

SENATE BILL NO. 135

INTRODUCED BY A. WITTICH

1
2
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING EXECUTIVE BRANCH AGENCIES AND UNITS IN THE
5 UNIVERSITY SYSTEM TO REPORT ~~THE AMOUNT OF FEDERAL FUNDS RECEIVED ANNUALLY;~~
6 ~~REQUIRING THE GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING TO COMPILE THE~~
7 ~~REPORTS AND SUBMIT A REPORT TO THE LEGISLATURE; TO THE LEGISLATURE IF FEDERAL GRANTS~~
8 AWARDED ARE NOT AT LEAST 90% OF THE AMOUNT ANTICIPATED AND WITH CONTINGENCY PLANS IF
9 ANTICIPATED FEDERAL FUNDS ARE REDUCED; AMENDING SECTION 17-3-102, MCA; AND PROVIDING
10 AN IMMEDIATE EFFECTIVE DATE."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13
14 ~~NEW SECTION. Section 1. Short title. [Sections 1 through 3] may be cited as the "Federal Receipts~~
15 ~~Reporting Requirements Act".~~

16
17 ~~NEW SECTION. Section 2. Definitions. As used in [sections 1 through 3], unless the context otherwise~~
18 ~~requires, the following definitions apply:~~

19 ~~(1) (a) "Agency" has the meaning provided in 2-15-102.~~

20 ~~(b) The term does not include either the judicial branch or the legislative branch or any office or entity~~
21 ~~within either branch.~~

22 ~~(2) (a) "Federal receipts" means the federal financial assistance that an agency or university system unit~~
23 ~~receives or administers in the form of grants, loans, loan guarantees, property, cooperative agreements, interest~~
24 ~~subsidies, insurance, food commodities, direct appropriations, or other assistance.~~

25 ~~(b) The term does not include amounts received as reimbursement for services rendered to individuals.~~

26 ~~(3) "University system unit" means a unit within the Montana university system provided for in 20-25-201.~~

27
28 ~~NEW SECTION. Section 3. Federal receipts reporting requirements. (1) By July 31 of each year,~~
29 ~~each agency and university system unit shall submit to the governor's office of budget and program planning a~~
30 ~~report that:~~



- 1 ~~_____ (a) states the aggregate value of federal receipts that the agency or university system unit received for~~
 2 ~~the preceding fiscal year if the value exceeds \$100,000;~~
- 3 ~~_____ (b) states the aggregate amount of federal funds appropriated by the legislature to the agency or~~
 4 ~~university system unit for the preceding fiscal year;~~
- 5 ~~_____ (c) calculates the percentage that constitutes federal receipts of the total budget for the agency or~~
 6 ~~university system unit received for that fiscal year; and~~
- 7 ~~_____ (d) develops a plan for operating the agency or university system unit if there is a reduction of:~~
 8 ~~_____ (i) 5% or more in the federal receipts that the agency or university system unit receives; and~~
 9 ~~_____ (ii) 25% or more in the federal receipts that the agency or university system unit receives.~~
- 10 ~~_____ (2) The governor's office of budget and program planning shall:~~
- 11 ~~_____ (a) compile and summarize the reports filed pursuant to subsection (1), including a list of agencies or~~
 12 ~~university system units that failed to submit the required report;~~
- 13 ~~_____ (b) compare the aggregate value of federal receipts that each agency or university system unit received~~
 14 ~~for the previous fiscal year to the aggregate amount of federal funds to the total budget of the agency or university~~
 15 ~~system unit for that fiscal year; and~~
- 16 ~~_____ (c) submit the results of the requirements of subsections (2)(a) and (2)(b) by September 1 of each year~~
 17 ~~to the legislative finance committee established in 5-12-201.~~
- 18 ~~_____ (3) Upon consideration of the report submitted pursuant to subsection (2), the legislative finance~~
 19 ~~committee may:~~
- 20 ~~_____ (a) recommend that the legislature reduce or eliminate appropriations for an agency or university system~~
 21 ~~unit;~~
- 22 ~~_____ (b) take no action; or~~
- 23 ~~_____ (c) take another action approved by a majority of the committee.~~

- 24
- 25 **SECTION 1. SECTION 17-3-102, MCA, IS AMENDED TO READ:**
- 26 **"17-3-102. Definitions.** As used in this part, the following definitions apply:
- 27 (1) "Application" means the form specified by a federal agency.
- 28 (2) "Federal assistance programs" means any financial assistance made to a state agency by an agency
 29 of the United States government, whether a grant, loan, gift, contract, or in any other form.
- 30 (3) "Grantee agency" means any agency of state government receiving federal funds.

1 (4) "Indirect costs" means costs that benefit more than one agency or program and that are not readily
2 assignable to the agency or program specifically benefiting.

3 (5) "Service agency" means state agencies that provide goods, facilities, and services to a grantee
4 agency.

5 (6) "State agency" means any agency of state government eligible to apply for and receive federal funds.

6 (7) "University system unit" means a unit within the Montana university system provided for in
7 20-25-201."

8
9 NEW SECTION. Section 2. Federal reporting requirements. For each federal grant in excess of
10 \$1 million, each state agency and university system unit shall report in electronic form to the legislative
11 fiscal division for consideration by the legislative finance committee:

12 (1) Whenever grants received in any year are less than 90% of anticipated amounts as
13 appropriated by the legislature for that year. The report must include a short description of the impact
14 of the discrepancy and how it was addressed by the agency or university system unit.

15 (2) By October 1 of each odd-numbered fiscal year, a plan for operating the agency or university
16 system unit if there is a reduction of 5%, 10%, and 20% in the anticipated federal funds that the agency
17 or university system receives.

18
19 NEW SECTION. Section 3. Codification instruction. ~~Sections 1 through 3~~ are ~~[SECTION 2]~~ IS intended
20 to be codified as an integral part of Title 2 17, and the provisions of Title 2 17 apply to ~~sections 1 through 3~~
21 ~~[SECTION 2]~~.

22
23 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

24 - END -