

HOUSE BILL NO. 562

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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING DESIGNATED STATE AGENCIES TO SUBMIT
REPORTS TO THE OFFICE OF BUDGET AND PROGRAM PLANNING ON INFORMATION RELATED TO
FINANCIAL ASSISTANCE PROVIDED TO TRIBAL ENTITIES; REQUIRING THE OFFICE OF BUDGET AND
PROGRAM PLANNING TO COMPILE A REPORT ON FINANCIAL ASSISTANCE PROVIDED BY DESIGNATED
STATE AGENCIES DIRECTLY OR INDIRECTLY TO TRIBAL ENTITIES AND SUBMIT THE REPORT IN AN
ELECTRONIC FORMAT TO THE STATE-TRIBAL RELATIONS COMMITTEE AND THE OFFICE OF STATE
DIRECTOR OF INDIAN AFFAIRS; REQUIRING THE REPORT COMPILED BY THE OFFICE OF BUDGET AND
PROGRAM PLANNING TO BE POSTED ON THE WEBSITE OF THE OFFICE OF STATE DIRECTOR OF
INDIAN AFFAIRS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, the Montana Indian tribes and the state of Montana desire transparency for funding provided
by the state and federal governments and administered by the state directly or indirectly to the tribes; and

WHEREAS, to enhance transparency and accountability to members of the Montana Indian tribes, tribal
members desire to access information regarding the receipt of federal and state funding by their tribal
governments.

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

NEW SECTION. Section 1. Definitions. (1) As used in [sections 1 and 2]:

(1) (a) "Designated state agency" means:

- (i) the department of administration;
- (ii) the department of agriculture;
- (iii) the arts council;
- (iv) the office of the state auditor;
- (v) the board of regents;

- 1 (vi) the department of commerce;
2 (vii) the department of corrections;
3 (viii) the department of environmental quality;
4 (ix) the department of fish, wildlife, and parks;
5 (x) the governor's office;
6 (xi) the department of labor and industry;
7 (xii) the department of livestock;
8 (xiii) the department of military affairs;
9 (xiv) the Montana board of crime control;
10 (xv) the department of natural resources and conservation;
11 (xvi) the commissioner of political practices;
12 (xvii) the office of the state public defender;
13 (xviii) the board of public education;
14 (xix) the department of public health and human services;
15 (xx) the office of public instruction;
16 (xxi) the public service commission;
17 (xxii) the department of revenue;
18 (xxiii) the school for the deaf and blind;
19 (xxiv) the office of the secretary of state;
20 (xxv) the state fund;
21 (xxvi) the state library;
22 (xxvii) the department of transportation;
23 (xxviii) the office of the commissioner of higher education; or
24 (xxix) the department of justice;
25 (b) The term does not include the judicial branch, the legislative branch, or an office or other entity within
26 the judicial branch or the legislative branch.

27 (2) (a) "Financial assistance" means assistance provided by a federal or state entity to a tribal entity or
28 subrecipient to carry out a program. Financial assistance may be in the form of grants, contracts, cooperative
29 agreements, loans, loan guarantees, property, interest subsidies, insurance, direct appropriations, or other
30 noncash assistance. Financial assistance includes awards received directly from federal or state agencies or

1 indirectly when subrecipients receive funds identified as federal or state funds by recipients. The granting agency
2 is responsible for identifying the source of funds awarded to tribal entity recipients.

3 (b) Financial assistance does not include federal, state, or local government cash assistance provided
4 directly to individuals.

5 (3) "Subrecipient" means a third party who receives state or federal funds that the third party ultimately
6 provides to a tribal entity in the form of financial assistance.

7 (4) "Tribal entity" means a tribal nation, tribal council, or tribal government located in the state of
8 Montana.

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10 **NEW SECTION. Section 2. Funding for tribal entities -- reporting.** (1) Following the close of each
11 fiscal year, a designated state agency shall prepare a report that identifies all financial assistance distributed by
12 the designated state agency directly or indirectly to a tribal entity in the previous fiscal year.

13 (2) The report must provide the following information:

14 (a) the amount distributed directly to a tribal entity;

15 (b) the amount distributed to a subrecipient that was ultimately distributed to a tribal entity;

16 (c) the date the amount was distributed to a tribal entity or subrecipient;

17 (d) the tribal entity receiving the financial assistance;

18 (e) the Catalog of Federal Domestic Assistance reference number, if applicable;

19 (f) the purpose of the distribution; and

20 (g) the amount of any management or administrative costs or fees assessed or charged by the
21 designated state agency for distributing the financial assistance.

22 (2) A designated state agency that prepares a report in accordance with subsection (1) shall submit the
23 report to the office of budget and program planning on or before August 1 of each year.

24 (3) The office of budget and program planning shall prepare an annual report that compiles and
25 summarizes the reports that the office of budget and program planning receives in accordance with subsection
26 (2).

27 (4) The office of budget and program planning shall submit the report required by subsection (3) to the
28 state-tribal relations committee and to the office of state director of Indian affairs on or before September 1 of
29 each year. The report must be submitted in an electronic format.

30 (5) The report required by subsection (3) shall be posted on the website of the office of state director of

1 Indian affairs.

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3 NEW SECTION. **Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified
4 as an integral part of Title 17, and the provisions of Title 17 apply to [sections 1 and 2].

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6 NEW SECTION. **Section 4. Notification to tribal governments.** The secretary of state shall send a
7 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell
8 Chippewa tribe.

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10 NEW SECTION. **Section 5. Effective date.** [This act] is effective on passage and approval.

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