



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill # HB0639

Title: Establish legislative audit special revenue account for specialist services

Primary Sponsor: Bartel, Dan

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill has no fiscal impact to the state. The bill is funded from existing authority, and the legislation does not establish a new appropriation.

FISCAL ANALYSIS

Assumptions:

Legislative Branch

- Section 1 of HB 639 establishes a legislative audit specialist services reserve account, to be statutorily appropriated, as provided in 17-7-502, MCA.
- Section 2, subsection 4, provides that any portion of the 30% of unexpended money, commonly referred to as “carryforward authority”, that was appropriated to the Legislative Audit Division may be deposited into the reserve account.
- The funding source for this bill comes from existing appropriation authority, it is assumed that there is no fiscal impact to the state.
- Section 17-1-508, MCA, requires analysis of the statutory appropriation relative to the guidance in 17-1-508(3), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

	<u>YES</u>	<u>NO</u>
a. The money is from a continuing, reliable, and estimable source.	X	
b. The use of the appropriation or the expenditure occurrence is predictable and reliable.	X	
c. The authority exists elsewhere.		X
d. An alternative appropriation method is available, practical, or effective.	X	
e. It appropriates state general fund money for purposes other than paying for emergency services.	X	
f. The money is used for general purposes.	X	
g. The legislature wishes to review expenditure and appropriation levels each biennium.	X	
h. An expenditure cap and sunset date are excluded.	X	

Comments: Section 1, subsection 3, of HB 639 provides that the balance of this account may not exceed \$50,000, not including interest earnings.

Dan Bault
Sponsor's Initials

3/11/19
Date

TL
Budget Director's Initials

3/9/19
Date



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Dedication of Revenue 2021 Biennium

17-1-507, MCA.

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)**

No.

- b) **What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?**

There is a legal basis for the revenue dedication, resulting from a statutory requirement for funds to be designated for a specific purpose.

- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)**

Yes.

- d) **Does the need for this state special revenue provision still exist? ___Yes ___No (Explain)**

Yes. The Legislative Auditor, from time to time, has to need to procure outside expertise in support of audit activities.

- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)**

No. Statutory requirements provide that these dedicated funds must be approved by the legislative audit committee provided for in 5-13-201, MCA.

- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)**

Yes. The need still exists.

- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)**

Creating a dedicated revenue fund will provide the ability to track individual expenditures.