technology plan as provided for in [section 13];
- (e) shall establish and enforce statewide information technology policies and standards;
- (f) shall review and approve state agency information technology plans provided for in [section 15];
- (g) shall coordinate with the office of budget and program planning to evaluate budget requests that include information technology resources. The department shall make recommendations to the office of budget and program planning for the approval or disapproval of information technology budget requests. An unfavorable recommendation must be based on a determination that the request is not provided for in the approved agency information technology plan provided for in [section 15].
- (h) shall staff the information technology board provided for in [section 1];

- (i) shall fund the administrative costs of the information technology board provided for in [section 1];
 - (j) shall review the use of information technology resources for all state agencies;
 - (k) shall review and approve state agency specifications and procurement methods for the acquisition of information technology resources;
 - (l) shall review, approve, and sign all state agency contracts and shall review and approve other formal agreements for information technology resources provided by the private sector and other government entities;
 - (m) shall operate and maintain a central computer center for the use of state government, political subdivisions, and other participating entities under terms and conditions established by the department;
 - (n) shall operate and maintain a statewide telecommunications network for the use of state government, political subdivisions, and other participating entities under terms and conditions established by the department;
 - (o) shall ensure that the statewide telecommunications network is properly maintained. The department may establish a centralized maintenance program for the statewide telecommunications network.
 - (p) shall coordinate public safety communications on behalf of all state agencies as provided for in 2-17-311 through 2-17-313;
 - (q) shall manage the state 9-1-1 program as provided for in Title 10, chapter 4, part 3;
 - (r) shall provide electronic access to information and services of the state as provided for in 2-17-322;
 - (s) shall provide assistance to the legislature, the judiciary, the governor, and state agencies relative to state and interstate information technology matters;
 - (t) shall establish rates and other charges for services provided by the department;
 - (u) must accept federal funds granted by congress or by executive order and gifts, grants, and donations for any purpose of this section;
 - (v) shall dispose of personal property owned by it in a manner provided by law when, in the judgment of the department, the disposal best promotes the purposes for which the department is established;
 - (w) shall implement [sections 2 through 18] and all other laws for the use of information technology in state government;
 - (x) shall report to the appropriate interim committee on a regular basis and to the legislature as provided in 5-11-210 on the information technology activities of the department; and
 - (y) shall represent the state with public and private entities on matters of information technology.
- (2) If it is in the state's best interest, the department may contract with qualified private organizations, foundations, or individuals to carry out the purposes of this section.

(3) The director of the department shall appoint the chief information officer to assist in carrying out the department's information technology duties.

Section 7. Duties of board. The board shall:

- (1) provide a forum to:
 - (a) guide state agencies, the legislative branch, the judicial branch, and local governments in the development and deployment of intergovernmental information technology resources;
 - (b) share information among state agencies, local governments, and federal agencies regarding the development of information technology resources;
- (2) advise the department in the development of cooperative contracts for the purchase of information technology resources;
- (3) review and advise the department on:
 - (a) statewide information technology standards and policies;
 - (b) the state strategic information technology plan;
 - (c) major information technology budget requests;
 - (d) rates and other charges for services established by the department as provided in [section 6(1)(t)];
 - (e) requests for exceptions as provided for in [section 9];
 - (f) notification of proposed exemptions by the university system and office of public instruction as provided for in [section 10];
 - (g) action taken by the department as provided in [section 8(1)] for any activity that is not in compliance with [sections 2 through 18];
 - (h) transfer of information technology funds, resources, and employees as provided for in 2-17-303; and
 - (i) the implementation of major information technology projects and advise the respective governing authority of any issue of concern to the board relating to implementation of the project;
- (4) study state government's present and future information technology needs and advise the department on the use of emerging technology in state government; and
- (5) request information and reports that it considers necessary from any entity using or having access to the statewide telecommunications network or central computer center.

Section 8. Department -- enforcement responsibilities. (1) If the department determines that an

agency is not in compliance with the state strategic information technology plan provided for in [section 13], the agency information technology plan provided for in [section 15], or the statewide information technology policies and standards provided for in [section 6], the department may cancel or modify any contract, project, or activity that is not in compliance.

(2) Prior to taking action provided for in subsection (1), the department shall review with the board any activities that are not in compliance.

(3) Any contract entered into by an agency that includes information technology resources must include language developed by the department that references the department's enforcement responsibilities provided for in subsection (1). A contract that does not contain the required language is considered to be in violation of state law and is voidable pursuant to subsection (1). The language developed by the department may not be varied pursuant to 18-4-224.

Section 9. Granting exceptions to state agencies. Subject to [section 10], the department may grant exceptions to any policy, standard, or other requirement of [sections 2 through 18] if it is in the best interests of the state of Montana. The department shall inform the board, the office of budget and program planning, and the legislative finance committee of all exceptions that are granted and of the rationale for granting the exceptions. The department shall maintain written documentation that identifies the terms and conditions of the exception and the rationale for the exception.

Section 10. Exemptions -- university system -- office of public instruction -- national guard. (1) Unless the proposed activities would detrimentally affect the operation of the central computer center or the statewide telecommunications network, the office of public instruction is exempt from [section 6(1)(k) and (1)(l)].

(2) Unless the proposed activities would detrimentally affect the operation of the central computer center or the statewide telecommunications network, the university system is exempt from:

- (a) the enforcement provisions of [sections 6(1)(d) and (1)(e) and 8];
- (b) the approval provisions of [sections 6(1)(f), 15, and 17];
- (c) the budget approval provisions of [section 6(1)(g)];
- (d) the provisions of [sections 6(1)(k) and (1)(l)]; and
- (e) the transfer provisions of 2-17-303.

(3) The department, upon notification of proposed activities by the university system or the office of public

instruction, shall determine if the central computer center or the statewide telecommunications network would be detrimentally affected by the proposed activity.

(4) For purposes of this section, a proposed activity affects the operation of the central computer center or the statewide telecommunications network if it detrimentally affects the processing workload, reliability, cost of providing service, or support service requirements of the central computer center or the statewide telecommunications network.

(5) When reviewing proposed activities of the university system, the department shall consider and make reasonable allowances for the unique educational needs and characteristics and the welfare of the university system as determined by the board of regents.

(6) When reviewing proposed activities of the office of public instruction, the department shall consider and make reasonable allowances for the unique educational needs and characteristics of the office of public instruction to communicate and share data with school districts.

(7) [Section 6(1)(u)] may not be construed to prohibit the university system from accepting federal funds or gifts, grants, or donations related to information technology or telecommunications.

(8) The national guard, as defined in 10-1-101(3), is exempt from [section 6].

Section 11. Legislative and judicial branch information sharing. The legislative branch and the judicial branch shall provide their information technology plans to the department.

Section 12. Rulemaking authority. (1) The department shall adopt rules to implement [sections 2 through 18], including the following:

(a) rules to guide the review and approval process for state agency software and management systems that provide similar functions for multiple state agencies, which must include but are not limited to:

- (i) identifying the software and management systems that must be approved;
- (ii) establishing the information that state agencies are required to provide to the department; and
- (iii) establishing guidelines for the department's approval decision;

(b) rules to guide the review and approval process for state agency acquisition of information technology resources, which must include but are not limited to processes and requirements for:

- (i) agency submissions to gain approval for acquiring information technology resources;
- (ii) approving specifications for information technology resources; and

(iii) approving contracts for information technology resources; and
 (c) rules for granting exceptions from the requirements of [sections 2 through 18], which must include but are not limited to:

- (i) a process for applying for an exception; and
- (ii) guidelines for determining the department's approval decision.

(2) The department may adopt rules to guide the development of state agency information technology plans. The rules may include:

- (a) agency plan review procedures;
- (b) agency plan content requirements;
- (c) guidelines for the department's approval decision; and
- (d) dispute resolution processes and procedures.

(3) Adequate rules for the use of any information technology resources must be adopted by the:

- (a) supreme court for judicial branch agencies; and
- (b) legislative council, with the concurrence of the legislative audit committee and the legislative finance committee, for the consolidated legislative branch, as provided for in 5-2-504.

Section 13. State strategic information technology plan -- biennial report. (1) The department shall prepare a state strategic information technology plan. The department shall seek the advice of the board in the development of the plan.

(2) The plan must:

(a) reflect the policies as set forth in [section 3] and be in accordance with statewide standards and policies established by the department;

(b) establish the statewide mission, goals, and objectives for the use of information technology, including goals for electronic access to government records, information, and services; and

(c) establish the strategic direction for how state agencies will develop and use information technology resources to provide state government services.

(3) The department shall update the plan as necessary. The plan and any updates must be distributed as provided in [section 14].

(4) The department shall prepare a biennial report on information technology based on agency information technology plans and performance reports required under [section 16] and other information

considered appropriate by the department. The biennial report must include:

- (a) an analysis of the state's information technology infrastructure, including its value, condition, and capacity;
- (b) an evaluation of performance relating to information technology;
- (c) an assessment of progress made toward implementing the state strategic information technology plan;
- (d) an inventory of state information services, equipment, and proprietary software;
- (e) agency budget requests for major projects; and
- (f) other information as determined by the department or requested by the governor or the legislature.

Section 14. State strategic information technology plan -- distribution. (1) The department shall distribute the state strategic information technology plan and the biennial report to the governor and to the legislature as provided in 5-11-210.

(2) Updates to the state strategic information technology plan must be provided to the governor by March 1 of each even-numbered year and to the legislative finance committee at its next scheduled meeting after March 1.

(3) By April 1 of each even-numbered year, the updated state strategic information technology plan must be distributed to all state agencies with instructions and schedules for updating and approving agency information technology plans in accordance with [section 17].

Section 15. Agency information technology plans -- policy. (1) Each state agency is required to develop and maintain an agency information technology plan. The agency information technology plans must reflect the content and format requirements specified in [section 16].

(2) An agency information technology plan must be submitted to and approved by the department as described in [section 17].

(3) New investments in information technology can be included in the governor's budget only if the project is contained in the approved agency information technology plan.

Section 16. Agency information technology plans -- form and content -- performance reports. (1) Each agency's information technology plan must include but is not limited to the following:

(a) a statement of the agency's mission, goals, and objectives for information technology, including a discussion of how the agency uses or plans to use information technology to provide mission-critical services to Montana citizens and businesses;

(b) an explanation of how the agency's mission, goals, and objectives for information technology support and conform to the state strategic information technology plan required in [section 13];

(c) a baseline profile of the agency's current information technology resources and capabilities that:

(i) includes sufficient information to fully support state-level review and approval activities; and

(ii) will serve as the basis for subsequent planning and performance measures;

(d) an evaluation of the baseline profile that identifies real or potential deficiencies or obsolescence of the agency's information technology resources and capabilities;

(e) a list of new projects and resources required to meet the objectives of the agency's information technology plan. The investment required for the new projects and resources must be developed using life-cycle cost analysis, including the initial investment, maintenance, and replacement costs, and must fulfill or support an agency's business requirements.

(f) when feasible, estimated schedules and funding required to implement identified projects; and

(g) any other information required by law or requested by the department, the governor, or the legislature.

(2) Each agency's information technology plan must project activities and costs over a 6-year time period, consisting of the biennium during which the plan is written or updated and the 2 subsequent bienniums.

(3) Each agency shall prepare and submit to the department a biennial performance report that evaluates progress toward the objectives articulated in its information technology plan. The report must include:

(a) an evaluation of the agency's performance relating to information technology;

(b) an assessment of progress made toward implementing the agency information technology plan; and

(c) an inventory of agency information services, equipment, and proprietary software.

(4) State agencies shall prepare agency information technology plans and biennial performance reports using standards, elements, forms, and formats specified by the department.

Section 17. Agency information technology plans -- review and approval -- updates. (1) Plans and reports required under [section 16] must be submitted to the department for review and approval according to a schedule adopted by the department. The schedule must provide for approval of plans no later than June

30 in each even-numbered year.

(2) The department may reject, require modification of, or approve agency information technology plans as considered appropriate by the department. The primary basis for evaluating agency information technology plans must be conformity to the state strategic information technology plan, as provided for in [section 13].

(3) Agency information technology plans must be updated and are subject to review and approval whenever substantive changes occur to an agency's information technology profile. Plan updates must be submitted to the department in a timely manner and may not be held until the next biennial reporting cycle.

Section 18. Information technology project budget summary. (1) The office of budget and program planning, in cooperation with the department, shall prepare a statewide summary of major new information technology projects contained in the state budget. The office of budget and program planning and the department shall jointly determine the criteria for classifying a project as a major new information technology project. The information technology project summary must include:

(a) a listing by institution, agency, or branch of all major new information technology budget requests included in the state budget. Each information technology budget request included on the list must include:

- (i) a description of what would be accomplished by funding the request;
- (ii) the proposed amount of the request;
- (iii) the funding source for the request; and
- (iv) the proposed cost of operating new information technology systems.

(b) a listing of internal service rates proposed for providing information technology services. Each internal service rate included on the list must include:

- (i) a description of the services provided; and
- (ii) a breakdown, aggregated by fund type, of requests included in the state budget to support the rate.

(c) any other information as determined by the budget director or the department or as requested by the governor or the legislature.

(2) The information technology project summary must be presented to the legislative fiscal analyst in accordance with 17-7-111(4).

Section 19. Section 2-3-301, MCA, is amended to read:

"2-3-301. Agency using electronic mail to accept public comment electronically -- dissemination

of electronic mail address and documents required -- prohibiting fees. (1) An agency that accepts public comment pursuant to a statute, administrative rule, or policy, including an agency adopting rules pursuant to the Montana Administrative Procedure Act or an agency to which 2-3-111 applies, shall, ~~if the agency is capable of receiving electronic mail from the internet world wide web,~~ provide for the receipt of public comment by the agency by use of ~~that~~ an electronic mail system.

(2) As part of the agency action required by subsection (1), an agency shall disseminate by appropriate ~~mediums~~ media its electronic mail address to which public comment may be made, including dissemination in:

(a) rulemaking notices published pursuant to the Montana Administrative Procedure Act;

(b) the telephone directory of state agencies published by the department of ~~administration~~ administration;

(c) any notice of agency existence, purpose, and operations published on the internet world wide web, popularly known as a "website", used by the agency;

~~(d) the state electronic bulletin board; or~~

~~(e)(d)~~ any combination of the methods of dissemination provided in subsections (2)(a) through ~~(2)(d)~~ (2)(c).

(3) An agency ~~that uses electronic mail and creates or receives electronic documents~~ shall, at the request of another agency or person, disseminate the electronic documents to that agency or person by electronic mail in place of surface mail. An agency may not charge a fee for providing documents by electronic mail in accordance with this subsection.

(4) As used in this section, "agency" means a department, division, bureau, office, board, commission, authority, or other agency of the executive branch of state government."

Section 20. Section 2-6-214, MCA, is amended to read:

"2-6-214. Department of ~~administration~~ administration -- powers and duties. (1) In order to ensure compatibility with the ~~computer and telecommunications~~ information technology systems of state government, the department of ~~administration~~ administration shall develop standards for technological compatibility for state agencies for records management equipment or systems used to electronically capture, store, or retrieve public records through computerized, optical, or other electronic methods.

(2) The department of ~~administration~~ administration shall approve all acquisitions of executive agency records management equipment or systems used to electronically capture, store, or retrieve public records

through computerized, optical, or other electronic methods to ensure compatibility with the standards developed under subsection (1).

(3) The department of ~~administration~~ administration is responsible for the management and operation of equipment, systems, facilities, or processes integral to the department's central computer center and statewide telecommunications systems system."

Section 21. Section 2-15-102, MCA, is amended to read:

"2-15-102. Definitions. As used in this chapter, the following definitions apply:

(1) "Advisory capacity" means furnishing advice, gathering information, making recommendations, and performing ~~such~~ other activities ~~as~~ that may be necessary to comply with federal funding requirements and does not mean administering a program or function or setting policy.

(2) "Agency" means an office, position, commission, committee, board, department, council, division, bureau, section, or any other entity or instrumentality of the executive branch of state government.

(3) ~~"Data and information technology resources"~~ "Data" means ~~data processing mainframe, microcomputer hardware, peripherals, software, special forms, personnel, facility resources, maintenance, training, electronically stored data, or other related resources~~ any information stored on information technology resources.

(4) "Department" means a principal functional and administrative entity; that:

(a) is created by this chapter within the executive branch of state government;

(b) is one of the 20 principal departments permitted under the constitution; and

(c) includes its units.

(5) "Department head" means a director, commission, board, commissioner, or constitutional officer in charge of a department created by this chapter.

(6) "Director" means a department head specifically referred to as a director in this chapter; and does not mean a commission, board, commissioner, or constitutional officer.

(7) "Executive branch" means the executive branch of state government referred to in Article III, section 1, and Article VI of the Montana constitution, ~~Articles III and VI~~.

(8) "Function" means a duty, power, or program, exercised by or assigned to an agency, whether or not specifically provided for by law.

(9) "Information technology resources" means hardware, software, and associated services and

infrastructure used to store or transmit information in any form, including voice, video, and electronic data.

~~(9)~~(10) "Quasi-judicial function" means an adjudicatory function exercised by an agency, involving the exercise of judgment and discretion in making determinations in controversies. The term includes but is not limited to the functions of:

- (a) interpreting, applying, and enforcing existing rules and laws;
- (b) granting or denying privileges, rights, or benefits;
- (c) issuing, suspending, or revoking licenses, permits, and certificates;
- (d) determining rights and interests of adverse parties;
- (e) evaluating and passing on facts;
- (f) awarding compensation;
- (g) fixing prices;
- (h) ordering action or abatement of action;
- (i) adopting procedural rules;
- (j) holding hearings; and
- (k) any other act necessary to the performance of a quasi-judicial function.

~~(10)~~(11) "Quasi-legislative function" generally means making or having the power to make rules or set rates and all other acts connected with or essential to the proper exercise of a quasi-legislative function.

~~(11)~~(12) "Unit" means an internal subdivision of an agency, created by law or by administrative action, including a division, bureau, section, or department, and an agency allocated to a department for administrative purposes only by this chapter."

Section 22. Section 2-15-114, MCA, is amended to read:

"2-15-114. Security responsibilities of departments for data and information technology resources. Each department head is responsible for ~~assuring~~ ensuring an adequate level of security for all data and information technology resources within ~~his~~ that department and shall:

(1) develop and maintain written internal policies and procedures to ~~assure~~ ensure security of data and information technology resources. The internal policies and procedures are confidential information and exempt from public inspection, except that ~~such~~ the information must be available to the legislative auditor in performing ~~his~~ postauditing duties.

(2) designate an information security manager to administer the department's security program for data

and information technology resources;

(3) implement appropriate cost-effective safeguards to reduce, eliminate, or recover from identified threats to data and information technology resources;

(4) ensure that internal evaluations of the security program for data and information technology resources are conducted. The results of ~~such~~ the internal evaluations are confidential and exempt from public inspection, except that ~~such~~ the information must be available to the legislative auditor in performing ~~his~~ postauditing duties.

(5) include appropriate security requirements, as determined by the department, in the written specifications for the department's solicitation of data and information technology resources; and

(6) ~~maintain an information technology plan, including~~ include a general description of the existing security program and future plans for ~~assuring~~ ensuring security of data and information technology resources in the agency information technology plan as provided for in [section 15]."

Section 23. Section 2-15-404, MCA, is amended to read:

"2-15-404. Electronic filing system -- requirements -- rules. (1) As authorized by 2-15-401, the secretary of state may develop and implement a statewide electronic filing system to accommodate the electronic filing of records and documents that are required to be filed in the office of the secretary of state.

(2) If the secretary of state develops and implements a statewide electronic filing system, the secretary of state shall establish a central database for all records and documents filed electronically with the secretary of state.

(3) If the secretary of state develops and implements a statewide electronic filing system, the secretary of state shall adopt rules that:

(a) provide procedures for entering data;

(b) provide security and protection of information in the system and monitor the database and other components of the system to ensure that unauthorized entry is precluded;

(c) require standardized information for entry into the system;

(d) prescribe an identification procedure for a person filing records or other documents or otherwise accessing the system;

(e) require each individual who is required to sign a document that is filed electronically to be specifically identified as acknowledging the document and giving assent to the electronic filing through an identification

procedure unique to that individual;

(f) prescribe a procedure for certification of electronic filings by the secretary of state; and

(g) prescribe a procedure for converting an electronic filing to a paper copy and for certifying the paper copy for a person requesting a paper copy.

(4) ~~In accordance with 2-17-501, the~~ The secretary of state shall cooperate with the department of ~~administration~~ administration in the development of any electronic filing system. The filing system must comply with the standards established pursuant to [section 6].

(5) This section may not be construed to affect any requirement that a particular individual or officer of an organization acknowledge a document. Any person using an identification procedure in place of a signature or facsimile signature for any electronic filing is subject to the same civil and criminal penalties applicable to a person providing a signature or facsimile signature.

(6) An electronic filing system developed and implemented under this section may be constructed in phases as resources and technology allow."

Section 24. Section 2-15-1514, MCA, is amended to read:

"2-15-1514. State library commission -- natural resource data system advisory committee. (1) (a)

There is a state library commission ~~which is~~ created in Title 22, chapter 1.

(b) The composition, method of appointment, terms of office, compensation, reimbursement, and qualifications of commission members ~~remain~~ are as prescribed by law.

(2) (a) There is a natural resource data system advisory committee consisting of an employee of the legislative services division, of the department of administration, of the state library, and of each principal data source agency, appointed by the head of the respective state agency, and by the board of regents of higher education for the Montana university system.

(b) The state library shall provide staff support to the committee, within the limits of the library's available resources."

Section 25. Section 2-15-2212, MCA, is amended to read:

"2-15-2212. Committee on telecommunications access services for persons with disabilities -- composition -- allocation. (1) There is a committee on Montana telecommunications access services for persons with disabilities.

- (2) The committee consists of ~~42~~ 13 members appointed by the governor as follows:
- (a) four members who are persons with disabilities, two of whom must be deaf or hard-of-hearing;
 - (b) two members who are not persons with disabilities, one of whom must be engaged in a business other than a business in the telecommunications industry and one of whom must be a senior citizen;
 - (c) one member from the department of public health and human services;
 - (d) one member from the largest local exchange company in Montana;
 - (e) one member from an independent local exchange company;
 - (f) one member from an interLATA interexchange carrier;
 - (g) one member from the public service commission; ~~and~~
 - (h) one member who is a licensed audiologist; and
 - (i) one member from the department of administration.
- (3) The committee is allocated to the department of public health and human services for administrative purposes only as provided in 2-15-121."

Section 26. Section 2-17-301, MCA, is amended to read:

"2-17-301. Supervision of mailing, ~~duplicating, and copying, and telephone facilities.~~ (1) The department of administration shall maintain and supervise any central mailing, messenger service, ~~duplicating, and copying facilities~~ for state agencies in the capitol area. The central mailing, messenger service, and copying facilities must be capable of supporting state agencies within a 10-mile radius of the capitol.

~~(2) The department shall maintain and supervise any central telephone switchboard for state agencies located in Helena.~~

~~(3)~~(2) Cost records ~~shall~~ must be maintained, and agencies ~~shall~~ must be billed for services received.

(3) The department of administration shall plan, review, and approve any additional installations of mail equipment for state agencies within a 10-mile radius of the capitol. In approving the installation of additional equipment or systems, the department shall first consult with and consider the recommendations and advice of the department heads of the various state agencies."

Section 27. Section 2-17-303, MCA, is amended to read:

"2-17-303. Transfer of funds, equipment, facilities, and employees. (1) ~~In order to~~ The department shall provide for ~~a centralized, economical, efficient, and effective maintenance program for all state~~

~~communications equipment and facilities~~ the cost-effective use of information technology resources. and In order to ensure that needless duplication of efforts in this field do not occur, the department of ~~administration~~ may order ~~such the~~ transfer of appropriated funds, custody, and control of equipment and facilities and employees to the department as may be necessary to implement this program. Upon transfer, as authorized in this section, a credit account ~~shall~~ must be established in the name of the agency from which transfer is made in the amount of funds appropriated and the market value of equipment and facilities. ~~Such~~ A credit account ~~shall~~ must be used to defray the costs of ~~maintenance and repair~~ associated charges from the department as provided in ~~2-17-302(1)(e)~~ [section 6].

(2) The provisions of this section ~~shall in no manner~~ may not affect the rights or privileges of any employee transferred to the department of ~~administration~~ under the public employees' retirement system, the group insurance plan, or personnel system."

Section 28. Section 2-17-306, MCA, is amended to read:

"2-17-306. Exemption of law enforcement ~~communications~~ telecommunications system -- exception. The provisions of this part ~~shall~~ do not apply to the law enforcement ~~communications~~ telecommunications system or its successor except ~~as to~~ for the provisions dealing with the purchase, maintenance, and allocation of ~~communication~~ telecommunication facilities. However, the department of justice shall cooperate with the department of ~~administration~~ to coordinate the ~~communications~~ telecommunications networks of the state."

Section 29. Section 2-17-322, MCA, is amended to read:

"2-17-322. Establishment. (1) The department of ~~administration~~ shall establish and maintain appropriate electronic access systems for state agencies to use ~~as a means of conveying information to the citizens of Montana~~ to provide direct electronic access to information and services by citizens, businesses, and other government entities. State agencies ~~may~~ shall establish electronic access systems that meet minimum technical standards established by the department. Agencies involved in communicating information or providing services to the public shall use these systems to provide appropriate information to the public, including but not limited to:

- (a) descriptions of agency functions, including contact information;
- (b) agency program services provided to citizens, businesses, and other government entities;
- ~~(c)~~ (c) environmental assessments;

- ~~(b)~~(d) rulemaking notices;
- ~~(e)~~(e) board vacancy notices as required by 2-15-201;
- ~~(d)~~(f) agency reports mandated by statute;
- ~~(e)~~(g) parks reports required by 23-1-110;
- ~~(f)~~(h) requests for bids or proposals; and
- ~~(g)~~(i) public meeting notices and agendas.

(2) The purpose of electronic access systems is to encourage the practice of providing for direct citizen, business, and other government entity access to state computerized information and services."

Section 30. Section 2-17-323, MCA, is amended to read:

"2-17-323. Responsibilities. (1) The department of ~~administration~~ shall:

(a) ~~in collaboration with other state agencies, set~~ establish policies, standards, and procedures for the selection of software for the electronic access systems;

(b) establish appropriate services to support state agencies' use of the electronic access systems; and

(c) develop user-friendly ~~file transfer and message~~ systems for entities regularly interacting with state government, ~~such as professional associations and citizen groups~~ including but not limited to citizens, businesses, and other government entities, and promote the systems' use to reduce copying and mailing costs for state government and as a means to obtain information and services faster and in a more cost-effective manner; and

~~—(d) determine procedures for use of the electronic access systems.~~

(2) The department shall provide security to protect the integrity of its electronic access systems.

~~(3)~~ Each department is responsible for ensuring the integrity and appropriateness of the information that it places in the electronic access systems.

~~(3)~~(4) The department shall provide for an equitable method for recovering the cost of operating the electronic access systems that the department provides."

Section 31. Section 2-17-503, MCA, is amended to read:

"2-17-503. Security responsibilities of department of ~~administration~~. The department of ~~administration~~ is responsible for providing centralized management and coordination of state policies for security of data and information technology resources and shall:

(1) establish and maintain the minimum security standards and policies to implement 2-15-114, including the physical security of the central computer center, statewide telecommunications network, and backup computer facilities consistent with these standards;

(2) establish guidelines to assist agencies in identifying ~~electronic data processing~~ information technology personnel occupying positions of special trust or responsibility or sensitive locations;

(3) establish standards and policies for the exchange of data between ~~data centers or departments by hardwired or non-dedicated telecommunications~~ any agency information technology resource and any other state agency, private entity, or public entity to ensure that exchanges do not jeopardize data security and confidentiality;

(4) coordinate and provide for a training program regarding security of data and information technology resources to serve governmental technical and managerial needs;

(5) include appropriate security requirements in the specifications for solicitation of state contracts for procuring data and information technology resources; and

(6) upon request, provide technical and managerial assistance relating to ~~the~~ information technology security program."

Section 32. Section 2-18-103, MCA, is amended to read:

"2-18-103. Officers and employees excepted. Parts 1 through 3 and 10 do not apply to the following officers and employees in state government:

- (1) elected officials;
- (2) county assessors and their chief deputies;
- (3) employees of the office of consumer counsel;
- (4) judges and employees of the judicial branch;
- (5) members of boards and commissions appointed by the governor, the legislature, or other elected state officials;
- (6) officers or members of the militia;
- (7) agency heads appointed by the governor;
- (8) academic and professional administrative personnel with individual contracts under the authority of the board of regents of higher education;
- (9) academic and professional administrative personnel and live-in houseparents who have entered into individual contracts with the state school for the deaf and blind under the authority of the state board of public

education;

(10) investment officer, assistant investment officer, executive director, and five professional staff positions of the board of investments;

(11) four professional staff positions under the board of oil and gas conservation;

(12) assistant director for security of the Montana state lottery;

(13) executive director and employees of the state compensation insurance fund;

(14) state racing stewards employed by the executive secretary of the Montana board of horseracing;

(15) executive director of the Montana wheat and barley committee;

(16) commissioner of banking and financial institutions;

(17) training coordinator for county attorneys;

(18) employees of an entity of the legislative branch consolidated, as provided in 5-2-504;

(19) chief information officer in the department of administration."

Section 33. Section 5-11-402, MCA, is amended to read:

"5-11-402. Legislative branch computer system planning council. There is a legislative branch computer system planning council composed of:

(1) the secretary of the senate or another representative of the senate designated by the president;

(2) the chief clerk of the house of representatives or another representative of the house designated by the speaker;

(3) the sergeants-at-arms in the two houses or another representative of each house designated by the presiding officer of the legislative administration committee of that house;

(4) the executive director of the legislative services division, who shall chair the planning council;

(5) the legislative auditor;

(6) the legislative fiscal analyst;

(7) the consumer counsel; and

(8) a person designated by the ~~director~~ director of the department of ~~administration~~ administration to represent the ~~data processing policy and planning functions~~ information technology responsibilities of the department, who shall serve as a nonvoting member of the planning council."

Section 34. Section 5-11-403, MCA, is amended to read:

"5-11-403. Duties of legislative branch computer system planning council. (1) The legislative branch computer system planning council shall develop and maintain a legislative branch computer system plan. In developing and maintaining this plan, the planning council shall:

(a) continuously review or have reviewed existing information systems that are candidates for automation or enhancement, as well as review existing automated systems that may be improved or integrated with new applications;

(b) develop and maintain a description of functions or services in the legislative branch and its agencies that would, through application or improvement of computer technology, provide better service to members of the legislature, legislative agencies, and the public;

(c) develop and maintain a ranking of needs, taking into consideration the relative effectiveness and probable cost of alternative systems; and

(d) develop and maintain recommended system standards for the legislative branch and standard or custom software and hardware solutions appropriate to the needs and environment of the legislative branch and its agencies.

(2) To the extent possible:

(a) future applications should be explicitly identified in the plan;

(b) current applications should allow a high degree of flexibility so that future applications are not limited; and

(c) both current and future applications should be coordinated and compatible with the standards and goals of the executive branch ~~established under 2-17-501 through 2-17-503~~ as expressed in the state strategic information technology plan provided for in [section 13], as well as the legislative branch standards developed in accordance with the requirement in subsection (1)(d)."

Section 35. Section 5-12-205, MCA, is amended to read:

"5-12-205. Powers and duties of committee. The committee:

(1) may organize, adopt rules to govern its proceedings, and meet as often as necessary, upon the call of the presiding officer, to advise and consult with the legislative fiscal analyst;

(2) may employ and, in accordance with the rules for classification and pay adopted by the legislative council, set the salary of the legislative fiscal analyst. The legislative fiscal analyst shall serve at the pleasure of and be responsible for providing services to the committee.

(3) may exercise the investigatory powers of a standing committee under chapter 5, part 1, of this title;
and

(4) shall monitor the information technology policies of the department of administration with specific attention to:

(a) identification of information technology issues likely to require future legislative attention; and

(b) the evaluation of proposed information technology policy changes and the fiscal implications of the proposed changes and shall provide written responses to the department of administration communicating the committee's positions and concerns on proposed policy changes;

(5) may accumulate, compile, analyze, and provide information relevant to existing or proposed legislation on how information technology can be used to impact the welfare of the state;

(6) may prepare legislation to implement any proposed changes involving information technology; and

~~(4)~~(7) shall, before each regular and special legislative session involving budgetary matters, prepare recommendations to the house appropriations committee and the senate finance and claims committee on the application of certain budget issues. At a minimum, the recommendations must include procedures for the consistent application during each session of inflation factors, the allocation of fixed costs, and the personal services budget. The committee may also make recommendations on other issues of major concern in the budgeting process, such as estimating the cost of implementing particular programs based upon present law."

Section 36. Section 10-3-106, MCA, is amended to read:

"10-3-106. Communications. (1) The division shall coordinate whatever means exist for rapid and efficient communications in time of emergency or disaster.

(2) The division shall, in cooperation with the ~~division of communications~~, department of ~~administration~~ administration, consider the desirability of supplementing communications resources or of integrating them into a comprehensive state or state-federal telecommunications or other communications system or network.

(3) The division shall, in cooperation with the ~~division of communications~~ department of administration and local political subdivisions, evaluate the possibility of multipurpose use of communications systems or networks for general state and local governmental purposes.

(4) The division shall assist political subdivisions in the orderly development of telecommunications systems complementary to the ~~state~~ statewide telecommunications ~~system or network~~."

Section 37. Section 17-7-111, MCA, is amended to read:

"17-7-111. Preparation of state budget -- agency program budgets -- form distribution and contents. (1) (a) To prepare a state budget, the executive branch, the legislature, and the citizens of the state need information that is consistent and accurate. Necessary information includes detailed disbursements by fund type for each agency and program for the appropriate time period, recommendations for creating a balanced budget, and recommended disbursements and estimated receipts by fund type and fund category.

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

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

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

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

(3) The agency budget request must set forth a balanced financial plan for the agency completing the forms for each fiscal year of the ensuing biennium. The plan must consist of:

(a) a consolidated agency budget summary of funds subject to appropriation or enterprise funds that transfer profits to the general fund or to an account subject to appropriation for the current base budget expenditures, including statutory appropriations, and for each present law adjustment and new proposal request setting forth the aggregate figures of the full-time equivalent personnel positions (FTE) and the budget, showing 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;

(b) a schedule of the actual and projected receipts, disbursements, and solvency of each accounting

entity within each fund for the current biennium and estimated for the subsequent biennium;

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

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

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

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

(g) for only agencies with more than 20 FTE, a plan to reduce the proposed budget to 85% of the current base budget. The plan must include:

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

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

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

(h) a reference for each new information technology proposal stating whether the new proposal is included in the approved agency information technology plan as required in [section 15]; and

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

(4) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with 17-7-112:

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

(b) a statewide summary of recommendations for information technology projects and new initiatives. Each recommendation must be presented by institution, agency, or branch and by funding source, and recommendations for major new information technology projects must contain the information identified in [section

18].

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

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

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

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

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

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

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

Section 38. Section 17-7-112, MCA, is amended to read:

"17-7-112. Submission deadlines -- budgeting schedule. The following is the schedule for the preparation of a state budget for submission to the legislature convening in the following year:

(1) By August 1, forms necessary for preparation of budget estimates must be distributed pursuant to 17-7-111(2).

(2) By September 1, each agency shall submit the information required under 17-7-111 to the budget director. The department of justice shall submit information received from counties concerning the state's share of county attorney salaries.

(3) By September 1, the budget director shall submit each state agency's budget request required under 17-7-111(3) to the legislative fiscal analyst. The transfer of budget information must be done on a schedule mutually agreed to by the budget director and the legislative fiscal analyst in a manner that facilitates an even transfer of budget information that allows each office to maintain a reasonable staff workflow.

(4) By October 10, the budget director shall furnish the legislative fiscal analyst with a preliminary budget reflecting the base budget in a format agreed upon by both the office of budget and program planning and the legislative fiscal analyst.

(5) By October 30, a budget request must be prepared by the budget director and submitted to the legislative fiscal analyst on behalf of any agency that did not present the information required by this section. The budget request must be based upon the budget director's studies of the operations, plans, and needs of the institution, university unit, or agency.

(6) By November 1, the budget director shall furnish the legislative fiscal analyst with a present law base for each agency and a copy of the documents that reflect the anticipated receipts and other means of financing the base budget and present law base for each fiscal year of the ensuing biennium. The material must be in a format agreed upon by both the office of budget and program planning and the legislative fiscal analyst.

(7) By November 12, the budget director shall furnish the legislative fiscal analyst with the documents, in a format agreed upon by both the office of budget and program planning and the legislative fiscal analyst, that reflect expenditures to the second level, as provided in 17-1-102(3), by funding source and detailed by accounting entity.

(8) By November 15, the proposed pay plan schedule and the information technology summary required by 17-7-111(4), a preliminary budget that meets the statutory requirements for submission of the budget to the legislature, and a summary of the preliminary budget designed for distribution to members and members-elect of the legislature must be submitted to the legislative fiscal analyst.

(9) By December 15, the budget director shall submit a preliminary budget to the governor and to the governor-elect, if there is one, as provided in 17-7-121, and shall furnish the legislative fiscal analyst with all amendments to the preliminary budget.

(10) By January 7, recommended changes proposed by a governor-elect must be transmitted to the

legislative fiscal analyst and the legislature as provided in 17-7-121."

Section 39. Section 17-7-123, MCA, is amended to read:

"17-7-123. Form of executive budget. 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 must consist of:

(1) 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.

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

(3) the departmental mission and a statement of goals and objectives for each program of the department;

(4) 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;

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

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

(b) 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

(c) 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;

(6) a report on:

(a) enterprise funds not subject to the requirements of subsections (1) through (5), including retained

earnings and contributed capital, projected operations and charges, and projected fund balances; and

(b) 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.

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

Section 40. Section 18-4-313, MCA, is amended to read:

"18-4-313. Contracts -- terms, extensions, and time limits. (1) Unless otherwise provided by law, a contract, lease, or rental agreement for supplies or services may not be made for a period of more than 7 years. However, the department may contract for ~~the lease or purchase of telecommunications equipment and systems, data processing equipment~~ information technology resources, the department of revenue may contract with liquor agencies, and the department of public health and human services may contract for the medicaid management information system (MMIS) for a period not to exceed 10 years. A contract, lease, or rental agreement may be extended or renewed if the terms of the extension or renewal, if any, are included in the solicitation, if funds are available for the first fiscal period at the time of the agreement, and if the total contract period, including any extension or renewal, does not exceed 7 years. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of funds for the fiscal periods.

(2) Prior to the issuance, extension, or renewal of a contract, it must be determined that:

(a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and
 (b) the contract will serve the best interests of the state by encouraging effective competition or otherwise promoting economies in state procurement.

(3) ~~When~~ If funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled."

Section 41. Section 61-3-345, MCA, is amended to read:

"61-3-345. County motor vehicle computer system. (1) The department shall maintain a statewide online computer system to be used to register and reregister motor vehicles, boats, snowmobiles, and off-highway vehicles.

(2) The department shall establish the user advisory group to assist in the development of policies governing the registration and reregistration of motor vehicles, boats, snowmobiles, and off-highway vehicles. The user advisory group must be appointed by the attorney general and must include:

(a) an employee of the department of ~~administration, data processing division,~~ administration selected by the ~~division administrator~~ director of the department of administration;

(b) two county treasurers, selected by the Montana county treasurers association;

(c) one county motor vehicle section supervisor, selected by the Montana county treasurers association;

(d) an employee of the department of revenue who is engaged in property assessment, selected by the director of the department of revenue;

(e) an employee of the department of justice, data processing division, selected by the division administrator;

(f) an employee of the department of justice, motor vehicle division, registrar's bureau, selected by the division administrator;

(g) an employee of the department of justice, motor vehicle division, driver services bureau, selected by the division administrator;

(h) a member of the Montana bankers' association, selected by the association director;

(i) a member of the Montana automobile dealers association, selected by the association director; and

(j) a member or employee of the Montana American automobile association, selected by the association director.

(3) Committee members who are not employees of the state of Montana shall serve a term of 2 years, and state employee members shall serve at the pleasure of the attorney general.

(4) Travel and per diem expenses for the committee must be charged to the motor vehicle division.

(5) Secretarial and support services for the committee must be provided by the motor vehicle division.

(6) The committee shall meet no more than four times a year unless specifically called by the attorney general."

Section 42. Section 61-3-346, MCA, is amended to read:

"61-3-346. County motor vehicle computer committee. (1) There is a county motor vehicle computer committee.

(2) The committee is allocated to the department of justice for administrative purposes only as provided

in 2-15-121.

(3) The committee consists of:

(a) an employee of the ~~information service division of the department of administration~~ administration, appointed by the ~~director of the department of administration~~ director of the department;

(b) two county treasurers, appointed by the Montana county treasurers association; and

(c) two employees of the department of justice, appointed by the attorney general."

Section 43. Repealer. Sections 2-17-302, 2-17-304, 2-17-305, 2-17-321, 2-17-501, and 2-17-502, MCA, are repealed.

Section 44. Codification instructions -- instructions to code commissioner. (1) [Section 1] is intended to be codified as an integral part of Title 2, chapter 15, part 10, and the provisions of Title 2, chapter 15, part 10, apply to [section 1].

(2) [Sections 2 through 18] are intended to be codified as an integral part of Title 2, and the provisions of Title 2 apply to [sections 2 through 18].

(3) The code commissioner shall renumber sections 2-17-303, 2-17-306, 2-17-311 through 2-17-313, 2-17-322, 2-17-323, and 2-17-503 as an integral part of [sections 2 through 18].

Section 45. No appropriation. The legislature has determined that [this act] can be implemented within existing appropriations, and therefore no separate appropriation of state money is necessary to carry out the purposes of [this act].

Section 46. Coordination instruction. If Senate Bill No. 90 and [this act] are both passed and approved, then [section 40 of this act] is amended to read:

"18-4-313. Contracts -- terms, extensions, and time limits. (1) Unless otherwise provided by law, a contract, lease, or rental agreement for supplies or services may not be made for a period of more than 7 years. However, the department may contract for ~~the lease or purchase of telecommunications equipment and systems, data processing equipment~~ hardware, software, or other information technology resources, the department of revenue may contract with liquor agencies, and the department of public health and human services may contract for the medicaid management information system (MMIS) for a period not to exceed 10 years. A contract, lease,

or rental agreement may be extended or renewed if the terms of the extension or renewal, if any, are included in the solicitation, if funds are available for the first fiscal period at the time of the agreement, and if the total contract period, including any extension or renewal, does not exceed 7 years. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of funds for the fiscal periods.

(2) Prior to the issuance, extension, or renewal of a contract, it must be determined that:

(a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and
(b) the contract will serve the best interests of the state by encouraging effective competition or otherwise promoting economies in state procurement.

(3) ~~When~~ If funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled."

Section 47. Effective date. [This act] is effective July 1, 2001.

- END -

I hereby certify that the within bill,
SB 0131, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2019.

Speaker of the House

Signed this _____ day
of _____, 2019.

SENATE BILL NO. 131
INTRODUCED BY M. TAYLOR
BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

AN ACT GENERALLY REVISING THE LAWS GOVERNING INFORMATION TECHNOLOGY; PROVIDING FOR A CHIEF INFORMATION OFFICER; ESTABLISHING POLICIES FOR STATE INFORMATION TECHNOLOGY; ESTABLISHING DUTIES AND RESPONSIBILITIES CONCERNING INFORMATION TECHNOLOGY; AMENDING SECTIONS 2-3-301, 2-6-214, 2-15-102, 2-15-114, 2-15-404, 2-15-1514, 2-15-2212, 2-17-301, 2-17-303, 2-17-306, 2-17-322, 2-17-323, 2-17-503, 2-18-103, 5-11-402, 5-11-403, 5-12-205, 10-3-106, 17-7-111, 17-7-112, 17-7-123, 18-4-313, 61-3-345, AND 61-3-346, MCA; REPEALING SECTIONS 2-17-302, 2-17-304, 2-17-305, 2-17-321, 2-17-501, AND 2-17-502, MCA; AND PROVIDING AN EFFECTIVE DATE.

