



AN ACT GENERALLY REVISING REQUIREMENTS FOR REPORTS TO THE LEGISLATURE; UPDATING REQUIREMENTS FOR REPORTS TO THE LEGISLATURE CLEARINGHOUSE; PROVIDING EXCEPTIONS; REVISING DATE REQUIREMENTS; AMENDING SECTIONS 2-1-407, 2-7-104, 2-15-210, 2-15-225, 2-15-401, 2-15-2017, 2-15-2225, 2-15-3113, 2-15-3308, 2-17-101, 2-17-512, 2-17-513, 2-17-515, 2-17-804, 2-17-825, 3-1-702, 5-5-223, 5-5-224, 5-5-229, 5-5-231, 5-5-232, 5-11-210, 5-12-208, 5-12-302, 5-12-303, 5-13-305, 5-13-311, 5-20-301, 10-2-102, 10-3-802, 13-22-108, 13-37-120, 15-30-2303, 15-32-703, 15-70-450, 17-1-102, 17-2-107, 17-5-1650, 17-7-140, 17-7-202, 17-7-214, 17-8-416, 19-3-117, 19-20-216, 19-20-732, 20-1-231, 20-7-101, 20-7-308, 20-7-469, 20-7-904, 20-7-1602, 20-9-161, 20-9-328, 20-9-330, 20-9-537, 20-15-309, 20-25-305, 20-26-105, 22-3-423, 22-3-1002, 23-7-202, 23-7-410, 32-11-306, 33-1-115, 37-1-107, 37-1-145, 37-3-203, 37-7-1514, 39-12-103, 39-71-2375, 41-3-123, 41-3-1211, 41-5-2003, 44-4-1606, 44-7-302, 46-23-1028, 47-1-125, 50-6-402, 50-46-329, 50-46-343, 52-2-211, 52-2-311, 53-1-211, 53-1-216, 53-1-611, 53-4-209, 53-6-110, 53-6-116, 53-6-710, 53-6-1325, 53-20-225, 53-21-508, 53-30-604, 61-2-109, 69-1-222, 69-8-402, 75-1-314, 75-1-1101, 75-5-703, 75-10-111, 75-10-743, 75-10-1601, 75-11-521, 76-4-116, 76-22-118, 77-1-223, 77-2-366, 80-7-1006, 80-7-1026, 80-7-1203, 82-2-701, 85-1-203, 85-1-501, 85-1-605, 85-1-621, 85-1-704, 85-2-105, 85-2-281, 85-2-316, 85-2-338, 85-2-350, 85-2-436, 87-1-201, 87-1-250, 87-1-269, 87-1-272, 87-1-629, 87-1-901, 87-2-702, 90-1-105, 90-1-132, 90-1-182, 90-3-1301, 90-6-703, 90-6-710, AND 90-11-102, MCA; REPEALING SECTIONS 20-9-323 AND 41-3-122, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

Section 1. Reports to legislature. (1) (a) Except as provided in subsection (1)(b) and (6), a report to the legislature means a biennial report required by the legislature and filed in accordance with 5-11-210 on or before September 1 of each year preceding the convening of a regular session of the legislature.

(b) If otherwise specified in law, a report may be required more or less frequently than the biennial

requirement in subsection (1)(a).

(2) Reports to the legislature include:

(a) annual reports on the unified investment program for public funds and public retirement systems and state compensation insurance fund assets audits from the board of investments in accordance with Article VIII, section 13 of the Montana constitution;

(b) federal mandates requirements from the governor in accordance with 2-1-407;

(c) activities of the state records committee in accordance with 2-6-1108;

(d) revenue studies from the director of revenue, if requested, in accordance with 2-7-104;

(e) legislative audit reports from the legislative audit division in accordance with 2-8-112 and 23-7-410;

(f) progress on gender and racial balance from the governor in accordance with 2-15-108;

(g) a mental health report from the ombudsman in accordance with 2-15-210;

(h) policies related to children and families from the interagency coordinating council for state prevention in accordance with 2-15-225;

(i) watercourse name changes, if any, from the secretary of state in accordance with 2-15-401;

(j) results of programs established in 2-15-3111 through 2-15-3113 from the livestock loss board in accordance with 2-15-3113;

(k) the allocation of space report from the department of administration required in accordance with 2-17-101;

(l) information technology activities in accordance with 2-17-512;

(m) state strategic information technology plan exceptions, if granted, from the department of administration in accordance with 2-17-515;

(n) the state strategic information technology plan and biennial report from the department of administration in accordance with 2-17-521 and 2-17-522;

(o) statistical and other data related to business transacted by the courts from the court administrator, if requested, in accordance with 3-1-702;

(p) the judicial standards commission report in accordance with 3-1-1126;

(q) reports from standing, interim, and administrative committees, if prepared, in accordance with 2-

17-825 and 5-5-216;

(r) a link to annual state agency reports on grants awarded in the previous fiscal year established by the legislative finance committee in accordance with 5-12-208;

(s) reports prepared by the legislative fiscal analyst, and as determined by the analyst, in accordance with 5-12-302(4);

(t) a report, if necessary, on administrative policies or rules adopted under 5-11-105 that may impair the independence of the legislative audit division in accordance with 5-13-305;

(u) if a waste of state resources occurs, a report from the legislative state auditor, in accordance with 5-13-311;

(v) school funding commission reports each fifth interim in accordance with 5-20-301;

(w) a report concerning taxable value from the department of revenue in accordance with 15-1-205;

(x) a report on tax credits from the revenue interim committee in accordance with 15-30-2303;

(y) annual reports on general fund and non-general fund encumbrances from the department of administration in accordance with 17-1-102;

(z) loans or loan extensions authorized for two consecutive fiscal years from the department of administration and office of commissioner of higher education, including negative cash balances from the commissioner of higher education, in accordance with 17-2-107;

(aa) a report of local government entities that have balances contrary to limitations provided for in 17-2-302 or that failed to reduce the charge from the department of administration in accordance with 17-2-304;

(bb) an annual report from the board of investments in accordance with 17-5-1650(2);

(cc) a report on retirement system trust investments and benefits from the board of investments in accordance with 17-6-230;

(dd) recommendations for reductions in spending and related analysis, if required, from the office of budget and program planning in accordance with 17-7-140;

(ee) a statewide facility inventory and condition assessment from the department of administration in accordance with 17-7-202;

(ff) actuary reports and investigations for public retirement systems from the public employees' retirement board in accordance with 19-2-405;

- (gg) a work report from the public employees' retirement board in accordance with 19-2-407;
- (hh) annual actuarial reports and evaluations from the teachers' retirement board in accordance with 19-20-201;
- (ii) reports from the state director of K-12 career and vocational and technical education, as requested, in accordance with 20-7-308;
- (jj) 5-year state plan for career and technical education reports from the board of regents in accordance with 20-7-330;
- (kk) a gifted and talented students report from the office of public instruction in accordance with 20-7-904;
- (ll) status changes for at-risk students from the office of public instruction in accordance with 20-9-328;
- (mm) status changes for American Indian students from the office of public instruction in accordance with 20-9-330;
- (nn) reports regarding the Montana Indian language preservation program from the state-tribal economic development commission in accordance with 20-9-537;
- (oo) proposals for funding community colleges from the board of regents in accordance with 20-15-309;
- (pp) expenditures and activities of the Montana agricultural experiment station and extension service, as requested, in accordance with 20-25-236;
- (qq) reports, if requested by the legislature, from the president of each of the units of the higher education system in accordance with 20-25-305;
- (rr) reports from the Montana historical society trustees in accordance with 22-3-107;
- (ss) state lottery reports in accordance with 23-7-202;
- (tt) a report from the division of banking and financial institutions, if required, from the department of administration in accordance with 32-11-306;
- (uu) state fund reports, if required, from the commissioner in accordance with 33-1-115;
- (vv) reports from the department of labor and industry in accordance with 39-6-101;
- (ww) Montana EARN program reports from the department of labor and industry in accordance with 39-11-306;

- (xx) victim unemployment benefits reports from the department of labor and industry in accordance with 39-51-2111;
- (yy) state fund business reports in accordance with 39-71-2363;
- (zz) risk-based capital reports, if required, from the state fund in accordance with 39-71-2375;
- (aaa) child custody reports from the office of the court administrator in accordance with 41-3-1004;
- (bbb) reports of remission of fine or forfeiture, respite, commutation, or pardon granted from the governor in accordance with 46-23-316;
- (ccc) annual statewide public defender reports from the office of state public defender in accordance with 47-1-125;
- (ddd) a trauma care system report from the department of public health and human services in accordance with 50-6-402;
- (eee) medical marijuana reports from the department of public health and human services in accordance with 50-46-343(3);
- (fff) an older Montanans trust fund report from the department of public health and human services in accordance with 52-3-115;
- (ggg) Montana criminal justice oversight council reports in accordance with 53-1-216;
- (hhh) medicaid block grant reports from the department of public health and human services in accordance with 53-1-611;
- (iii) reports on the approval and implementation status of medicaid section 1115 waivers in accordance with 53-2-215;
- (jjj) medicaid funding reports from the department of public health and human services in accordance with 53-6-110;
- (kkk) proposals regarding managed care for medicaid recipients, if required, from the department of public health and human services in accordance with 53-6-116;
- (lll) suicide reduction plans from the department of public health and human services in accordance with 53-21-1102;
- (mmm) a compliance and inspection report from the department of corrections in accordance with 53-30-604;

(nnn) emergency medical services grants from the department of transportation in accordance with 61-2-109;

(ooo) annual financial reports on the environmental contingency account from the department of environmental quality in accordance with 75-1-1101;

(ppp) the Flathead basin commission report in accordance with 75-7-304;

(qqq) a report from the Land Board, if prepared, in accordance with 76-12-109;

(rrr) an annual state trust land report from the land board in accordance with 77-1-223;

(sss) a noxious plant report, if prepared, from the department of agriculture in accordance with 80-7-713;

(ttt) state water plans from the department of natural resources and conservation in accordance with 85-1-203;

(uuu) reports on the allocation of renewable resources grants and loans for emergencies, if required, from the department of natural resources and conservation in accordance with 85-1-605;

(vvv) water storage projects from the governor's office in accordance with 85-1-704;

(www) upper Clark Fork River basin steering committee reports, if prepared, in accordance with 85-2-338;

(xxx) upland game bird enhancement program reports in accordance with 87-1-250;

(yyy) private land/public wildlife advisory committee reports in accordance with 87-1-269;

(zzz) a future fisheries improvement program report from the department of fish, wildlife, and parks in accordance with 87-1-272;

(aaaa) license revenue recommendations from the department of fish, wildlife, and parks in accordance with 87-1-629;

(bbbb) land information data reports from the state library in accordance with 90-1-404;

(cccc) an annual report from the pacific northwest electric power and conservation planning council in accordance with 90-4-403;

(dddd) veterans' home loan mortgage loan reports from the board of housing in accordance with 90-6-604;

(eeee) matching infrastructure planning grant awards by the department of commerce in accordance

with 90-6-703(3); and

(ffff) treasure state endowment program reports from the department of commerce in accordance with 90-6-710;

(3) Reports to the legislature include reports made to an interim committee as follows:

(a) reports to the law and justice interim committee, including:

(i) findings of the domestic violence fatality review commission in accordance with 2-15-2017;

(ii) reports from the department of justice and public safety officer standards and training council in accordance with 2-15-2029;

(iii) information on the Montana False Claims Act from the department of justice in accordance with 17-8-416;

(iv) child abuse and neglect review commission reports in accordance with 41-3-123;

(v) annual case status reports from the attorney general in accordance with 41-3-210;

(vi) office of court administrator reports in accordance with 41-5-2003;

(vii) statewide public safety communications system activities from the department of justice in accordance with 44-4-1606;

(viii) restorative justice grant program status and performance from the board of crime control in accordance with 44-7-302;

(ix) supervision responses grid reports from the department of corrections in accordance with 46-23-1028;

(x) statewide public defender reports and information from the office of state public defender in accordance with 47-1-125;

(xi) every 5 years, a percentage change in public defender funding report from the legislative fiscal analyst in accordance with 47-1-125;

(xii) every 5 years, statewide public defender reports on the percentage change in funding from the office of state public defender in accordance with 47-1-125; and

(xiii) a report from the quality assurance unit from the department of corrections in accordance with 53-1-211;

(b) reports to the state administration and veterans' affairs interim committee, including:

- (i) a report that includes information technology activities and additional information from the information technology board in accordance with 2-17-512 and 2-17-513;
 - (ii) a report from the capitol complex advisory council in accordance with 2-17-804;
 - (iii) a report on the employee incentive award program from the department of administration in accordance with 2-18-1103;
 - (iv) a board of veterans' affairs report in accordance with 10-2-102;
 - (v) a report on grants to the Montana civil air patrol from the department of military affairs in accordance with 10-3-802;
 - (vi) a report regarding the youth voting program, if requested, from the secretary of state in accordance with 13-22-108;
 - (vii) a report from the commissioner of political practices in accordance with 13-37-120;
 - (viii) a report on retirement system trust investments from the board of investments in accordance with 17-6-230;
 - (ix) actuarial valuations and other reports from the public employees' retirement board in accordance with 19-2-405 and 19-3-117;
 - (x) actuarial valuations and other reports from the teachers' retirement board in accordance with 19-20-201 and 19-20-216;
 - (xi) a report on the reemployment of retired members of the teachers' retirement system from the teachers' retirement board in accordance with 19-20-732; and
 - (xii) changes, if any, affecting filing-office rules under the Uniform Commercial Code from the secretary of state in accordance with 30-9A-527;
- (c) reports to the children, families, health, and human services interim committee, including:
- (i) performance data from the department of public health and human services in accordance with 2-15-2225;
 - (ii) quarterly reports on data requirements from the department of public health and human services in accordance with 5-12-303;
 - (iii) annual reports on physician complaints related to medical marijuana from the board of medical examiners in accordance with 37-3-203;

- (iv) prescription drug registry reports from the board of pharmacy in accordance with 37-7-1514;
 - (v) Montana HELP Act workforce development reports from the department of public health and human services in accordance with 39-12-103;
 - (vi) child abuse and neglect review commission reports in accordance with 41-3-123;
 - (vii) annual reports from the child and family ombudsman in accordance with 41-3-1211;
 - (viii) medical marijuana inspection reports from the department of public health and human services in accordance with 50-46-329;
 - (ix) medical marijuana reports on cardholder, provider, and physician numbers from the department of public health and human services in accordance with 50-46-343;
 - (x) reports on the out-of-state placement of high-risk children with multiagency service needs from the department of public health and human services in accordance with 52-2-311;
 - (xi) private alternative adolescent residential and outdoor programs reports from the department of public health and human services in accordance with 52-2-803;
 - (xii) an annual Montana parents as scholars program report from the department of public health and human services in accordance with 53-4-209;
 - (xiii) a report concerning mental health managed care services, if managed care is in place, from the advisory council in accordance with 53-6-710;
 - (xiv) quarterly medicaid reports related to expansion from the department of health and human services in accordance with 53-6-1325;
 - (xv) annual Montana developmental center reports from the department of health and human services in accordance with 53-20-225; and
 - (xvi) annual children's mental health outcomes from the department of health and human services in accordance with 53-21-508;
- (d) reports to the economic affairs interim committee, including:
 - (i) the annual state compensation insurance fund budget from the board of directors in accordance with 5-5-223 and 39-71-2363;
 - (ii) an annual report on the administrative rate required from the department of commerce from the Montana heritage preservation and development commission in accordance with 22-3-1002;

- (iii) state fund reports from the insurance commissioner, if required, in accordance with 33-1-115;
- (iv) annual reinsurance reports from the Montana reinsurance association board required in accordance with 33-22-1308;
- (v) reports from the department of labor and industry concerning board attendance in accordance with 37-1-107;
- (vi) prescription drug registry reports from the board of pharmacy in accordance with 37-7-1514
- (vii) risk-based capital reports, if required, from the state fund in accordance with 33-1-115 and 39-71-2375; and
- (viii) status reports on the distressed wood products industry revolving loan program from the department of commerce in accordance with 90-1-503;
- (e) reports to the education interim committee, including:
 - (i) reemployment of retired teachers, specialists, and administrators reports from the retirement board in accordance with 19-20-732;
 - (ii) a report on participation in the interstate compact on educational opportunity for military children in accordance with 20-1-231;
 - (iii) standards of accreditation proposals and economic impact statements from the board of public education in accordance with 20-7-101;
 - (iv) advanced opportunity program reports from the board of public education in accordance with 20-7-1506;
 - (v) progress on transformational learning plans from the board of public education in accordance with 20-7-1602;
 - (vi) budget amendments, if needed, from school districts in accordance with 20-9-161;
 - (vii) annual Montana resident student financial aid program reports from the commissioner of higher education in accordance with 20-26-105;
 - (viii) a historic preservation office report from the historic preservation officer in accordance with 22-3-423; and
 - (ix) interdisciplinary child information agreement reports from the office of public instruction in accordance with 52-2-211;

- (f) reports to the energy and telecommunications interim committee, including:
 - (i) the high-performance building report from the department of administration in accordance with 17-7-214;
 - (ii) an annual report from the consumer counsel in accordance with 69-1-222;
 - (iii) annual universal system benefits reports from utilities, electric cooperatives, and the department of revenue in accordance with 69-8-402;
 - (iv) small-scale hydroelectric power generation reports from the department of natural resources and conservation in accordance with 85-1-501; and
 - (v) geothermal reports from the Montana bureau of mines and geology in accordance with 90-3-1301;
- (g) reports to the revenue interim committee, including:
 - (i) use of the qualified endowment tax credit report from the department of revenue in accordance with 15-1-230;
 - (ii) property exempt from property taxation reports from the department of revenue in accordance with 15-6-232;
 - (iii) tax rates for the upcoming reappraisal cycle from the department of revenue in accordance with 15-7-111;
 - (iv) gray water property tax abatement usage reports from the department of revenue in accordance with 15-24-3211;
 - (v) student scholarship contributions from the department of revenue in accordance with 15-30-3112;
 - (vi) tax havens from the department of revenue in accordance with 15-31-322;
 - (vii) media production tax credit economic impact reports from the department of commerce in accordance with 15-31-1011;
 - (viii) biodiesel tax credits from the department of revenue in accordance with 15-32-703;
 - (ix) reports that actual or projected receipts will result in less revenue than estimated from the office of budget and program planning, if necessary, in accordance with 17-7-140; and
 - (x) medical marijuana reports required in accordance with 50-46-343;
- (h) reports to the transportation interim committee, including:
 - (i) biodiesel tax refunds from the department of transportation in accordance with 15-70-433;

- (ii) cooperative agreement negotiations from the department of transportation in accordance with 15-70-450;
- (iii) an annual alternative project delivery contracting report from the department of transportation in accordance with 60-2-119; and
- (iv) a special fuels inspection report from the department of transportation in accordance with 61-10-154;
- (i) reports to the environmental quality council, including:
 - (i) compliance and enforcement reports required in accordance with 75-1-314;
 - (ii) the state solid waste management and resource recovery plan, every 5 years, from the department of environmental quality in accordance with 75-10-111;
 - (iii) annual orphan share reports from the department of environmental quality in accordance with 75-10-743;
 - (iv) Libby asbestos superfund oversight committee reports in accordance with 75-10-1601;
 - (v) annual subdivision sanitation reports from the department of environmental quality in accordance with 76-4-116;
 - (vi) annual sage grouse oversight team activities and staffing reports in accordance with 76-22-118;
 - (vii) state trust land accessibility reports from the department of natural resources and conservation in accordance with 77-1-820;
 - (viii) biennial land banking reports and annual state land cabin and home site sales reports from the department of natural resource and conservation in accordance with 77-2-366;
 - (ix) biennially invasive species reports from the departments of fish, wildlife, and parks and natural resources and conservation in accordance with 80-7-1006;
 - (x) annual upper Columbia conservation commission reports in accordance with 80-7-1026;
 - (xii) annual invasive species council reports in accordance with 80-7-1203;
 - (xii) sand and gravel reports, if an investigation is completed, in accordance with 82-2-701;
 - (xiii) annual sage grouse population reports from the department of fish, wildlife, and parks in accordance with 87-1-201;
 - (xiv) annual gray wolf management reports from the department of fish, wildlife, and parks in

accordance with 87-1-901;

(xv) biennial Tendoy Mountain sheep herd reports from the department of fish, wildlife, and parks in accordance with 87-2-702; and

(xvi) wildlife habitat improvement project reports from the department of fish, wildlife, and parks in accordance with 87-5-807;

(j) reports to the water policy interim committee, including:

(i) drought and water supply advisory committee reports in accordance with 2-15-3308;

(ii) nutrient standards reports from the department of environmental quality in accordance with 75-5-313;

(iii) total maximum daily load reports from the department of environmental quality in accordance with 75-5-703;

(iv) state water plans from the department of natural resources and conservation in accordance with 85-1-203;

(v) small-scale hydroelectric power generation reports from the department of natural resources and conservation in accordance with 85-1-501;

(vi) renewable resource grant and loan program reports from the department of natural resources and conservation in accordance with 85-1-621;

(vii) quarterly adjudication reports from the department of natural resources and conservation and the water court in accordance with 85-2-281;

(viii) water reservation reports from the department of natural resources and conservation in accordance with 85-2-316;

(ix) a report from the Clark Fork River basin task force in accordance with 85-2-350;

(x) instream flow reports from the department of fish, wildlife, and parks in accordance with 85-2-436;
and

(xi) ground water investigation program reports from the bureau of mines and geology in accordance with 85-2-525;

(k) reports to the local government interim committee, including:

(i) sand and gravel, if an investigation is completed, in accordance with 82-2-701;

- (ii) assistance to local governments on federal land management proposals from the department of commerce in accordance with 90-1-182; and
- (iii) emergency financial assistance to local government reports from the department of commerce, if requests are made, in accordance with 90-6-703(2);
 - (l) reports to the state-tribal relations interim committee including:
 - (i) the Montana Indian language preservation program report from the state-tribal economic development commission in accordance with 20-9-537;
 - (ii) a decennial economic contributions and impacts of Indian reservations report from the department of commerce in accordance with 90-1-105;
 - (iii) state-tribal economic development commission activities reports from the state-tribal economic development commission in accordance with 90-1-132; and
 - (iv) state-tribal economic development commission reports provided regularly by the state director of Indian affairs in accordance with 90-11-102.
- (4) (a) Except as provided in subsections (4)(b) and (6) and unless otherwise required by law, a report made to the legislature in accordance with subsection (3) may be provided orally before September 1 of each year preceding the convening of a regular session of the legislature and in accordance with 5-11-210(1)(b).
 - (b) After receiving an oral report, an interim or administrative committee responsible for receiving the report may request a written report be filed with the legislature in accordance with 5-11-210(1)(a).
 - (c) This section may not be interpreted to preclude an interim or administrative committee from requesting additional information.
- (5) Reports to the legislature include multistate compact and agreement reports including:
 - (a) multistate tax compact reports in accordance with 15-1-601;
 - (b) interstate compact on educational opportunity for military children reports in accordance with 20-1-230 and 20-1-231;
 - (c) compact for education reports in accordance with 20-2-501;
 - (d) Western regional higher education compact reports in accordance with 20-25-801;
 - (e) interstate insurance product regulation compact reports in accordance with 33-39-101;

- (f) interstate medical licensure compact reports in accordance with 37-3-356;
- (g) interstate compact on juveniles reports in accordance with 41-6-101;
- (h) interstate compact for adult offender supervision reports in accordance with 46-23-1115;
- (i) vehicle equipment safety compact reports in accordance with 61-2-201;
- (j) multistate highway transportation agreement reports in accordance with 61-10-1101; and
- (k) western interstate nuclear compact reports in accordance with 90-5-201.

(6) Reports, transfers, statements, assessments, recommendations and changes required under 17-7-138, 17-7-139, 17-7-140, 19-2-405, 19-2-407, 19-3-117, 19-20-201, 19-20-216, 20-7-101, 23-7-202, 33-1-115, and 39-71-2375 must be provided as soon as the report is published and publicly available. Reports required in subsections (2)(a), (2)(bb), (2)(cc), and (3)(b)(viii) must be provided following issuance of reports issued under Title 5, chapter 13.

Section 2. Section 2-1-407, MCA, is amended to read:

"2-1-407. Report -- recommendations. (1) The governor shall examine the information received pursuant to 2-1-405 and, based upon the information, ~~shall present a report to the legislature meeting in its next regular session in accordance with 5-11-210~~ that includes the following:

(a) recommendations regarding contracts that the state may enter into with specified persons or entities to conduct research, to analyze certain subjects, or to provide other services regarding federal mandates; and

(b) estimates of the cost of the federal mandate efforts submitted to the governor under the provisions of 2-1-405.

(2) If there is a finding that a federal mandate does not meet Montana's cost-effective needs, does not serve Montana public policy, or does not conform to Montana customs and culture, the governor may issue an executive order declaring the intention of Montana to not implement the mandate and may direct the attorney general to vigorously represent the state of Montana in any action that results from or that is necessary to effect the executive order."

Section 3. Section 2-7-104, MCA, is amended to read:

"2-7-104. Revenue studies -- report to governor and legislature. The director of revenue shall study fiscal problems and tax structures of state and local governments and submit the studies to the governor and, ~~as requested, to the legislature, a legislative committee, or a member of the legislature~~ in accordance with 5-11-210."

Section 4. Section 2-15-210, MCA, is amended to read:

"2-15-210. Mental health ombudsman. (1) There is a mental health ombudsman. The ombudsman must be appointed by the governor for a term of 4 years. The ombudsman is attached to the office of the governor for administrative purposes.

(2) The ombudsman shall provide an annual report to the governor and a biennial report to the legislature, as required by 5-11-210, and may include recommendations regarding the mental health system.

(3) The ombudsman shall represent the interests of individuals with regard to the need for public mental health services, including individuals in transition from public to private services. The ombudsman may not provide a legal advocacy service.

(4) The ombudsman may retain counsel for legal support.

(5) Names of individuals receiving assistance from the ombudsman and information associated with an individual compiled by the ombudsman in the course of conducting an investigation are confidential and privileged information and may not be disclosed unless a court has determined that certain information is subject to compulsory legal process or discovery because the party seeking the information has demonstrated that there is a compelling state interest that outweighs the individual's privacy interest or the information is requested pursuant to an investigative subpoena issued under 46-4-301."

Section 5. Section 2-15-225, MCA, is amended to read:

"2-15-225. Interagency coordinating council for state prevention programs. (1) There is an interagency coordinating council for state prevention programs consisting of the following members:

- (a) the attorney general provided for in 2-15-501;
- (b) the director of the department of public health and human services provided for in 2-15-2201;
- (c) the superintendent of public instruction provided for in 2-15-701;

- (d) the presiding officer of the Montana children's trust fund board;
 - (e) two persons appointed by the governor who have experiences related to the private or nonprofit provision of prevention programs and services;
 - (f) the administrator of the board of crime control provided for in 2-15-2306;
 - (g) the commissioner of labor and industry provided for in 2-15-1701;
 - (h) the director of the department of corrections provided for in 2-15-2301;
 - (i) the state director of Indian affairs provided for in 2-15-217;
 - (j) the adjutant general of the department of military affairs provided for in 2-15-1202;
 - (k) the director of the department of transportation provided for in 2-15-2501;
 - (l) the commissioner of higher education provided for in 2-15-1506; and
 - (m) the designated representative of a state agency desiring to participate who is accepted as a member by a majority of the current coordinating council members.
- (2) The coordinating council shall perform the following duties:
- (a) develop, through interagency planning efforts, a comprehensive and coordinated prevention program delivery system that will strengthen the healthy development, well-being, and safety of children, families, individuals, and communities;
 - (b) develop appropriate interagency prevention programs and services that address the problems of at-risk children and families and that can be provided in a flexible manner to meet the needs of those children and families;
 - (c) study various financing options for prevention programs and services;
 - (d) ensure that a balanced and comprehensive range of prevention services is available to children and families with specific or multiagency needs;
 - (e) assist in development of cooperative partnerships among state agencies and community-based public and private providers of prevention programs; and
 - (f) develop, maintain, and implement benchmarks for state prevention programs. As used in this subsection, "benchmark" means a specified reference point in the future that is used to measure the state of affairs at that point in time and to determine progress toward or the attainment of an ultimate goal, which is an outcome reflecting the desired state of affairs.

(3) The coordinating council shall cooperate with and report ~~to any standing or interim legislative committee that is assigned to study the policies and funding for prevention programs or other state programs and policies related to children and families~~ its activities and any recommendations to the legislature in accordance with 5-11-210.

(4) The coordinating council must be compensated, reimbursed, and otherwise governed by the provisions of 2-15-122.

(5) The coordinating council is attached for administrative purposes only to the governor's office, which may assist the council by providing staff and budgetary, administrative, and clerical services that the council or its presiding officer requests.

(6) Staffing and other resources may be provided to the coordinating council only from state and nonstate resources donated to the council and from direct appropriations by each legislature."

Section 6. Section 2-15-401, MCA, is amended to read:

"2-15-401. Duties of secretary of state -- authority. (1) In addition to the duties prescribed by the constitution, the secretary of state shall:

(a) attend at every session of the legislature for the purpose of receiving bills and resolutions and to perform other duties as may be devolved upon the secretary of state by resolution of the two houses or either of them;

(b) keep a register of and attest the official acts of the governor, including all appointments made by the governor, with date of commission and names of appointees and predecessors;

(c) affix the great seal, with the secretary of state's attestation, to commissions, pardons, and other public instruments to which the official signature of the governor is required;

(d) record in proper books all articles of incorporation filed in the secretary of state's office;

(e) take and file receipts for all books distributed by the secretary of state and direct the county clerk of each county to take and file receipts for all books distributed by the county clerk;

(f) certify to the governor the names of those persons who have received at any election the highest number of votes for any office, the incumbent of which is commissioned by the governor;

(g) furnish, on demand, to any person paying the fees, a certified copy of all or any part of any law,

record, or other instrument filed, deposited, or recorded in the secretary of state's office;

(h) keep a fee book in which must be entered all fees, commissions, and compensation earned, collected, or charged, with the date, name of payer, paid or unpaid, and the nature of the service in each case, which must be verified annually by the secretary of state's affidavit entered in the fee book;

(i) file in the secretary of state's office descriptions of seals in use by the different state officers;

(j) discharge the duties of a member of the board of examiners and of the board of land commissioners and all other duties required by law;

(k) register marks as provided in Title 30, chapter 13, part 3;

(l) ~~report annually to the legislative services division to the legislature in accordance with 5-11-210~~ all watercourse name changes received pursuant to 85-2-134 for publication in the Laws of Montana;

(m) keep a register of all applications for pardon or for commutation of any sentence, with a list of the official signatures and recommendations in favor of each application;

(n) establish and maintain a central filing system that complies with the requirements of a central filing system pursuant to 7 U.S.C. 1631 and use the information in the central filing system for the purposes of 7 U.S.C. 1631.

(2) The secretary of state may:

(a) develop and implement a statewide electronic filing system as described in 2-15-404;

(b) adopt rules for the effective administration of the secretary of state's duties relating to the Montana Administrative Procedure Act established in Title 2, chapter 4."

Section 7. Section 2-15-2017, MCA, is amended to read:

"2-15-2017. Domestic violence fatality review commission -- confidentiality of meetings and records -- criminal liability for unauthorized disclosure -- report to legislature. (1) There is a domestic violence fatality review commission in the department of justice.

(2) The commission shall:

(a) examine the trends and patterns of domestic violence-related fatalities in Montana;

(b) educate the public, service providers, and policymakers about domestic violence fatalities and strategies for intervention and prevention; and

(c) recommend policies, practices, and services that may encourage collaboration and reduce fatalities due to domestic violence.

(3) The members of the commission, not to exceed 18, are appointed by the attorney general from among the following disciplines:

- (a) representatives from state departments that are involved in issues of domestic abuse;
- (b) representatives of private organizations that are involved in issues of domestic abuse;
- (c) medical and mental health care providers who are involved in issues of domestic abuse;
- (d) representatives from law enforcement, the judiciary, and the state bar of Montana;
- (e) representatives of Montana Indian tribes;
- (f) other concerned citizens; and
- (g) a member of the legislature who serves on either the house judiciary committee or the senate judiciary committee.

(4) The members shall serve without compensation by the commission but are entitled to be reimbursed for travel expenses as provided for in 2-18-501 through 2-18-503, and members who are full-time salaried officers or employees of this state or of any political subdivision of this state are entitled to their regular compensation. The provisions of 2-15-122 do not apply to the commission.

(5) The commission shall review closed domestic homicide cases selected by the attorney general to provide the commission with the best opportunity to fulfill its duties under this section.

(6) Upon written request from the commission, a person who possesses information or records that are necessary and relevant to a domestic violence fatality review shall, as soon as practicable, provide the commission with the information and records. A person who provides information or records upon request of the commission is not criminally or civilly liable for providing information or records in compliance with this section.

(7) The meetings and proceedings of the commission are confidential and are exempt from the provisions of Title 2, chapter 3.

(8) The records of the commission are confidential information as defined in 2-6-1002 and are protected from disclosure. The records are not subject to subpoena, discovery, or introduction into evidence in a civil or criminal action unless the records are reviewed by a district court judge and ordered to be provided to

the person seeking access. The commission shall disclose conclusions and recommendations upon request but may not disclose information, records, or data that are otherwise confidential. The commission may not use the information, records, or data for purposes other than those designated by subsections (2)(a) and (2)(c).

(9) The commission may require any person appearing before it to sign a confidentiality agreement created by the commission in order to maintain the confidentiality of the proceedings. In addition, the commission may enter into agreements with nonprofit organizations and private agencies to obtain otherwise confidential information.

(10) A member of the commission who knowingly uses information obtained pursuant to subsection (6) for a purpose not authorized in subsection (2) or who discloses information in violation of subsection (8) is subject to a civil penalty of not more than \$500.

(11) The commission shall report its findings and recommendations in writing to the law and justice interim committee in accordance with 5-11-210, the attorney general, the governor, and the chief justice of the Montana supreme court prior to each regular legislative session. The report must be made available to the public through the office of the attorney general. The commission may issue data or other information periodically, in addition to the biennial report."

Section 8. Section 2-15-2225, MCA, is amended to read:

"2-15-2225. Legislative use of performance measures. (1) During an interim, the department shall report performance data ~~to the appropriate interim committee as provided for in Title 5, chapter 5, part 2 to the children, families, health, and human services interim committee in accordance with 5-11-210~~, and to the office of budget and program planning. ~~Interim committees~~ The committee shall use performance data in reviewing the department's strategic planning documents as they relate to prospective legislation.

(2) When reviewing the strategies of department or agency management in implementing programs authorized by the legislature, the committees may provide input on:

- (a) the direct effects of each strategy on department and agency customers;
- (b) the information that management needs to track progress toward achieving key goals and objectives;
- (c) the performance measures that best reflect the expenditure of the department's and the agencies'

budgets; and

(d) whether the performance measures clearly relate to the department's and the agencies' missions, goals, objectives, and strategic plan."

Section 9. Section 2-15-3113, MCA, is amended to read:

"2-15-3113. Additional powers and duties of livestock loss board. (1) The livestock loss board shall:

- (a) process claims;
 - (b) seek information necessary to ensure that claim documentation is complete;
 - (c) provide payments authorized by the board for confirmed and probable livestock losses, along with a written explanation of payment;
 - (d) submit monthly and annual reports to the board of livestock summarizing claims and expenditures and the results of action taken on claims and maintain files of all claims received, including supporting documentation;
 - (e) provide information to the board of livestock regarding appealed claims and implement any decision by the board;
 - (f) prepare the annual budget for the board; and
 - (g) provide proper documentation of staff time and expenditures.
- (2) The livestock loss board may enter into an agreement with any Montana tribe, if the tribe has adopted a wolf, mountain lion, or grizzly bear management plan for reservation lands that is consistent with the state wolf, mountain lion, or grizzly bear management plan, to provide that tribal lands within reservation boundaries are eligible for mitigation grants pursuant to 2-15-3111 and that livestock losses on tribal lands within reservation boundaries are eligible for reimbursement payments pursuant to 2-15-3112.
- (3) The livestock loss board shall:
- (a) coordinate and share information with state, federal, and tribal officials, livestock producers, nongovernmental organizations, and the general public in an effort to reduce livestock losses caused by wolves, mountain lions, and grizzly bears;
 - (b) establish an annual budget for the prevention, mitigation, and reimbursement of livestock losses

caused by wolves, mountain lions, and grizzly bears;

(c) perform or contract for the performance of periodic program audits and reviews of program expenditures, including payments to individuals, incorporated entities, and producers who receive loss reduction grants and reimbursement payments;

(d) adjudicate appeals of claims;

(e) investigate alternative or enhanced funding sources, including possible agreements with public entities and private wildlife or livestock organizations that have active livestock loss reimbursement programs in place;

(f) meet as necessary to conduct business; and

(g) report annually to the governor, the legislature in accordance with 5-11-210, members of the Montana congressional delegation, the board of livestock, the fish and wildlife commission, and the public regarding results of the programs established in 2-15-3111 through 2-15-3113.

(4) The livestock loss board may sell or auction any carcasses or parts of carcasses from wolves or mountain lions received pursuant to 87-1-217. The proceeds, minus the costs of the sale including the preparation of the carcass or part of the carcass for sale, must be deposited into the livestock loss reduction and mitigation special revenue account established in 81-1-110 and used for the purposes of 2-15-3111 through 2-15-3114."

Section 10. Section 2-15-3308, MCA, is amended to read:

"2-15-3308. (Temporary) Drought and water supply advisory committee -- stream gauge oversight work group. (1) There is a drought and water supply advisory committee in the department of natural resources and conservation.

(2) The drought and water supply advisory committee is chaired by a representative of the governor and consists of representatives of the departments of natural resources and conservation; agriculture; commerce; fish, wildlife, and parks; military affairs; environmental quality; and livestock. The governor's representative must be appointed by the governor, and the representative of each department must be appointed by the head of that department. Additional, nonvoting members who represent federal and local government agencies and public and private interests affected by drought, flooding, or water supply may also

be appointed by the governor.

(3) The drought and water supply advisory committee shall:

(a) with the approval of the governor, develop and implement a state plan that considers drought and flooding, mitigation, and response;

(b) review and report drought and water supply monitoring information to the public;

(c) coordinate timely drought and flooding impact assessments and maintain regular communication with the United States drought monitor, the national drought mitigation center, the division of disaster and emergency services, the national weather service, and other appropriate local, state, tribal, and federal partners;

(d) identify areas of the state with a high probability of drought or flooding and target reporting and assistance efforts to those areas in coordination with local, state, tribal, and federal agencies;

(e) upon request, assist in organizing local advisory committees for the areas identified under subsection (3)(d);

(f) request state agency staff to provide technical assistance to local advisory committees;

(g) promote ideas and activities for groups and individuals to consider that may reduce vulnerability to drought or flooding and improve seasonal forecasting of water supply; and

(h) select members of the committee to serve on a stream gauge oversight work group.

(4) The drought and water supply advisory committee shall meet, at a minimum, on or around October 15 and March 15 of each year to assess moisture conditions and forecasts and, as appropriate, begin preparations for drought or flood mitigation.

(5) By April 15 of each year, the drought and water supply advisory committee shall submit a report to the governor's office that, to the extent possible, describes the potential for drought or flooding in the coming year, describes the current water supply conditions of the state, taking into consideration winter precipitation, and provides an assessment of the cumulative water supply status.

(6) By July 1 of each year, the drought and water supply advisory committee shall submit a report to the governor's office evaluating the potential for drought for the remainder of the calendar year. If the report identifies a potential for drought that is likely to cause adverse impacts to human health and safety, environmental quality, or both, the committee shall notify the division of disaster and emergency services and

county commissioners, tribal governments, conservation districts, and local watershed groups in the geographic location potentially impacted by drought and the types of impacts likely to occur.

(7) (a) The stream gauge oversight work group shall meet at least semiannually to review:

(i) locations, uses, and funding arrangements for the stream gauge network of the U.S. geological survey; and

(ii) priorities, needs, and expectations of those funding the maintenance and operations of these stream gauges and those using data measured by these stream gauges.

(b) The work group shall create annually a stream gauge infrastructure work plan, which may include:

(i) a comprehensive overview of the existing stream gauge network;

(ii) a review of options for funding the maintenance and operations of the stream gauge network, including use of private funds, consolidated agreements, or multipayer payments;

(iii) a proposal for stream gauge priorities;

(iv) cost-effective and reasonable alternatives to stream gauges, including gauges that are not part of the U.S. geological survey's stream gauge network, if applicable;

(v) oversight of recommendations and activities related to any legislative study of stream gauges; and

(vi) coordination of information regarding stream gauge funding recommendations and requests from state and federal agencies.

(c) The work group shall report to the water policy interim committee ~~established in 5-5-231~~ in accordance with 5-11-210.

(8) Nothing in this section is intended to remove or interfere with the duties and responsibilities of the governor or the division of disaster and emergency services for disaster coordination and emergency response, as provided in Title 10, chapter 3, part 1. The duties and responsibilities of the drought and water supply advisory committee supplement and are consistent with those of the division of disaster and emergency services for drought or flood planning, preparation, coordination, and mitigation. (Terminates June 30, 2023-- sec. 7, Ch. 298, L. 2019.)

2-15-3308. (Effective July 1, 2023) Drought and water supply advisory committee. (1) There is a drought and water supply advisory committee in the department of natural resources and conservation.

(2) The drought and water supply advisory committee is chaired by a representative of the governor

and consists of representatives of the departments of natural resources and conservation; agriculture; commerce; fish, wildlife, and parks; military affairs; environmental quality; and livestock. The governor's representative must be appointed by the governor, and the representative of each department must be appointed by the head of that department. Additional, nonvoting members who represent federal and local government agencies and public and private interests affected by drought, flooding, or water supply may also be appointed by the governor.

(3) The drought and water supply advisory committee shall:

(a) with the approval of the governor, develop and implement a state plan that considers drought and flooding, mitigation, and response;

(b) review and report drought and water supply monitoring information to the public;

(c) coordinate timely drought and flooding impact assessments and maintain regular communication with the United States drought monitor, the national drought mitigation center, the division of disaster and emergency services, the national weather service, and other appropriate local, state, tribal, and federal partners;

(d) identify areas of the state with a high probability of drought or flooding and target reporting and assistance efforts to those areas in coordination with local, state, tribal, and federal agencies;

(e) upon request, assist in organizing local advisory committees for the areas identified under subsection (3)(d);

(f) request state agency staff to provide technical assistance to local advisory committees; and

(g) promote ideas and activities for groups and individuals to consider that may reduce vulnerability to drought or flooding and improve seasonal forecasting of water supply.

(4) The drought and water supply advisory committee shall meet, at a minimum, on or around October 15 and March 15 of each year to assess moisture conditions and forecasts and, as appropriate, begin preparations for drought or flood mitigation.

(5) By April 15 of each year, the drought and water supply advisory committee shall submit a report to the governor's office that, to the extent possible, describes the potential for drought or flooding in the coming year, describes the current water supply conditions of the state, taking into consideration winter precipitation, and provides an assessment of the cumulative water supply status.

(6) By July 1 of each year, the drought and water supply advisory committee shall submit a report to the governor's office evaluating the potential for drought for the remainder of the calendar year. If the report identifies a potential for drought that is likely to cause adverse impacts to human health and safety, environmental quality, or both, the committee shall notify the division of disaster and emergency services and county commissioners, tribal governments, conservation districts, and local watershed groups in the geographic location potentially impacted by drought and the types of impacts likely to occur.

(7) Nothing in this section is intended to remove or interfere with the duties and responsibilities of the governor or the division of disaster and emergency services for disaster coordination and emergency response, as provided in Title 10, chapter 3, part 1. The duties and responsibilities of the drought and water supply advisory committee supplement and are consistent with those of the division of disaster and emergency services for drought or flood planning, preparation, coordination, and mitigation."

Section 11. Section 2-17-101, MCA, is amended to read:

"2-17-101. (Temporary) Allocation of space -- leasing -- definition. (1) The department of administration shall determine the space required by state agencies other than the university system and shall allocate space in buildings owned or leased by the state, based on each agency's need. To efficiently and effectively allocate space, the department shall identify the amount, location, and nature of space used by each agency, including summary information on average cost per square foot for each municipality, and report this to the office of budget and program planning and to the legislative fiscal analyst by September 1 of each even-numbered year. The report must be provided in an electronic format. The department of administration shall provide a copy of the report to the legislature in accordance with 5-11-210.

(2) An agency requiring additional space shall notify the department. The department, in consultation with the agency, shall determine the amount and nature of the space needed and locate space within a building owned or leased by the state, including buildings in Helena and in other areas, to meet the agency's requirements. If space is not available in a building owned or leased by the state, the department shall locate space to be leased in an appropriate existing building or a build-to-lease building, including buildings in Helena and in other areas, or recommend alternatives to leasing, such as remodeling or exchanging space with another agency. A state agency may not lease, rent, or purchase real property without prior approval of the

department.

(3) (a) The location of the chambers for the house of representatives must be determined in the sole discretion of the house of representatives. The location of the chambers for the senate must be determined in the sole discretion of the senate.

(b) Subject to 2-17-108, the department, with the advice of the legislative council, shall allocate other space for the use of the legislature, including but not limited to space for committee rooms and legislative offices.

(4) The department shall consolidate the offices of state agencies in a single, central location within a municipality whenever the consolidation would result in a cost savings to the state while permitting sufficient space and facilities for the agencies. The department may purchase, lease, or acquire, by exchange or otherwise, land and buildings in a municipality to achieve consolidation. Offices of the law enforcement services division and motor vehicle division of the department of justice are exempted from consolidation.

(5) Any lease for more than 45,000 square feet or for a term of more than 20 years must be submitted as part of the long-range building program and approved by the legislature before the department of administration may proceed with the lease. Multiple leases in the same building entered into within any 60-day period are to be aggregated for purposes of this threshold calculation. When immediate relocation of agency employees is required due to a public exigency, the requirements of this subsection do not apply, but the new lease must be reported as required by subsection (1).

(6) The department shall include language in every lease providing that if funds are not appropriated or otherwise made available to support continued performance of the lease in subsequent fiscal periods, the lease must be canceled.

(7) "Public exigency" means that due to unforeseen circumstances a facility occupied by state employees is uninhabitable due to immediate conditions that adversely impact the health or safety of the occupants of the facility. (Terminates June 30, 2023--sec. 3, Ch. 401, L. 2019.)

2-17-101. (Effective July 1, 2023) Allocation of space -- leasing -- definition. (1) The department of administration shall determine the space required by state agencies other than the university system and shall allocate space in buildings owned or leased by the state, based on each agency's need. To efficiently and effectively allocate space, the department shall identify the amount, location, and nature of space used by each

agency, including summary information on average cost per square foot for each municipality, and report this to the office of budget and program planning and to the legislative fiscal analyst by September 1 of each even-numbered year. The report must be provided in an electronic format. The department of administration shall provide a copy of the report to the legislature in accordance with 5-11-210.

(2) An agency requiring additional space shall notify the department. The department, in consultation with the agency, shall determine the amount and nature of the space needed and locate space within a building owned or leased by the state, including buildings in Helena and in other areas, to meet the agency's requirements. If space is not available in a building owned or leased by the state, the department shall locate space to be leased in an appropriate existing building or a build-to-lease building, including buildings in Helena and in other areas, or recommend alternatives to leasing, such as remodeling or exchanging space with another agency. A state agency may not lease, rent, or purchase real property without prior approval of the department.

(3) (a) The location of the chambers for the house of representatives must be determined in the sole discretion of the house of representatives. The location of the chambers for the senate must be determined in the sole discretion of the senate.

(b) Subject to 2-17-108, the department, with the advice of the legislative council, shall allocate other space for the use of the legislature, including but not limited to space for committee rooms and legislative offices.

(4) The department shall consolidate the offices of state agencies in a single, central location within a municipality whenever the consolidation would result in a cost savings to the state while permitting sufficient space and facilities for the agencies. The department may purchase, lease, or acquire, by exchange or otherwise, land and buildings in a municipality to achieve consolidation. Offices of the law enforcement services division and motor vehicle division of the department of justice are exempted from consolidation.

(5) Any lease for more than 40,000 square feet or for a term of more than 20 years must be submitted as part of the long-range building program and approved by the legislature before the department of administration may proceed with the lease. Multiple leases in the same building entered into within any 60-day period are to be aggregated for purposes of this threshold calculation. When immediate relocation of agency employees is required due to a public exigency, the requirements of this subsection do not apply, but the new

lease must be reported as required by subsection (1).

(6) The department shall include language in every lease providing that if funds are not appropriated or otherwise made available to support continued performance of the lease in subsequent fiscal periods, the lease must be canceled.

(7) "Public exigency" means that due to unforeseen circumstances a facility occupied by state employees is uninhabitable due to immediate conditions that adversely impact the health or safety of the occupants of the facility."

Section 12. Section 2-17-512, MCA, is amended to read:

"2-17-512. Powers and duties of department. (1) The department is responsible for carrying out the planning and program responsibilities for information technology for state government, except the national guard. The department shall:

(a) encourage and foster the development of new and innovative information technology within state government;

(b) 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) cooperate with the office of economic development to promote economic development initiatives based on information technology;

(d) establish and enforce a state strategic information technology plan as provided for in 2-17-521;

(e) establish and enforce statewide information technology policies and standards;

(f) review and approve state agency information technology plans provided for in 2-17-523;

(g) 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, including an estimate of the useful life of the asset proposed for purchase and whether the amount should be expensed or capitalized, based on state accounting policy established by the department. 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 2-17-523.

- (h) staff the information technology board provided for in 2-15-1021;
- (i) fund the administrative costs of the information technology board provided for in 2-15-1021;
- (j) review the use of information technology resources for all state agencies;
- (k) review and approve state agency specifications and procurement methods for the acquisition of information technology resources;
- (l) 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) 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) 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) ensure that the statewide telecommunications network is properly maintained. The department may establish a centralized maintenance program for the statewide telecommunications network.
- (p) coordinate public safety communications on behalf of public and private safety agencies as provided for in 2-17-543 through 2-17-545;
- (q) manage the state 9-1-1 program as provided for in Title 10, chapter 4, part 3;
- (r) provide electronic access to information and services of the state as provided for in 2-17-532;
- (s) provide assistance to the legislature, the judiciary, the governor, and state agencies relative to state and interstate information technology matters;
- (t) establish rates and other charges for services provided by the department;
- (u) accept federal funds granted by congress or by executive order and gifts, grants, and donations for any purpose of this section;
- (v) 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) implement this part and all other laws for the use of information technology in state government;
- (x) provide a biennial report to the appropriate interim committee state administration and veterans' affairs 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) 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 13. Section 2-17-513, MCA, is amended to read:

"2-17-513. 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:

(a) in the development of cooperative contracts for the purchase of information technology resources;

(b) regarding the creation, management, and administration of electronic government services and information on the internet;

(c) regarding the administration of electronic government services contracts;

(d) on the priority of government services to be provided electronically;

(e) on convenience fees prescribed in 2-17-1102 and 2-17-1103, if needed, for electronic government services; and

(f) on any other aspect of providing electronic government services;

(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 2-17-512(1)(t);

- (e) requests for exceptions as provided for in 2-17-515;
 - (f) notification of proposed exemptions by the university system and office of public instruction as provided for in 2-17-516;
 - (g) action taken by the department as provided in 2-17-514(1) for any activity that is not in compliance with this part;
 - (h) 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; and
 - (i) financial reports, management reports, and other data as requested by the department;
- (4) study state government's present and future information technology needs and advise the department on the use of emerging technology in state government;
- (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;
- (6) assist in identifying, evaluating, and prioritizing potential departmental and interagency electronic government services;
- (7) serve as a central coordination point for electronic government services provided by the department and other state agencies;
- (8) study, propose, develop, or coordinate any other activity in furtherance of electronic government services as requested by the governor or the legislature; and
- (9) prepare and submit to the state administration and veterans' affairs interim committee ~~by September 15 in the year preceding the regular legislative session and in the manner provided in accordance with 5-11-210~~ a report including but not necessarily limited to a summary of the board's activities, a review of the electronic government program established under part 11 of this chapter, and any key findings and recommendations that the board presented to the department."

Section 14. Section 2-17-515, MCA, is amended to read:

"2-17-515. Granting exceptions to state agencies. Subject to 2-17-516, the department may grant exceptions to any policy, standard, or other requirement of this part 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. If an exception is granted, the department shall provide the written documentation in accordance with 5-11-210."

Section 15. Section 2-17-804, MCA, is amended to read:

"2-17-804. Council duties and responsibilities. (1) The council shall:

(a) adopt an art and memorial plan for the placement of art and memorials in the capitol complex and on the capitol complex grounds;

(b) review proposals for long-term displays of up to 50 years, subject to renewal, in the capitol complex and on the capitol complex grounds and for the naming of state buildings, spaces, and rooms in the capitol complex;

(c) advise the legislature on the placement of busts, plaques, statues, memorials, monuments, or art displays of a long-term nature in public areas of the capitol complex and on the capitol complex grounds, including the executive residence and the original governor's mansion; and

(d) advise the department of administration on interior decoration of the capitol, grounds maintenance, and grounds displays.

(2) In advising the legislature on long-term displays, the council shall consider whether the bust, plaque, statue, memorial, monument, or art display:

(a) reasonably fits the long-range master plan for the capitol and adjacent grounds developed under 2-17-805;

(b) adversely alters the appearance of the capitol complex;

(c) unreasonably affects foot traffic on the capitol complex;

(d) adversely impacts existing maintenance programs or the utility infrastructure;

(e) recognizes a person or event of statewide significance and relevance;

(f) has artistic merit in design and construction;

(g) will be safely and aesthetically suited to the installation site; and

(h) has adequate funding for design, installation, and maintenance.

(3) ~~By September 15 of each year preceding a regular legislative session, the~~The council shall report to the state administration and veterans' affairs interim committee in accordance with 5-11-210 on requests that the council has reviewed for naming buildings, spaces, and rooms and for placing items in the capitol complex or on the capitol complex grounds. The report must include a recommendation to the committee on whether reviewed requests meet the criteria established by this part and whether legislation is needed. If a request meets the criteria, the council shall recommend a timeframe during which the project should be authorized."

Section 16. Section 2-17-825, MCA, is amended to read:

"2-17-825. Report to legislature. (1) The legislative council may prepare a written report of its activities and recommendations related to its duties under 2-17-805(2) ~~for the purpose of assisting to assist~~ the legislature in determining whether the recommendations should be implemented.

(2) If a report is prepared, it must be submitted to the legislature in accordance with 5-11-210."

Section 17. Section 3-1-702, MCA, is amended to read:

"3-1-702. Duties. The court administrator is the administrative officer of the court. Under the direction of the supreme court, the court administrator shall:

- (1) prepare and present judicial budget requests to the legislature, including the costs of the state-funded district court program;
- (2) collect, compile, and report statistical and other data relating to the business transacted by the courts and provide the information to the legislature on request and, if requested, in accordance with 5-11-210;
- (3) to the extent possible, provide that current and future information technology applications are coordinated and compatible with the standards and goals of the executive branch as expressed in the state strategic information technology plan provided for in 2-17-521;
- (4) recommend to the supreme court improvements in the judiciary;
- (5) administer legal assistance for indigent victims of domestic violence, as provided in 3-2-714;
- (6) administer state funding for district courts, as provided in chapter 5, part 9;
- (7) administer the pretrial program provided for in 3-1-708;
- (8) administer the treatment court support account provided for in 46-1-1115;

- (9) administer the judicial branch personnel plan; and
- (10) perform other duties that the supreme court may assign."

Section 18. Section 5-5-223, MCA, is amended to read:

"5-5-223. Economic affairs interim committee. (1) The economic affairs interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the following executive branch agencies and the entities attached to agencies for administrative purposes:

- (a) department of agriculture;
 - (b) department of commerce;
 - (c) department of labor and industry;
 - (d) department of livestock;
 - (e) office of the state auditor and insurance commissioner;
 - (f) office of economic development;
 - (g) the state compensation insurance fund provided for in 39-71-2313, including the board of directors of the state compensation insurance fund established in 2-15-1019;
 - (h) the division of banking and financial institutions provided for in 32-1-211; and
 - (i) the division of the department of revenue that administers the Montana Alcoholic Beverage Code.
- (2) The state compensation insurance fund shall annually provide to the committee a report in accordance with 5-11-210 on its budget as approved by the state compensation insurance fund board of directors."

Section 19. Section 5-5-224, MCA, is amended to read:

"5-5-224. Education interim committee. ~~(4)~~The education interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the following executive branch agencies and the entities attached to agencies for administrative purposes:

- ~~(a)~~(1) state board of education;
- ~~(b)~~(2) board of public education;
- ~~(c)~~(3) board of regents of higher education; and

~~(d)(4)~~ office of public instruction.

~~(2)~~ The committee shall:

~~(a)~~ provide information to the board of regents in the following areas:

~~(i)~~ annual budget allocations;

~~(ii)~~ annual goal statement development;

~~(iii)~~ long range planning;

~~(iv)~~ outcome assessment programs; and

~~(v)~~ any other area that the committee considers to have significant educational or fiscal policy impact;

~~(b)~~ periodically review the success or failure of the university system in meeting its annual goals and long range plans;

~~(c)~~ periodically review the results of outcome assessment programs;

~~(d)~~ develop mechanisms to ensure strict accountability of the revenue and expenditures of the university system;

~~(e)~~ study and report to the legislature on the advisability of adjustments to the mechanisms used to determine funding for the university system, including criteria for determining appropriate levels of funding;

~~(f)~~ act as a liaison between both the legislative and executive branches and the board of regents; and

~~(g)~~ encourage cooperation between the legislative and executive branches and the board of regents."

Section 20. Section 5-5-229, MCA, is amended to read:

"5-5-229. State-tribal relations committee. There is a state-tribal relations committee. The committee is treated as an interim committee for the purposes of 5-5-211 through 5-5-214. The committee shall:

(1) act as a liaison with tribal governments;

(2) encourage state-tribal and local government-tribal cooperation;

(3) conduct interim studies as assigned pursuant to 5-5-217; and

(4) ~~report its activities, findings, recommendations, and any proposed legislation as provided in 5-11-210~~ provide recommendations and a report, if one is written, in accordance with 5-5-216 for studies completed by the committee."

Section 21. Section 5-5-231, MCA, is amended to read:

"5-5-231. Water policy interim committee. (1) There is a water policy interim committee. The committee shall:

(a) determine which water policy issues it examines;

(b) conduct interim studies as assigned pursuant to 5-5-217;

(c) subject to the provisions of 5-5-202(4), coordinate with the environmental quality council and other interim committees to avoid duplication of efforts;

(d) ~~report its activities, findings, recommendations, and any proposed legislation as provided in 5-11-240~~ provide recommendations and a report, if one is written, in accordance with 5-5-216 for studies completed by the committee; and

(e) in accordance with 5-5-215, for issues where the primary concern is the quality or quantity of water, perform the administrative rule review, draft legislation review, program evaluation, and monitoring functions of an interim committee for the following executive branch agencies and the entities attached to the agencies for administrative purposes:

- (i) department of environmental quality;
- (ii) department of fish, wildlife, and parks; and
- (iii) department of natural resources and conservation.

(2) At least two members of the committee must possess experience in agriculture."

Section 22. Section 5-5-232, MCA, is amended to read:

"5-5-232. Local government interim committee. There is a local government interim committee. The committee is treated as an interim committee for the purposes of 5-5-211 through 5-5-214. The local government interim committee shall:

(1) act as a liaison with local governments;

(2) promote and strengthen local government through recognition of the principle that strong communities with effective, democratic governmental institutions are one of the best assurances of a strong Montana;

- (3) bring together representatives of state and local government for consideration of common problems;
- (4) provide a forum for discussing state oversight of local functions, realistic local autonomy, and intergovernmental cooperation;
- (5) identify and promote the most desirable allocation of state and local government functions, responsibilities, and revenue;
- (6) promote concise, consistent, and uniform regulation for local government;
- (7) coordinate and simplify laws, rules, and administrative practices in order to achieve more orderly and less competitive fiscal and administrative relationships between and among state and local governments;
- (8) review state mandates to local governments that are subject to 1-2-112 and 1-2-114 through 1-2-116;
- (9) make recommendations to the legislature, executive branch agencies, and local governing bodies concerning:
 - (a) changes in statutes, rules, ordinances, and resolutions that will provide concise, consistent, and uniform guidance and regulations for local government;
 - (b) changes in tax laws that will achieve more orderly and less competitive fiscal relationships between levels of government;
 - (c) methods of coordinating and simplifying competitive practices to achieve more orderly administrative relationships among levels of government; and
 - (d) training programs and technical assistance for local government officers and employees that will promote effectiveness and efficiency in local government;
- (10) conduct interim studies as assigned pursuant to 5-5-217; and
- (11) ~~report its activities, findings, recommendations, and any proposed legislation as provided in 5-11-210~~ provide recommendations and a report, if one is written, in accordance with 5-5-216 for studies completed by the committee."

Section 23. Section 5-11-210, MCA, is amended to read:

"5-11-210. Clearinghouse for reports to legislature. (1) ~~For the purposes of this section, "report"~~

~~means a written report required by law to be given to or filed with the legislature.~~

~~(2)~~

~~(1) (a) On or before September 1 of each year preceding the convening of a regular session of the legislature Except as provided in subsections (1)(b) and (1)(c), an entity required to report to the legislature in accordance with [section 1] shall provide, in writing, to the appropriate interim or statutory committee to the executive director of the legislative services division:~~

~~(a)(i) the final title of the report;~~

~~(b)(ii) an abstract or description of the contents of the report, not to exceed 400 50 words, including reference to the statute establishing the required report;~~

~~(c)(iii) if the report is available electronically, its location on the internet and an electronic copy of the report; and~~

~~(d)(iv) — a recommendation on how many paper copies of the report, if any, should be provided to the unless provided electronically in accordance with subsection (1)(a)(iii), a paper copy of the report with a recommendation on how many additional hard copies should be printed for the legislature.~~

~~(b) If an oral report is provided in accordance with [section 1(4)(a)], the reporting entity shall provide to the executive director of the legislative services division:~~

~~(i) the title of the report given;~~

~~(ii) a description of the report, not to exceed 50 words, including reference to the statute establishing the required report; and~~

~~(iii) the date the report was provided to an interim or administrative committee.~~

~~(3) After considering all of the information available about the report, including the number of legislators requesting copies of the report pursuant to subsection (7), the appropriate interim or statutory committee shall, in writing, direct the reporting entity to provide a specific number of paper copies. The number of copies required is at the sole discretion of the appropriate interim or statutory committee. The appropriate interim or statutory committee may require the reporting entity to mail the copies of the report.~~

~~(4)(2) The appropriate interim or statutory committee legislative services division may require that the a paper copy of a report provided in accordance with subsection (1)(a)(iv) be submitted in an electronic format that is usable on the legislature's current computer hardware or in a digital form.~~

~~(5)(3)~~ Costs of preparing and distributing a report to the legislature, including writing, printing, postage, distribution, and all other costs, accrue to the reporting agency. Costs incurred in meeting the requirements of this section may not accrue to the legislative services division.

~~(6)(4)~~ The executive director of the legislative services division shall ~~cause to be prepared~~ prepare a list of all reports required to be presented to the legislature ~~from the list of titles received under subsection (2) in accordance with [section 1].~~

~~(7)(5) (a)~~ The executive director shall, as soon as possible following a general election, provide to each holdover senator, senator-elect, and representative-elect a list of the ~~titles of the reports, along with the abstracts prepared pursuant to subsection (2)(b), and the location of electronic copies~~ reports available. Legislators may then request copies of reports included on the list.

~~(8)(b)~~ The executive director of the legislative services division shall provide either paper copies or electronic copies of reports requested pursuant to subsection ~~(7)(5)(a) to those members or members-elect by either requiring that copies be mailed pursuant to subsection (3) providing links to electronic copies or audio recordings of oral reports,~~ or by delivering paper copies of the reports during the first week of the legislative session.

~~(9)~~ ~~The executive director of the legislative services division may keep as many copies of a report as are necessary and discard the rest or return them to the agency.~~

~~(10)~~ ~~The procedure outlined in this section may also be used for a report required to be made to the legislature under the Multistate Tax Compact contained in 15-1-601, the Vehicle Equipment Safety Compact contained in 61-2-201, the Multistate Highway Transportation Agreement contained in 61-10-1101, or the Western Interstate Nuclear Compact contained in 90-5-201.~~

~~(11)~~ ~~Each report to the legislature required under 17-6-230, 19-2-405, 19-2-407, and 19-20-201 must be provided to the legislative services division as soon as the report is published. The legislative services division shall ensure that legislators are notified pursuant to this section of the report's availability. During the interim, the legislative services division shall ensure that members of the state administration and veterans' affairs interim committee and the legislative finance committee receive copies of the reports."~~

Section 24. Section 5-12-208, MCA, is amended to read:

"5-12-208. Grant information to be provided to legislative finance committee -- internet link required. (1) Each state agency shall provide an annual report pursuant to subsection (2) to the legislative finance committee by October 1 of each year.

(2) The report must be provided electronically as a spreadsheet and must include the following information about each grant awarded by the state agency during the previous fiscal year:

- (a) the name of the grantee;
- (b) the address of the grantee;
- (c) the amount of the grant;
- (d) the award date of the grant;
- (e) the purpose of the grant; and
- (f) the grant period.

(3) The legislative finance committee shall post an internet link to the reports on its website under the meeting materials for the committee meeting that next follows the deadline established in subsection (1). At the end of the interim, a copy of the link or links must be provided to the legislature in accordance with 5-11-210."

Section 25. Section 5-12-302, MCA, is amended to read:

"5-12-302. Fiscal analyst's duties. The legislative fiscal analyst shall:

(1) provide for fiscal analysis of state government and accumulate, compile, analyze, and furnish information bearing upon the financial matters of the state that is relevant to issues of policy and questions of statewide importance, including but not limited to investigation and study of the possibilities of effecting economy and efficiency in state government;

(2) estimate revenue from existing and proposed taxes;

(3) analyze the executive budget and budget requests of selected state agencies and institutions, including proposals for the construction of capital improvements;

(4) make the reports and recommendations that the legislative fiscal analyst considers desirable to the legislature in accordance with 5-11-210 and make reports and recommendations as requested by the legislative finance committee and the legislature;

(5) assist committees of the legislature and individual legislators in compiling and analyzing financial

information;

- (6) assist the revenue interim committee in performing its revenue estimating duties; and
- (7) review all reports submitted to the legislative fiscal analyst and notify the legislative finance committee of any concerns the fiscal analyst identifies in a report."

Section 26. Section 5-12-303, MCA, is amended to read:

"5-12-303. Fiscal analysis information from state agencies. (1) The legislative fiscal analyst may investigate and examine the costs and revenue of state government activities and may examine and obtain copies of the records, books, and files of any state agency, including confidential records.

(2) When confidential records and information are obtained from a state agency, the legislative fiscal analyst and staff must be subject to the same penalties for unauthorized disclosure of the confidential records and information provided for under the laws administered by the state agency. The legislative fiscal analyst shall develop policies to prevent the unauthorized disclosure of confidential records and information obtained from state agencies and may not disclose confidential records or information to legislators.

(3) (a) The department of revenue shall make Montana individual income tax information available by removing names, addresses, and social security numbers and substituting in their place a state accounting record identifier number. Except for the purposes of complying with federal law, the department may not alter the data in any other way.

(b) The department of revenue shall provide the name and address of a taxpayer on written request of the legislative fiscal analyst when the values on the requested return, including estimated payments, are considered necessary by the legislative fiscal analyst to properly analyze state revenue and are of a sufficient magnitude to materially affect the analysis and when the identity of the taxpayer is necessary to evaluate the effect of the return or payments on the analysis being performed.

(4) (a) The department of public health and human services shall provide the legislative fiscal analyst direct access to the department's secure data warehouse as the phases of the secure data warehouse project are implemented.

(b) The department of public health and human services shall consult with the legislative fiscal analyst and shall establish user requirements to ensure the legislative fiscal analyst does not have access to direct

identifiers stored on the secure data warehouse. The department of public health and human services shall consult with the legislative fiscal analyst and shall establish requirements to ensure the legislative fiscal analyst does not have access to direct identifiers stored in other data systems where the data is not available through the secure data warehouse after the phases of the secure data warehouse project are implemented.

(c) The data must be made available to the legislative fiscal analyst in a format that complies with the regulations of the respective federal programs.

(d) The department of public health and human services shall submit quarterly reports in an electronic format to the legislative finance committee and the children, families, health, and human services interim committee in accordance with 5-11-210 on the following:

- (i) the implementation of the phases of the secure data warehouse project;
- (ii) the user requirements established by the department and the legislative fiscal analyst; and
- (iii) the status of the legislative fiscal analyst's access to the secure data warehouse.

(5) Within 1 day after the legislative finance committee presents its budget analysis to the legislature, the budget director and the legislative fiscal analyst shall exchange expenditure and disbursement recommendations by second-level expenditure detail and by funding sources detailed by accounting entity. This information must be filed in the respective offices and be made available to the legislature and the public. In preparing the budget analysis for the next biennium for submission to the legislature, the legislative fiscal analyst shall use the base budget, the present law base, and new proposals as defined in 17-7-102.

(6) This section does not authorize publication or public disclosure of information if the law prohibits publication or disclosure or if the department of revenue notifies the fiscal analyst that specified records or information may contain confidential information."

Section 27. Section 5-13-305, MCA, is amended to read:

"5-13-305. Employees, consultants, and legal counsel -- background checks -- cure for impairment. (1) The legislative auditor may appoint and define the duties of employees and consultants who are necessary to carry out the provisions of this chapter within the limitations of legislative appropriations. The legislative auditor shall set the pay for employees in accordance with the rules for classification and pay adopted by the legislative council. The legislative auditor may employ legal counsel to conduct proceedings

under this chapter.

(2) (a) The legislative auditor may not employ a prospective employee to conduct or supervise audits without conducting or having conducted a background check on the prospective employee. The background check must include a state and federal fingerprint-based check by the Montana department of justice and the federal bureau of investigation. When reporting the results of the background check, the Montana department of justice shall specifically report any previous conviction of the prospective employee for embezzlement or other financial crimes. The purpose of the background and fingerprint checks is to determine whether the prospective employee is an appropriate person to audit the records of one or more state agencies or programs.

(b) A copy of the results of the background check must be delivered to the legislative auditor. If the legislative auditor determines, based upon the results of the background and fingerprint checks, that a prospective employee is not an appropriate person to audit one or more state agencies or programs, the legislative auditor may not employ the prospective employee.

(3) The legislative auditor shall inform the legislative council and the legislative audit committee in writing of an administrative policy or rule adopted under 5-11-105 that may impair the independence of the division, along with a statement of the reasons for the opinion and suggested changes to cure the impairment. The legislative council shall review the rule in question and adopt a revision that is generally applicable to the legislative branch and that is designed to cure the impairment. While the impairment exists, the legislative audit committee may adopt a specific exemption to the questioned rule that states the alternative rule to be employed under the exemption. If prepared, a compilation of written reports must be provided to the legislature in accordance with 5-11-210."

Section 28. Section 5-13-311, MCA, is amended to read:

"5-13-311. Legislative auditor to establish and maintain toll-free number for reporting fraud, waste, and abuse -- procedures. (1) The legislative auditor shall establish and maintain a toll-free telephone number for use by Montana residents ~~for the reporting of~~ to report fraud, waste, and abuse in state government. The legislative auditor shall review all telephone calls received at the toll-free number and ~~shall~~ maintain a record of each call. The legislative auditor shall:

(a) analyze and verify the information received from each telephone call; or

(b) refer the information for appropriate action to the agency that is or appears to be the subject of the call.

(2) A state agency that receives information referred to it by the legislative auditor pursuant to this section shall take adequate and appropriate action to investigate and remedy any fraud, waste, or abuse discovered as a result of the referral. The agency shall report in writing to the legislative auditor concerning the results of its investigation and those measures taken to correct any fraud, waste, or abuse discovered as a result of the referral.

(3) Information received at the toll-free number is confidential until the time that the legislative auditor or other appropriate agency determines the validity of the information and takes corrective action. After the legislative auditor or other appropriate agency takes action to verify the fraud, waste, or abuse complained of and takes any corrective action, information concerning the subject of the complaint and the remedy, if any, is public information unless precluded by law.

(4) The legislative auditor shall, as directed by the legislative audit committee, periodically report to the committee on:

- (a) the use of the toll-free number;
- (b) the results of the reviews, verifications, and referrals; and
- (c) any corrective actions taken by the appropriate agencies.

(5) Information received at the toll-free number concerning a governmental entity other than state government may be referred by the legislative auditor to an appropriate federal, state, or local government agency.

(6) (a) If the legislative auditor determines that as a result of a review and verification or referral pursuant to this section, a waste of state resources has occurred, the legislative auditor shall report the matter in writing to the legislative fiscal analyst.

(b) Upon completion of the investigation, the legislative auditor shall provide a copy of the report to the legislature in accordance with 5-11-210. Confidential or personal information must be redacted.

(7) The legislative auditor shall advertise the existence and purpose of the toll-free number in an appropriate manner."

Section 29. Section 5-20-301, MCA, is amended to read:

"5-20-301. School funding interim commission. (1) There is a school funding interim commission that must be formed during the 2015-2016 interim and each successive fifth interim pursuant to 20-9-309. The commission shall:

- (a) conduct a study to reassess the educational needs and costs related to the basic system of free quality public elementary and secondary schools; and
 - (b) if necessary, recommend to the following legislature changes to the state's funding formula.
- (2) In conducting the study, the commission may:
- (a) review the work of previous studies and commissions;
 - (b) consider recommendations and topics provided by other interim or standing legislative committees, the board of public education, the office of public instruction, the governor's office, private organizations, professional educators, school trustees, and members of the public;
 - (c) review how the state's education funding policy has evolved as a result of litigation;
 - (d) seek input from representatives from the board of public education, the office of public instruction, the governor's office, private organizations, professional educators, school trustees, and members of the public;
 - (e) consider the state's existing and projected financial resources as well as the needs and concerns of Montana taxpayers;
 - (f) authorize research and studies to be conducted by reputable and reliable experts in the public or private sectors; and
 - (g) request research and analysis from the legislative fiscal division, the office of public instruction, the department of revenue, and any other state agency or entity that maintains information or data relevant to the study.
- (3) The members of the commission are:
- (a) six members of the house of representatives, three from the majority party and three from the minority party, appointed by the speaker of the house in consultation with the house majority leader and the house minority leader;
 - (b) six members of the senate, three from the majority party and three from the minority party, appointed by the president of the senate in consultation with the senate majority leader and the senate minority

leader; and

(c) four members of the public to be appointed as follows:

(i) two public members appointed by the speaker of the house with the consent of the house minority

leader; and

(ii) two public members appointed by the president of the senate with the consent of the senate minority leader.

(4) The commission shall select its presiding officer at the first meeting of the commission.

(5) The commission is attached for administrative purposes to the legislative services division, and the legislative services division shall provide sufficient and appropriate support to the commission in order that it may carry out its statutory duties, within the limitations of legislative appropriations.

(6) The commission is staffed by the legislative services division. The legislative fiscal analyst shall assign staff to assist the commission.

(7) The commission shall issue a report to the legislature in accordance with 5-11-210 on the commission's findings and recommendations, including any draft legislation for amending the state school funding formula, ~~by no later than September 15 preceding the next regular legislative session.~~

(8) Unless the person is a full-time salaried officer or employee of the state or a political subdivision of the state, a nonlegislative member appointed to the commission is entitled to salary and expenses to the same extent as a legislative member. If the appointee is a full-time salaried officer or employee of the state or of a political subdivision of the state, the appointee is entitled to reimbursement for travel expenses as provided for in 2-18-501 through 2-18-503."

Section 30. Section 10-2-102, MCA, is amended to read:

"10-2-102. Duties of board -- employee qualifications. (1) The board shall establish a statewide service for veterans and their families as provided in this section. The board shall:

(a) actively cooperate with local, state, and federal agencies whose services encompass the affairs of veterans and their families;

(b) promote the general welfare of all veterans and their families;

(c) assist veterans and their families who are residents of this state in filing claims for the benefits to

which they are entitled. In carrying out this duty, the board and its accredited employees shall, upon the request of an eligible claimant, act as agents for the claimant in developing and presenting claims for benefits provided under Title 38 of the United States Code. The board shall seek to secure speedy and just action for each claimant. A board employee officially acting as an agent on behalf of a claimant must be properly accredited and recognized pursuant to 38 CFR 14.628 and 14.629.

(d) officially advocate for the fair treatment of Montana's veterans and their families by the U.S. department of veterans affairs with respect to claims processing, health care services, and other veteran-related programs and inform veterans and their family members of all available grievance procedures;

(e) develop and implement an information and communication program to keep veterans and their family members informed about available federal, state, and community-based services and benefits. The program may include but is not limited to:

(i) development and distribution of a services and benefits directory;

(ii) regular public service announcements through various media;

(iii) information to assist veterans and their family members in obtaining federal benefits and treatment services related to depleted uranium exposure, including a best practice health screening of any veteran who:

(A) has been identified pursuant to department of defense policy as having possible level I, II, or III exposure to depleted uranium;

(B) is referred for a health screening by a military physician; or

(C) may have been exposed to depleted uranium during service in a combat zone.

(iv) an internet website with information and links relevant to veterans and their families and including information about board meetings and activities related to veterans' affairs; and

(v) a quarterly newsletter, which may be printed or electronically distributed by e-mail or by posting it to an appropriate website.

(f) seek grants to help fund veterans' programs established pursuant to this section;

(g) develop a memorandum of understanding with the federal veterans' employment and training service and with other appropriate entities to facilitate interagency cooperation, such as resource sharing, cross-training, data and information sharing, and service delivery coordination;

(h) establish management tools, including but not limited to needs assessments, policy statements,

program goals and objectives, performance measures, and program evaluation criteria;

(i) prepare a biennial report to the governor, the department of military affairs, ~~the appropriate legislative interim committee~~ the state administration and veterans' affairs interim committee in accordance with 5-11-210, and veterans' service organizations. The report must include but is not limited to Montana veteran demographic information, the financial impact of division benefit claim services received by Montana veterans, and a summary of the general and special revenue budgets and expenditures for veterans' affairs.

(j) request legislation responsive to identified needs.

(2) Employees of the board must be residents of this state. Whenever possible, all employees of the board must have served in the military forces of the United States during World War I, World War II, the Korean war, the Vietnam conflict, or other period of conflict involving the United States military overseas and must have been honorably discharged. Preference for employment must be given to disabled veterans.

(3) The board shall hire an administrator to implement board policy and carry out the duties of the board."

Section 31. Section 10-3-802, MCA, is amended to read:

"10-3-802. (Temporary) Grants -- civil air patrol -- reporting requirements. (1) The department of military affairs shall distribute grants to the Montana civil air patrol on an annual basis to provide training to civil air patrol members.

(2) The amount of \$45,000 is statutorily appropriated on an annual basis, as provided in 17-7-502, from the general fund to the department of military affairs for the purposes outlined in subsection (1).

(3) The department of military affairs shall report to the house appropriations committee at each legislative session and to the state administration and veterans' affairs interim committee ~~during each interim in~~ accordance with 5-11-210 on the distribution of grants and the following metrics:

(a) the extent to which counties are informed of the services provided by the civil air patrol;

(b) the extent to which the civil air patrol is used by counties for search and rescue operations; and

(c) the amount of savings realized by counties who have used the civil air patrol for search and rescue operations. (Terminates June 30, 2023--sec. 5. Ch. 477, L. 2019.)"

Section 32. Section 13-22-108, MCA, is amended to read:

"13-22-108. Reports. (1) ~~Each biennium, the~~The secretary of state shall provide, upon request, a report to the ~~legislature~~state administration and veterans' affairs interim committee in accordance with 5-11-210 outlining the program's effectiveness in achieving its objectives.

(2) Participating schools and agencies shall provide to the secretary of state information regarding the youth voting program for the secretary of state's report ~~to the legislature.~~"

Section 33. Section 13-37-120, MCA, is amended to read:

"13-37-120. Reports. The commissioner ~~may~~shall provide a biennial report to the state administration and veterans' affairs interim committee in accordance with 5-11-210 ~~as necessary on the matters~~ within the commissioner's jurisdiction ~~that the legislature may prescribe and shall also make~~may provide recommendations for further legislation ~~that may appear desirable.~~"

Section 34. Section 15-30-2303, MCA, is amended to read:

"15-30-2303. Tax credits subject to review by interim committee. (1) The following tax credits must be reviewed during the biennium commencing July 1, 2019:

- (a) the credit for income taxes imposed by foreign states or countries provided for in 15-30-2302;
- (b) the credit for contractor's gross receipts provided for in 15-50-207;
- (c) the credit for new or expanded manufacturing provided for in 15-31-124 through 15-31-127;
- (d) the credit for installing an alternative energy system provided for in 15-32-201 through 15-32-203;
- (e) the credit for energy-conserving expenditures provided for in 15-30-2319 and 15-32-109; and
- (f) the credit for elderly homeowners and renters provided for in 15-30-2337 through 15-30-2341.

(2) The following tax credits must be reviewed during the biennium commencing July 1, 2021:

- (a) the credit for commercial or net metering system investment provided for in Title 15, chapter 32, part 4;
- (b) the credit for qualified elderly care expenses provided for in 15-30-2366;
- (c) the credit for dependent care assistance and referral services provided for in 15-30-2373 and 15-31-131;

(d) the credit for contributions to a university or college foundation or endowment provided for in 15-30-2326, 15-31-135, and 15-31-136;

(e) the credit for donations to an educational improvement account provided for in 15-30-2334, 15-30-3110, and 15-31-158; and

(f) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-30-3111, and 15-31-159.

(3) The following tax credits must be reviewed during the biennium commencing July 1, 2023:

(a) the credit for providing disability insurance for employees provided for in 15-30-2367 and 15-31-132;

(b) the credit for installation of a geothermal system provided for in 15-32-115;

(c) the credit for property to recycle or manufacture using recycled material provided for in Title 15, chapter 32, part 6;

(d) the credit for converting a motor vehicle to alternative fuel provided for in 15-30-2320 and 15-31-137;

(e) the credit for infrastructure use fees provided for in 17-6-316; and

(f) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-2329, 15-31-161, and 15-31-162.

(4) The following tax credits must be reviewed during the biennium commencing July 1, 2025:

(a) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151;

(b) the credit for mineral or coal exploration provided for in Title 15, chapter 32, part 5;

(c) the credit for capital gains provided for in 15-30-2301;

(d) the credit for a new employee in an empowerment zone provided for in 15-30-2356 and 15-31-134;

(e) the credit for an oilseed crush facility provided for in 15-32-701; and

(f) the credit for unlocking state lands provided for in 15-30-2380.

(5) The following tax credits must be reviewed during the biennium commencing July 1, 2027:

(a) the biodiesel or biolubricant production facility credit provided for in 15-32-702;

(b) the biodiesel blending and storage credit provided for in 15-32-703;

- (c) the adoption tax credit provided for in 15-30-2364;
 - (d) the credit for providing temporary emergency lodging provided for in 15-30-2381 and 15-31-171;
 - (e) the credit for hiring a registered apprentice or veteran apprentice provided for in 15-30-2357 and 15-31-173;
 - (f) the earned income tax credit provided for in 15-30-2318; and
 - (g) the media production and postproduction credits provided for in 15-31-1007 and 15-31-1009.
- (6) The revenue interim committee shall review the tax credits scheduled for review in the biennium of the next regular legislative session, including any individual or corporate income tax credits with an expiration or termination date that are not listed in this section, and make recommendations in accordance with 5-11-210 at the conclusion of the full review to the legislature about whether to eliminate or revise the credits. The legislature may extend the review dates by amending this section. The revenue interim committee shall review the credits using the following criteria:

- (a) whether the credit changes taxpayer decisions, including whether the credit rewards decisions that may have been made regardless of the existence of the tax credit;
- (b) to what extent the credit benefits some taxpayers at the expense of other taxpayers;
- (c) whether the credit has out-of-state beneficiaries;
- (d) the timing of costs and benefits of the credit and how long the credit is effective;
- (e) any adverse impacts of the credit or its elimination and whether the benefits of continuance or elimination outweigh adverse impacts; and
- (f) the extent to which benefits of the credit affect the larger economy."

Section 35. Section 15-32-703, MCA, is amended to read:

"15-32-703. Biodiesel blending and storage tax credit -- recapture -- report to interim committee. (1) An individual, corporation, partnership, or small business corporation, as defined in 15-30-3301, may receive a credit against taxes imposed by Title 15, chapter 30 or 31, for the costs of investments in depreciable property used for storing or blending biodiesel with petroleum diesel for sale.

(2) Subject to subsection (4), a special fuel distributor or an owner or operator of a motor fuel outlet qualifying for a credit under this section is entitled to claim a credit, as provided in subsection (3), for the costs

described in subsection (1) incurred in the 2 tax years before the taxpayer begins blending biodiesel fuel for sale or in any tax year in which the taxpayer is blending biodiesel fuel for sale.

(3) (a) The total amount of the credits for all years that may be claimed by a distributor under this section is 15% of the costs described in subsection (1), up to a total of \$52,500.

(b) The total amount of the credits for all years that may be claimed by an owner or operator of a motor fuel outlet under this section is 15% of the costs described in subsection (1), up to a total of \$7,500.

(4) The following requirements must also be met for a taxpayer to be entitled to a tax credit under this section:

(a) The investment must be for depreciable property used primarily to blend petroleum diesel with biodiesel made entirely from Montana-produced feedstocks.

(b) Sales of biodiesel must be at least 2% of the taxpayer's total diesel sales by the end of the third year following the initial tax year in which the credit is initially claimed.

(c) (i) The taxpayer claiming a credit must be a person who as an owner, including a contract purchaser or lessee, or who pursuant to an agreement owns, leases, or has a beneficial interest in a business that blends biodiesel.

(ii) If more than one person has an interest in a business with qualifying property, they may allocate all or any part of the investment cost among themselves and their successors or assigns.

(d) The business must be owned or leased during the tax year by the taxpayer claiming the credit, except as otherwise provided in subsection (4)(c), and, except for the 2 tax-year period claimed in subsection (2), must have been blending biodiesel during the tax year for which the credit is claimed.

(5) The credit provided by this section is not in lieu of any depreciation or amortization deduction for the investment or other tax incentive to which the taxpayer otherwise may be entitled under Title 15.

(6) A tax credit allowable under this section that is not completely used by the taxpayer in the tax year in which the credit is initially claimed may be carried forward for credit against the taxpayer's tax liability for any succeeding tax year until the total amount of the credit has been deducted from tax liability. However, a credit may not be carried forward to any tax year in which the facility is not blending biodiesel or storing biodiesel for blending or beyond the ~~7th~~ seventh tax year after the tax year for which the credit was initially claimed. If a facility for which a credit is claimed ceases blending of biodiesel with petroleum diesel for sale for a period of 12

continuous months within 5 years after the initial claiming of a credit under this section or within 5 years after a year in which the credit was carried forward or if the taxpayer claiming the credit fails to satisfy the conditions of subsection (4)(b), the total credit is subject to recapture. The person claiming the credit is liable for the total amount of the credit in the event of recapture.

(7) The taxpayer's adjusted basis for determining gain or loss may not be further decreased by any tax credits allowed under this section.

(8) If the taxpayer is a shareholder of an electing small business corporation, the credit must be computed using the shareholder's pro rata share of the corporation's cost of investing in the biodiesel blending facility. In all other respects, the allowance and effect of the tax credit apply to the corporation as otherwise provided by law.

(9) As used in this section, "biodiesel" has the meaning provided in 15-70-401.

(10) The department shall report to the ~~transportation-revenue~~ transportation-revenue interim committee biennially, in accordance with 5-11-210, regarding the number and type of taxpayers claiming the credit under this section, the total amount of the credit claimed, and the department's cost associated with administering the credit."

Section 36. Section 15-70-450, MCA, is amended to read:

"15-70-450. Cooperative agreement -- motor fuels taxes. (1) In order to prevent the possibility of dual taxation of motor fuels purchased by Montana citizens and businesses on Indian reservations, the department and an Indian tribe may enter into a cooperative agreement. The department may, with the concurrence of the attorney general, include as a member of the negotiating team a representative of the department of justice who has expertise in Indian matters.

(2) The department of transportation shall report the status of cooperative agreement negotiations to the transportation interim committee in accordance with 5-11-210.

(3) After negotiations are complete and if the legislature is not in session, ~~the an~~ an agreement must be presented to the transportation interim committee for review and comment before the final agreement is submitted to the attorney general for approval pursuant to 18-11-105."

Section 37. Section 17-1-102, MCA, is amended to read:

"17-1-102. Uniform accounting system and expenditure control. (1) The department shall establish a system of financial control so that the functioning of the various agencies of the state may be improved, duplications of work by different state agencies and employees may be eliminated, public service may be improved, and the cost of government may be reduced.

(2) The department shall prescribe and install a uniform accounting and reporting system for all state agencies and institutions, reporting the receipt, use, and disposition of all public money and property in accordance with generally accepted accounting principles.

(3) The uniform accounting and reporting system must contain three levels of expenditure. The first level must include general categories, such as personal services, operating expenses, equipment, capital outlay, local assistance, grants, benefits and claims, transfers, and debt service. The second level of expenditure must include specific categories of expenditures within each first-level category. The third level of expenditure must include specific items of expenditure within each category of the second level.

(4) (a) Except as provided in subsection (4)(b), all state agencies, including units of the university system but excluding community colleges, shall input all necessary transactions to the accounting system prescribed in subsection (2) before the accounts are closed at the end of the fiscal year in order to present the receipt, use, and disposition of all money and property for which the agency is accountable in accordance with generally accepted accounting principles, except that for budgetary control purposes, encumbrances that are required by generally accepted accounting principles to be reported as a reservation of fund balance must be recorded as expenditures and liabilities on the accounting records in accordance with the following requirements:

(i) Goods and services, grants, and local assistance that are paid for with the general fund, in whole or in part, may be encumbered. The general fund encumbrances must be reviewed by the department, and a specific extension plan must be presented by the encumbering agency to the department prior to the fiscal yearend. If a valid extension plan is not received and approved, the department shall delete the encumbrance at fiscal yearend. The department shall present a fiscal yearend report to the office of budget and program planning and to the legislative fiscal analyst on each general fund encumbrance remaining at fiscal yearend. The report must be provided in an electronic format. The department shall provide a copy of the fiscal yearend report to the legislature in accordance with 5-11-210.

(ii) Nongeneral fund encumbrances also require a valid extension plan approved by the department at the end of each fiscal year. After 3 years, approved extensions must be included by the department in its fiscal yearend report to the office of budget and program planning and to the legislative finance committee.

(b) The state fund provided for in Title 39, chapter 71, part 23, shall report on a calendar year basis."

Section 38. Section 17-2-107, MCA, is amended to read:

"17-2-107. Accurate accounting records and interentity loans. (1) The department shall record receipts and disbursements for treasury funds and for accounting entities within treasury funds and shall maintain records in a manner that reflects the total cash and invested balance of each fund and each accounting entity. The department shall adopt the necessary procedures to ensure that interdepartmental or intradepartmental transfers of money or loans do not result in inflation of figures reflecting total governmental costs and revenue.

(2) (a) Except as provided in 77-1-108 and subject to 17-2-105, when the expenditure of an appropriation from a fund designated in 17-2-102(1) through (3) is necessary and the cash balance in the accounting entity from which the appropriation was made is insufficient, the department may authorize a temporary loan, bearing no interest, of unrestricted money from other accounting entities if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. An accounting entity receiving a loan or an accounting entity from which a loan is made may not be so impaired that all proper demands on the accounting entity cannot be met even if the loan is extended.

(b) (i) When an expenditure from a fund or subfund designated in 17-2-102(4) is necessary and the cash balance in the fund or subfund from which the expenditure is to be made is insufficient, the commissioner of higher education may authorize a temporary loan, bearing interest as provided in subsection (4) of this section, of money from the agency's other funds or subfunds if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. A fund or subfund receiving a loan or from which a loan is made may not be so impaired that all proper demands on the fund or subfund cannot be met even if the loan is extended.

(ii) One accounting entity within each fund or subfund designated in 17-2-102(4) must be established

for the sole purpose of recording loans between the funds or subfunds. This accounting entity is the only accounting entity within each fund or subfund that may receive a loan or from which a loan may be made.

(c) A loan made under subsection (2)(a) or (2)(b) must be repaid within 1 calendar year of the date on which the loan is approved unless it is extended under subsection (3) or by specific legislative authorization.

(3) Under unusual circumstances, the director of the department or the board of regents may grant one extension for up to 1 year for a loan made under subsection (2)(a) or (2)(b). The director or board shall prepare a written justification and proposed repayment plan for each loan extension authorized and shall furnish a copy of the written justification and proposed repayment plan to the house appropriations and senate finance and claims committees at the next legislative session.

(4) Any loan from the current unrestricted subfund to funds designated in 17-2-102(4)(a)(iv) and (4)(b) through (4)(f) must bear interest at a rate equivalent to the previous fiscal year's average rate of return on the board of investments' short-term investment pool.

(5) If for 2 consecutive fiscal yearends a loan or an extension of a loan has been authorized to the same accounting entity as provided in subsection (2) or (3), the department or the commissioner of higher education shall submit to the legislative fiscal analyst by September 1 of the following fiscal year a written report containing an explanation as to why the second loan or extension was made, an analysis of the solvency of the accounting entity or accounting entities within the university fund or subfund, and a plan for repaying the loans. The report must be provided in an electronic format. The department or the commissioner of higher education shall provide a copy of the report to the legislature in accordance with 5-11-210.

(6) If for 2 consecutive fiscal yearends an accounting entity in a fund or subfund designated in 17-2-102(4) has a negative cash balance, the commissioner of higher education shall submit to the legislative fiscal analyst by September 1 of the following fiscal year a written report containing an explanation as to why the accounting entity has a negative cash balance, an analysis of the solvency of the accounting entity, and a plan to address any problems concerning the accounting entity's negative cash balance or solvency. The report must be provided in an electronic format. The commissioner of higher education shall provide a copy of the report to the legislature in accordance with 5-11-210.

(7) (a) An accounting entity in a fund designated in 17-2-102(1) through (3) may not have a negative cash balance at fiscal yearend. The department may, however, allow a fund type within each agency to carry a

negative balance at any point during the fiscal year if the negative cash balance does not exist for more than 7 working days.

(b) (i) Except as provided in subsection (7)(b)(ii) of this section, a unit of the university system shall maintain a positive cash balance in the funds and subfunds designated in 17-2-102(4).

(ii) If a fund or subfund inadvertently has a negative cash balance, the department may allow the fund or subfund to carry the negative cash balance for no more than 7 working days. If the negative cash balance exists for more than 7 working days, a transaction may not be processed through the statewide accounting, budgeting, and human resource system for that fund or subfund.

(8) Notwithstanding the provisions of subsections (2) through (4), the department may authorize loans to accounting entities in the federal and state special revenue funds with long-term repayment whenever necessary because of the timing of the receipt of agreed-upon reimbursements from federal, private, or other governmental entity sources for disbursements made. If possible, the loans must be made from funds other than the general fund. The department may approve the loans if the requesting agency can demonstrate that the total loan balance does not exceed total receivables from federal, private, or other governmental entity sources and receivables have been billed on a timely basis. The loan must be repaid under terms and conditions that may be determined by the department or by specific legislative authorization.

(9) A loan may not be authorized under this section to any fund or accounting entity that is owed federal or other third-party funds unless the requesting agency certifies to the agency approving the loan that it has and will continue to bill the federal government or other third party for the requesting agency's share of costs incurred in the fund or accounting entity on the earliest date allowable under federal or other third-party regulations applicable to the program. The requesting agency shall recertify its timely billing status to the agency that approved the loan at least monthly during the term of the loan. If at any time the requesting agency fails to recertify the timely billing, the agency that approved the loan shall cancel the loan and return the money to its original source."

Section 39. Section 17-5-1650, MCA, is amended to read:

"17-5-1650. Annual report. (1) By December 31 of each year, the board shall publish a financial report for distribution to the governor, the legislature, and the public. ~~Distribution~~ Except as provided in

subsection (2), distribution to the legislature is accomplished by providing two copies to the legislative services division and a copy to a legislator on request.

(2) Subject to [section 1(6)], a report demonstrating the requirements of subsections (1) and (3) must be provided to the legislature in accordance with 5-11-210.

(3) The report must include:

- (a) a statement of the board's current financial position with respect to its activities under this part;
- (b) a summary of its activities pursuant to this part during the previous year (including:
 - (i) a listing of the eligible governmental securities purchased by the board;
 - (ii) a listing of the bonds and notes sold by the board; and
 - (iii) a summary of the performance of any other investments of the board's funds received under this part);
- (c) an estimate of the levels of activities for the next year; and
- (d) a comparison of the activities during the previous year with the estimates of those activities that were made in the previous annual report."

Section 40. Section 17-7-140, MCA, is amended to read:

"17-7-140. Reduction in spending. (1) (a) As the chief budget officer of the state, the governor shall ensure that the expenditure of appropriations does not exceed available revenue. Except as provided in subsection (2), in the event of a projected general fund budget deficit, the governor, taking into account the criteria provided in subsection (1)(c), shall direct agencies to reduce spending in an amount that ensures that the projected ending general fund balance for the biennium will be at least:

- (i) 4% of the general fund appropriations for the second fiscal year of the biennium prior to October of the year preceding a legislative session;
- (ii) 3% of the general fund appropriations for the second fiscal year of the biennium in October of the year preceding a legislative session;
- (iii) 2% of the general fund appropriations for the second fiscal year of the biennium in January of the year in which a legislative session is convened; and
- (iv) 1% of the general fund appropriations for the second fiscal year of the biennium in March of the

year in which a legislative session is convened.

(b) An agency may not be required to reduce general fund spending for any program, as defined in each general appropriations act, by more than 10% during a biennium. Starting January 1, 2021, a governor may not reduce total agency spending in the biennium by more than 4% of the second year appropriations for the agency. Departments or agencies headed by elected officials or the board of regents may not be required to reduce general fund spending by a percentage greater than the percentage of general fund spending reductions required for the weighted average of all other executive branch agencies. The legislature may exempt from a reduction an appropriation item within a program or may direct that the appropriation item may not be reduced by more than 10%.

(c) The governor shall direct agencies to manage their budgets in order to reduce general fund expenditures. Prior to directing agencies to reduce spending as provided in subsection (1)(a), the governor shall direct each agency to analyze the nature of each program that receives a general fund appropriation to determine whether the program is mandatory or permissive and to analyze the impact of the proposed reduction in spending on the purpose of the program. An agency shall submit its analysis to the office of budget and program planning and shall at the same time provide a copy of the analysis to the legislative fiscal analyst. The report must be submitted in an electronic format. The office of budget and program planning shall review each agency's analysis, and the budget director shall submit to the governor a copy of the office of budget and program planning's recommendations for reductions in spending. The budget director shall provide a copy of the recommendations to the legislative fiscal analyst at the time that the recommendations are submitted to the governor and shall provide the legislative fiscal analyst with any proposed changes to the recommendations. The recommendations must be provided in an electronic format. The recommendations must be provided to the legislature in accordance with 5-11-210. The legislative finance committee shall meet within 20 days of the date that the proposed changes to the recommendations for reductions in spending are provided to the legislative fiscal analyst. The legislative fiscal analyst shall provide a copy of the legislative fiscal analyst's review of the proposed reductions in spending to the budget director at least 5 days before the meeting of the legislative finance committee. The committee may make recommendations concerning the proposed reductions in spending. The governor shall consider each agency's analysis and the recommendations of the office of budget and program planning and the legislative finance committee in determining the agency's reduction in spending.

Reductions in spending must be designed to have the least adverse impact on the provision of services determined to be most integral to the discharge of the agency's statutory responsibilities.

(2) Reductions in spending for the following may not be directed by the governor:

- (a) payment of interest and principal on state debt;
- (b) the legislative branch;
- (c) the judicial branch;
- (d) the school BASE funding program, including special education;
- (e) salaries of elected officials during their terms of office; and
- (f) the Montana school for the deaf and blind.

(3) (a) As used in this section, "projected general fund budget deficit" means an amount, certified by the budget director to the governor, by which the projected ending general fund balance for the biennium is less than:

- (i) 4% of the general fund appropriations for the second fiscal year of the biennium prior to October of the year preceding a legislative session;
- (ii) 1.875% in October of the year preceding a legislative session;
- (iii) 1.25% in January of the year in which a legislative session is convened; and
- (iv) 0.625% in March of the year in which a legislative session is convened.

(b) In determining the amount of the projected general fund budget deficit, the budget director shall take into account revenue, established levels of appropriation, anticipated supplemental appropriations for school equalization aid and the cost of the state's wildland fire suppression activities exceeding the amount statutorily appropriated in 10-3-312, and anticipated reversions.

(4) If the budget director determines that an amount of actual or projected receipts will result in an amount less than the amount projected to be received in the revenue estimate established pursuant to 5-5-227, the budget director shall notify the revenue interim committee in accordance with 5-11-210 of the estimated amount. Within 20 days of notification, the revenue interim committee shall provide the budget director with any recommendations concerning the amount. The budget director shall consider any recommendations of the revenue interim committee prior to certifying a projected general fund budget deficit to the governor.

(5) If the budget director certifies a projected general fund budget deficit, the governor may authorize

transfers to the general fund from certain accounts as set forth in subsections (6), (7), and (8).

(6) Before January 1, 2021, the governor may authorize transfers from the budget stabilization reserve fund prior to making reductions in spending. A transfer under this subsection may not cause the fund balance of the budget stabilization reserve fund to be less than 1% of all general fund appropriations in the second year of the biennium.

(7) The governor may authorize transfers from the budget stabilization reserve fund provided for in 17-7-130. The governor may authorize \$2 of transfers from the fund for each \$1 of reductions in spending.

(8) If the budget director certifies a projected general fund budget deficit, the governor may authorize transfers to the general fund from the fire suppression account established in 76-13-150. The amount of funds available for a transfer from this account is up to the sum of the fund balance of the account, plus expected current year revenue, minus the sum of 1% of the general fund appropriations for the second fiscal year of the biennium, plus estimated expenditures from the account for the fiscal year. The governor may authorize \$1 of transfers from the fire suppression account established in 76-13-150 for each \$1 of reductions in spending."

Section 41. Section 17-7-202, MCA, is amended to read:

"17-7-202. Preparation of building programs and submission to department of administration -- statewide facility inventory and condition assessment. (1) Before July 1 of the year preceding a legislative session, each state agency and institution shall submit to the architecture and engineering division of the department of administration, on forms furnished by the division, a proposed long-range building program for major repair projects and capital developments, if any, for the agency or institution. Each agency and institution shall furnish any additional information requested by the division relating to the utilization of or need for major repair projects and capital developments.

(2) (a) Except as provided in subsection (3), the division shall compile and maintain a statewide facility inventory and condition assessment that:

(i) for each state-owned building:

(A) identifies its location and total square footage;

(B) identifies the agency or agencies using or occupying the building and how much square footage each agency uses or occupies;

(C) lists the current replacement value of the building in its entirety and each agency's portion of the building;

(D) identifies whether the building is a long-range building program-eligible building;

(ii) for each long-range building program-eligible building:

(A) includes a facility condition assessment of the building and an itemized list of the building's deficiencies; and

(B) compares the building's current building deficiency ratio to its deficiency ratio in the previous biennium.

(b) The division may contract with a private vendor to collect, analyze, and compile the building information required in this subsection (2).

(c) The facility inventory and condition assessment must be updated as determined by the division.

(d) The division may incorporate in the statewide facility inventory and condition assessment any facility condition assessment or similar document compiled by an agency.

(e) The division shall provide the statewide facility inventory and condition assessment, including a calculation of the deferred maintenance backlog and overall building deficiency ratio of the long-range building program-eligible buildings, to the office of budget and program planning and the legislative finance committee by September 1 of the year preceding a legislative session in an electronic format. The division shall provide a copy of the report to the legislature in accordance with 5-11-210.

(3) The division is not required to include a state-owned building that has a current replacement value of \$150,000 or less in the facility inventory and condition assessment.

(4) The division shall examine the information furnished by each agency and institution and shall gather whatever additional information is necessary and conduct whatever surveys are necessary in order to provide a factual basis for determining the need for and the feasibility of major repair projects and capital developments. The information compiled by the division shall be submitted to the governor before October 1 of the year preceding a legislative session."

Section 42. Section 17-7-214, MCA, is amended to read:

"17-7-214. (Temporary) High-performance program for operations and maintenance of existing

buildings. (1) The department of administration, in collaboration with the Montana university system and other state agencies, shall develop a voluntary high-performance building program for the operation and maintenance of existing buildings. In developing this program, the department of administration shall consider:

- (a) integrated design principles to optimize energy performance, enhance indoor environmental quality, and conserve natural resources;
 - (b) cost-effectiveness, including productivity, deferred maintenance, and operational considerations;
- and
- (c) building functionality, durability, and maintenance.

(2) When economically justified, state agencies may elect to improve the cost-effectiveness of existing buildings by participating in the high-performance program for operations and maintenance of existing buildings established by the department of administration under this section.

(3) ~~Prior to September 1 of each even-numbered year, the~~The department of administration, in collaboration with the Montana university system, shall ~~update~~ provide a report to the energy and telecommunications interim committee in accordance with 5-11-210 on the high-performance building program established in subsection (1). The report must include an overview of the state agencies and educational units participating in the program and an estimate of savings or actual savings in operations and maintenance resulting from participation in the program. (Terminates June 30, 2029--sec. 1, Ch. 408, L. 2019.)"

Section 43. Section 17-8-416, MCA, is amended to read:

"17-8-416. Reporting. ~~Beginning February 15, 2014, and by February 15 of each year, the~~The attorney general shall submit to the law and justice interim committee a report in accordance with 5-11-210 containing the following information:

- (1) the number of cases filed under the Montana False Claims Act, Title 17, chapter 8, part 4, that were pending in the state during the previous calendar year;
- (2) the number of cases filed under the Montana False Claims Act that were settled during the previous calendar year;
- (3) the number of cases filed under the Montana False Claims Act in which judgment was entered during the previous calendar year;

(4) the total proceeds paid to the state and the total proceeds paid to the qui tam plaintiffs in cases filed under the Montana False Claims Act during the previous calendar year; and

(5) the number of qui tam cases pending in other jurisdictions involving the state in the previous calendar year."

Section 44. Section 19-3-117, MCA, is amended to read:

"19-3-117. Board report required. As soon as possible after the completion of each annual actuarial valuation for the public employees' retirement system, the board shall have its actuary present a detailed actuarial report in accordance with 5-11-210 to the legislative finance committee ~~provided for in 5-12-204~~ and to the state administration and veterans' affairs interim committee provided for in 5-5-228. The actuarial report must provide a trend analysis of the system's progress toward 100% funding. The reporting requirement may be addressed in reports provided in accordance with 19-2-405."

Section 45. Section 19-20-216, MCA, is amended to read:

"19-20-216. Board to make special report. As soon as possible after the completion of each annual actuarial valuation for the teachers' retirement system, the board shall have its actuary present a detailed actuarial report in accordance with 5-11-210 to the legislative finance committee ~~provided for in 5-12-204~~ and to the state administration and veterans' affairs interim committee provided for in 5-5-228. The actuarial report must provide a trend analysis of the system's actual and projected progress toward 100% funding. The reporting requirement may be addressed in reports provided in accordance with 19-20-201."

Section 46. Section 19-20-732, MCA, is amended to read:

"19-20-732. (Temporary) Reemployment of certain retired teachers, specialists, and administrators -- procedure -- definitions. (1) Subject to the provisions of this section:

(a) a teacher, specialist, or administrator who has been receiving a retirement allowance for no less than 2 months, except a disability retirement allowance pursuant to part 9 of this chapter, may be employed on a full-time basis by an employer for a maximum of 3 years during the lifetime of the retired member without the loss or interruption of any payments or retirement benefits if:

(i) the retired member completed 27 or more years of creditable service prior to retirement;

(ii) the retired member holds a valid certificate pursuant to the provisions of 20-4-106; and

(iii) each year, prior to employing a retired member, the employer certifies to the office of public instruction and to the retirement board that after having advertised the position for that year the employer has been unable to fill the position because the employer either has received no qualified applications or has not received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator. The office of public instruction shall verify that the employer has advertised the position as required under this subsection (1)(a)(iii).

(b) the employer certification required by this section must include the retired member's name and social security number and a copy of the proposed contract of employment for the retired member;

(c) upon receipt of the employer's certification and of the proposed contract of employment, the retirement board shall verify whether the retired member meets the requirements of subsection (1)(a)(i) and shall notify the employer and the retired member of its findings;

(d) a retired member reemployed under this section is ineligible for active membership under 19-20-302 and is ineligible to receive service credit under any retirement system identified in Title 19; and

(e) ~~by September 15 of each even-numbered year,~~ the retirement board shall report to the education interim committee and the state administration and veterans' affairs interim committee, as provided in 5-11-210, regarding the implementation of and results arising from this section.

(2) An employer employing a retired member pursuant to this section shall contribute monthly to the retirement system an amount equal to the sum of the contribution rates required by 19-20-602, 19-20-604, 19-20-605, 19-20-607, 19-20-608, and 19-20-609.

(3) A retired member reemployed pursuant to this section is exempt from the earnings and employment limits provided in 19-20-731.

(4) If reemployed in a position covered by a collective bargaining agreement pursuant to Title 39, chapter 31, the retired member is subject to all the terms and conditions of the agreement and is entitled to all the benefits and protections of the agreement.

(5) The board may adopt rules to implement this section.

(6) As used in this section, the following definitions apply:

(a) "Administrator" means a school principal or district administrator other than a superintendent.

(b) "Employer" means a school district as defined in 20-6-101 and 20-6-701 that employs a retired member and is a second-class or third-class elementary district under 20-6-201 or a second-class or third-class high school district under 20-6-301.

(c) "Year" means all or any part of a school year. (Terminates June 30, 2025--sec. 4, Ch. 307, L. 2019.)

19-20-732. (Effective July 1, 2025) Reemployment of certain retired teachers, specialists, and administrators -- procedure -- definitions. (1) Subject to the provisions of this section:

(a) a teacher, specialist, or administrator who has been receiving a retirement allowance for no less than 2 months, except a disability retirement allowance pursuant to part 9 of this chapter, may be employed on a full-time basis by an employer for a maximum of 3 years during the lifetime of the retired member without the loss or interruption of any payments or retirement benefits if:

(i) the retired member completed 30 or more years of creditable service prior to retirement;

(ii) the retired member holds a valid certificate pursuant to the provisions of 20-4-106; and

(iii) each year, prior to employing a retired member, the employer certifies to the office of public instruction and to the retirement board that after having advertised the position for that year the employer has been unable to fill the position because the employer either has received no qualified applications or has not received an acceptance of an offer of employment made to a nonretired teacher, specialist, or administrator;

(b) the employer certification required by this section must include the retired member's name and social security number and a copy of the proposed contract of employment for the retired member;

(c) upon receipt of the employer's certification and of the proposed contract of employment, the retirement board shall verify whether the retired member meets the requirements of subsection (1)(a)(i) and shall notify the employer and the retired member of its findings;

(d) a retired member reemployed under this section is ineligible for active membership under 19-20-302 and is ineligible to receive service credit under any retirement system identified in Title 19; and

(e) the retirement board shall report to the ~~appropriate committee each legislative session~~ education interim committee and the state administration and veterans' affairs interim committee in accordance with 5-11-210 regarding the implementation of and results arising from this section.

(2) An employer employing a retired member pursuant to this section shall contribute monthly to the retirement system an amount equal to the sum of the contribution rates required by 19-20-602, 19-20-604, 19-20-605, 19-20-607, 19-20-608, and 19-20-609.

(3) A retired member reemployed pursuant to this section is exempt from the earnings and employment limits provided in 19-20-731.

(4) If reemployed in a position covered by a collective bargaining agreement pursuant to Title 39, chapter 31, the retired member is subject to all the terms and conditions of the agreement and is entitled to all the benefits and protections of the agreement.

(5) The board may adopt rules to implement this section.

(6) As used in this section, the following definitions apply:

(a) "Employer" means a school district as defined in 20-6-101 and 20-6-701.

(b) "Year" means all or any part of a school year."

Section 47. Section 20-1-231, MCA, is amended to read:

"20-1-231. Report to legislature. ~~On or before September 15 of even-numbered years, representatives~~ Representatives of the Great Falls school district, the Helena school district, and a member of the military, as specified by the adjutant general, shall provide, singly or jointly, a report in accordance with 5-11-210 to the ~~senate president, the speaker of the house, and the~~ education interim committee regarding the state's participation in the compact on educational opportunity for military children established in 20-1-230."

Section 48. Section 20-7-101, MCA, is amended to read:

"20-7-101. Standards of accreditation. (1) Standards of accreditation for all schools must be adopted by the board of public education upon the recommendations of the superintendent of public instruction. The superintendent shall develop recommendations in accordance with subsection (2). The recommendations presented to the board must include an economic impact statement, as described in 2-4-405, prepared in consultation with the negotiated rulemaking committee under subsection (2).

(2) The accreditation standards recommended by the superintendent of public instruction must be developed through the negotiated rulemaking process under Title 2, chapter 5, part 1. The superintendent may

form a negotiated rulemaking committee for accreditation standards to consider multiple proposals. The negotiated rulemaking committee may not exist for longer than 2 years. The committee must represent the diverse circumstances of schools of all sizes across the state and must include representatives from the following groups:

- (a) school district trustees;
- (b) school administrators;
- (c) teachers;
- (d) school business officials;
- (e) parents; and
- (f) taxpayers.

(3) Prior to adoption or amendment of any accreditation standard, the board shall submit each proposal, including the economic impact statement required under subsection (1), to the education interim committee for review at least 1 month in advance of a scheduled committee meeting. Information provided during an interim must be provided to the legislature in accordance with 5-11-210.

(4) Unless the expenditures by school districts required under the proposal are determined by the education interim committee to be insubstantial expenditures that can be readily absorbed into the budgets of existing district programs, the board may not implement the standard until July 1 following the next regular legislative session and shall request that the same legislature fund implementation of the proposed standard.

(5) Standards for the retention of school records must be as provided in 20-1-212."

Section 49. Section 20-7-308, MCA, is amended to read:

"20-7-308. State director of K-12 career and vocational/technical education -- duties. There is a state director of K-12 career and vocational/technical education appointed by the superintendent of public instruction. The director shall:

- (1) administer the K-12 career and vocational/technical education policies adopted by the superintendent of public instruction;
- (2) prepare curriculum guides for adoption by the superintendent of public instruction;
- (3) employ, with the confirmation of the superintendent of public instruction, professional staff

consisting of individuals prepared in agriculture education, business and marketing education, family and consumer sciences education, and industrial technology education;

(4) report the status of K-12 career and vocational/technical education in the state of Montana when requested by the superintendent of public instruction;

(5) keep all K-12 career and vocational/technical education records in the director's office;

(6) provide K-12 career and vocational/technical education supervisory and consultative assistance to districts;

(7) prepare any necessary reports for the superintendent of public instruction or the legislature in accordance with 5-11-210; and

(8) perform any other duty assigned by the superintendent of public instruction."

Section 50. Section 20-7-469, MCA, is amended to read:

"20-7-469. Dyslexia -- definition -- screening -- intervention. (1) This section may be cited as the "Montana Dyslexia Screening and Intervention Act".

(2) For the purposes of this section, "dyslexia" means a specific learning disability that is neurological in origin and characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities. These difficulties typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and the provision of effective classroom instruction. Secondary consequences may include problems in reading comprehension and reduced reading experience that can impede the growth of vocabulary and background knowledge.

(3) (a) In alignment with the existing requirements of the Individuals With Disabilities Education Act, rules of the board of public education, and rules of the superintendent of public instruction, school districts shall establish procedures to ensure that all resident children with disabilities, including specific learning disabilities resulting from dyslexia, are identified and evaluated for special education and related services as early as possible.

(b) To support the goal of the people of Montana to develop the full educational potential of each person, articulated in Article X, section 1(1), of the Montana constitution, and to ensure early identification and intervention for students with dyslexia, a school district shall utilize a screening instrument aimed at identifying

students at risk of not meeting grade-level reading benchmarks. The screening instrument must:

(i) be administered to:

(A) a child in the first year that the child is admitted to a school of the district up to grade 2; and

(B) a child who has not been previously screened by the district and who fails to meet grade-level reading benchmarks in any grade;

(ii) be administered by an individual with an understanding of, and training to identify, signs of dyslexia;

and

(iii) be designed to assess developmentally appropriate phonological and phonemic awareness skills.

(c) If a screening under subsection (3)(b) suggests that a child may have dyslexia or a medical professional diagnoses a child with dyslexia, the child's school district shall take steps to identify the specific needs of the child and implement best practice interventions to address those needs. This process may lead to consideration of the child's qualification as a child with a disability under the Individuals With Disabilities Education Act.

(4) The office of public instruction shall:

(a) endeavor to raise statewide awareness of dyslexia, as well as the attendant rights of students and parents and the responsibilities of school districts related to dyslexia; and

(b) provide guidance to school districts related to:

(i) the early identification of students with dyslexia, including best practices for universal, valid, and reliable screening methods and other assessments in support of the requirements of subsection (3)(b) that:

(A) have minimal or no cost to a district; and

(B) are able to be integrated with a district's existing reading programs;

(ii) best practice interventions to support students with dyslexia as early as possible, including interventions for those students with dyslexia evaluated as requiring special education and those students with dyslexia evaluated as not requiring special education; and

(iii) best practices for collaborating with and supporting parents of students with dyslexia.

(5) The legislature urges all entities within the state with authority over, or a role to play in, teacher preparation and professional development to ensure that teachers and other school personnel, especially those in the early grades, are well prepared to identify and serve students with dyslexia.

~~(6) No later than September 15, 2020, the office of public instruction and the board of public education shall report to the education interim committee on progress made in addressing dyslexia pursuant to this act."~~

Section 51. Section 20-7-904, MCA, is amended to read:

"20-7-904. Review and recommendations of proposals -- reporting. (1) The policies of the board of public education must ensure that program proposals submitted by school districts to the superintendent of public instruction contain:

- (a) evidence that identification procedures are comprehensive and appropriate;
- (b) a program description including stated needs and measurable objectives designed to meet those needs;
- (c) evidence that the activities are appropriate and will serve to achieve the program objectives; and
- (d) a method to evaluate the effectiveness of the program.

(2) School districts may request assistance from the staff of the superintendent in formulating program proposals.

(3) The superintendent of public instruction shall supervise and coordinate the programs for gifted and talented children by:

(a) recommending to the board of public education the adoption of those policies necessary to establish a planned and coordinated program; and

(b) establishing a procedure for review and approval of program proposals.

(4) ~~On or before September 15 of even-numbered years, the~~The office of public instruction shall report to the governor and the legislature in accordance with 5-11-210 on the status and effectiveness of programs serving gifted and talented students. The report must include:

(a) the total number of schools applying for and receiving funds from the office of public instruction for gifted and talented programs pursuant to 20-7-903 and a breakdown by school size;

(b) a description of the ways in which districts applying for funds report meeting the requirements to include a child's parents in the gifted and talented evaluation process, pursuant to 20-7-902;

(c) the total number of students districts report evaluating for gifted and talented programs and the

total number of students identified as gifted and talented;

- (d) a description of the training provided by districts to teachers of gifted and talented students;
- (e) a description of services provided by districts to gifted and talented students; and
- (f) an evaluation of the effectiveness of gifted and talented programs, including measures such as:
 - (i) measures of student achievement or growth;
 - (ii) indicators of student and parent satisfaction with the programs; or
 - (iii) other gauges of program quality as determined by the office of public instruction."

Section 52. Section 20-7-1602, MCA, is amended to read:

"20-7-1602. (Temporary) Incentives for creation of transformational learning programs. (1) (a)

A school district as defined in 20-6-101 that satisfies the conditions of subsection (2) and is qualified by the board of public education pursuant to subsection (3) is eligible for a 4-consecutive-year provision of the transitional funding and flexibilities in subsections (4) and (5).

(b) A school district may be qualified by the board of public education for no more than one 4-consecutive-year provision of transitional funding and flexibilities in any 8-year period.

(2) To qualify for the transitional funding and flexibilities in subsections (4) and (5), the board of trustees of a district shall submit an application that has been approved by motion of the board of trustees and signed by the presiding officer to the board of public education for approval of a transformational learning program on a form provided by the superintendent of public instruction. The school board's application must:

(a) identify the number of full-time equivalent educators meeting the criteria of 20-9-327(3) who will participate in the district's transformational learning program, with full-time equivalence calculated and reported by the district based on the planned portion of each qualifying educator's full-time equivalent assignment that is dedicated to the district's transformational learning program;

(b) include the district's definition of proficiency within the meaning of that term as used in 20-9-311(4)(d). The definition must not require seat time as a condition or other element of determining proficiency. The definition must be incorporated in the district's policies and must be used for purposes of determining content and course mastery and other progress, promotion from grade to grade, grades, and graduation for pupils enrolled in the district's transformational learning program.

(c) include a strategic plan with appropriate planning horizons for implementation, measurable objectives to ensure accountability, and planned strategies to:

(i) develop a transformational learning plan for each participating pupil that honors individual interests, passions, strengths, needs, and culture and that is rooted in relationships with teachers, family, peers, and community members;

(ii) embed community-based, experiential, online, and work-based learning opportunities and foster a learning environment that incorporates both face-to-face and virtual connections;

(iii) provide effective professional development to assist employees in transitioning to a transformational learning model; and

(iv) ensure equality of educational opportunity to participate by all pupils of the district.

(3) On an annual basis, the board of public education shall:

(a) establish by rule the opening and closing dates for receipt of applications and annual reports;

(b) qualify districts that submit an application meeting the requirements of subsection (2) for the funding in subsection (4) and the flexibilities in subsection (5) until the annual appropriation is exhausted, after which further applications, including first-time applications and annual reports requesting an expansion of a previously approved plan, are to be deferred for consideration in a subsequent year, in the order of date received, if and when additional funds become available for distribution;

(c) require each participating school district to submit an annual report demonstrating continued qualification for funding under this section and including a report of progress toward measurable objectives under the school district's transformational learning plan. The school district shall include any decrease or requested increase in the number of participating full-time equivalent educators under subsection (2)(a) for adjustments to its funding. Any increase in funding based on requested increased levels of participation under subsection (2)(a) must be determined in the order of date received among all first-time applications and annual reports requesting an expansion of a previously approved plan and must be contingent on the availability of funds within any appropriation of the legislature. An application deferred for consideration in a subsequent year due to lack of funding must be annually updated each year after more than 1 full fiscal year has passed from the date of original submission of the application in order for the application to retain its priority by original date received.

(d) ~~on or before September 15 of even-numbered years,~~ report in accordance with 5-11-210 to the education interim committee on the progress made by districts operating under approved transformational learning plans.

(4) (a) Except as provided in subsection (4)(d), for a period of 4 consecutive fiscal years following the fiscal year in which a district is qualified by the board of public education and contingent on continued compliance with annual reporting requirements under subsection (3), the superintendent of public instruction shall provide a transformational learning aid payment to the district equivalent to 50% of the quality educator payment defined in 20-9-306 from the immediate prior fiscal year multiplied by the number of the district's full-time equivalent educators reported under subsection (2)(a) of this section.

(b) The payment under this subsection (4) must be distributed directly to the school district's flexibility fund established under 20-9-543 no later than June 30 of fiscal year 2020 and by October 1 of each year beginning fiscal year 2021 by the superintendent of public instruction. The money must be expended by the district only for the purposes set forth in the district's approved transformational learning program.

(c) For fiscal years 2020 and 2021, a school district may not receive more than 25% of the total amount of payments made under this subsection.

(d) Applications qualified by the board of public education in fiscal year 2020 must be funded beginning in fiscal year 2020.

(5) During each year that a school district remains qualified for funding under subsection (4), the district's trustees may:

(a) if the obligations of transparency set forth in 20-9-116 are met, levy an annual permissive property tax not to exceed 100% of any funds distributed to the district under subsection (4). Proceeds of the levy must be deposited in the district's flexibility fund established under 20-9-543 and must be expended by the district only for the purposes of the district's approved transformational learning plan.

(b) transfer state or local revenue from any budgeted or nonbudgeted fund, other than the debt service fund or retirement fund, to the district's flexibility fund.

(6) (a) Any funds transferred pursuant to subsection (5)(b) may be expended by the district solely for the purposes of implementing the district's approved transformational learning plan. Any transfers of funds are not considered expenditures to be applied against budget authority.

(b) Any transfers that are not expended for the purposes of implementing the district's approved transformational learning plan within 2 full school fiscal years after the funds are transferred must be transferred back to the originating fund from which the revenue was transferred.

(c) The intent of subsection (5)(b) and this subsection (6) is to increase the flexibility and efficiency of school districts without an increase in local taxes. In furtherance of this intent, if transfers of funds are made from any school district fund supported by a nonvoted levy, the district may not increase its nonvoted levy for the purpose of restoring the amount of funds transferred.

(7) The present law base calculated for K-12 local assistance under Title 17, chapter 7, part 1, must include transformational learning aid as defined in subsection (8).

(8) For the purposes of this title, the following definitions apply:

(a) "Transformational learning" means a flexible system of pupil-centered learning that is designed to develop the full educational potential of each pupil that:

- (i) is customized to address each pupil's strengths, needs, and interests;
- (ii) includes continued focus on each pupil's proficiency over content; and
- (iii) actively engages each pupil in determining what, how, when, and where each pupil learns.

(b) "Transformational learning aid" means 50% of the quality educator payment defined in 20-9-306 multiplied by:

(i) for fiscal year 2020, 5% of the statewide number of full-time equivalent educators from fiscal year 2019 calculated as provided in 20-9-327;

(ii) for fiscal year 2021, 7.5% of the statewide number of full-time equivalent educators from fiscal year 2020 calculated as provided in 20-9-327; and

(iii) for fiscal year 2022 and subsequent fiscal years, 10% of the statewide number of full-time equivalent educators from the fiscal year immediately preceding the year to which distribution of transformational aid applies calculated as provided in 20-9-327. (Terminates June 30, 2027--sec. 7, Ch. 402, L. 2019.)"

Section 53. Section 20-9-161, MCA, is amended to read:

"20-9-161. Definition of budget amendment for budgeting purposes. As used in this title, unless

the context clearly indicates otherwise, the term "budget amendment" for the purpose of school budgeting means an amendment to an adopted budget of the district for the following reasons:

(1) an increase in the enrollment of an elementary or high school district that is beyond what could reasonably have been anticipated at the time of the adoption of the budget for the current school fiscal year whenever, because of the enrollment increase, the district's budget for any or all of the regularly budgeted funds does not provide sufficient financing to properly maintain and support the district for the entire current school fiscal year;

(2) the destruction or impairment of any school property necessary to the maintenance of the school, by fire, flood, storm, riot, insurrection, or act of God, to an extent rendering school property unfit for its present school use;

(3) a judgment for damages against the district issued by a court after the adoption of the budget for the current year;

(4) an enactment of legislation after the adoption of the budget for the current year that imposes an additional financial obligation on the district;

(5) the receipt of:

(a) a settlement of taxes protested in a prior school fiscal year;

(b) taxes from a prior school fiscal year as the result of a tax audit by the department of revenue or its agents;

(c) delinquent taxes from a prior school fiscal year; and

(d) a determination by the trustees that it is necessary to expend all or a portion of the taxes received under subsection (5)(a), (5)(b), or (5)(c) for a project or projects that were deferred from a previous budget of the district; or

(6) any other unforeseen need of the district that cannot be postponed until the next school year without dire consequences affecting:

(a) the safety of the students and district employees; or

(b) the educational functions of the district. Any budget amendment adopted pursuant to this subsection (6)(b) that in combination with other budget amendments within the same school fiscal year exceeds 10% of the district's adopted general fund budget must be reported by the school district to the education

interim committee in accordance with 5-11-210 and the board of public education with an explanation of why the budget amendment is necessary."

Section 54. Section 20-9-328, MCA, is amended to read:

"20-9-328. At-risk student payment. (1) The state shall provide an at-risk student payment to public school districts, as defined in 20-6-101 and 20-6-701, for at-risk students, as defined in 20-1-101 and referred to in 20-9-309.

(2) The at-risk student payment must be distributed to public school districts by the office of public instruction in the same manner that the office of public instruction allocates the funds received under 20 U.S.C. 6332, et seq. The office of public instruction shall prorate payments to districts based upon the available appropriation.

(3) ~~On or before September 15 of even-numbered years, the~~ The office of public instruction shall report to the governor and the legislature in accordance with 5-11-210 on the change in status of standardized test scores, graduation rates, and drop-out rates of at-risk students."

Section 55. Section 20-9-330, MCA, is amended to read:

"20-9-330. American Indian achievement gap payment. (1) The state shall provide an American Indian achievement gap payment to public school districts, as defined in 20-6-101 and 20-6-701, for the purpose of closing the educational achievement gap that exists between American Indian students and non-Indian students.

(2) (a) The American Indian achievement gap payment is calculated as provided in 20-9-306, using the number of American Indian students enrolled in the district based on the count of regularly enrolled students on the first Monday in October of the prior school year as reported to the office of public instruction.

(b) A school district may not require a student to disclose the student's race.

(3) The district shall deposit the payment in the general fund of the district.

(4) ~~On or before September 15 of even-numbered years, the~~ The office of public instruction shall report to the governor and the legislature in accordance with 5-11-210 on the change in status of standardized test scores, graduation rates, and drop-out rates of American Indian students."

Section 56. Section 20-9-537, MCA, is amended to read:

"20-9-537. (Temporary) Montana Indian language preservation program. (1) There is a Montana Indian language preservation program. The program is established to support efforts of Montana tribes to preserve and perpetuate Indian languages in the form of spoken, written, sung, or signed language and to assist in the preservation and curricular goals of Indian education for all pursuant to Article X, section 1(2), of the Montana constitution and Title 20, chapter 1, part 5.

(2) (a) The state-tribal economic development commission established in 90-1-131 shall administer the program and, in collaboration with the Montana historical society, the state director of Indian affairs, and each tribal government located on the seven Montana reservations and the Little Shell Chippewa tribe, shall create program guidelines.

(b) The program guidelines must address performance and output standards, distribution of funds, accounting of funds, and use of funds.

(c) The performance and output standards must include:

- (i) development of audio and visual recordings;
- (ii) creation of reference materials, which may be in audio, visual, electronic, or written format;
- (iii) creation and publication of curricula, which may include electronic curricula; and
- (iv) administration and maintenance of a long-term language preservation strategic plan.

(d) The performance and output standards may include:

- (i) language classes;
- (ii) language immersion camps;
- (iii) storytelling;
- (iv) publication of literature; and
- (v) language programs, workshops, seminars, camps, and other presentations in formal or informal settings.

(3) Any tangible goods produced under this section must be submitted within 1 year of production to the Montana historical society for the benefit of related language preservation efforts and for preservation and archival purposes.

(4) Tribal governments or their designees receiving program funds may form local program advisory boards. Members of a local program advisory board may include but are not limited to representatives from any of the entities listed in subsection (6).

(5) (a) Each tribal government or designee shall provide reports on expenditures of grant funds, overall program progress, and other criteria required under the guidelines established pursuant to subsection (2)(a) to the state-tribal economic development commission.

(b) The state-tribal economic development commission shall report any findings, comments, or recommendations regarding each local program and the Montana Indian language preservation program to the legislature and to the state-tribal relations interim committee as provided in 5-11-210.

(6) Tribal governments and their designees are encouraged to maximize the impact of grant funds by forming partnerships among state and tribal entities and leveraging existing resources for the preservation of Indian languages and the education of all Montanans in a way that honors the cultural integrity of American Indians. Suggested partner entities include but are not limited to:

- (a) the governor's office of Indian affairs;
- (b) school districts located on reservations;
- (c) tribal colleges;
- (d) tribal historic preservation offices;
- (e) tribal language and cultural programs;
- (f) units of the Montana university system;
- (g) the Montana historical society;
- (h) the office of public instruction;
- (i) Montana public television organizations;
- (j) school districts not located on reservations; and
- (k) the Montana state library.

(7) State entities that operate film and video studios and equipment shall cooperate with each local tribal preservation program in the production of materials for preservation and archival purposes.

(8) Any cultural and intellectual property rights from program efforts belong to the tribe. Use of the cultural and intellectual property may be negotiated between the tribe and other partnering entities.

(9) A tribe may use payments received pursuant to this section as matching funds for federal or private fund sources to accomplish the purposes of this section. (Terminates June 30, 2023--secs. 1 through 7, Ch. 77, L. 2019.)"

Section 57. Section 20-15-309, MCA, is amended to read:

"20-15-309. Proposed budget. The board of trustees of a community college district shall submit a proposed budget to the board of regents by August 15 immediately preceding each regular legislative session. The proposed budget shall be for the next biennium and in a form approved by the state budget director and the commissioner of higher education and shall be calculated in the same manner as the operating budget described in 20-15-312. The board of regents shall review the proposed budget and all its components and make any changes it determines necessary. By the following September 1, the board of regents shall submit its proposal for funding the community colleges to the budget director, ~~and the legislative fiscal analyst,~~ and to the legislature in accordance with 5-11-210."

Section 58. Section 20-25-305, MCA, is amended to read:

"20-25-305. President -- powers and duties. Subject to the supervision of the regents, the president of each of the units of the system:

- (1) is responsible for the immediate direction, management, and control of the respective units, including instruction, practical affairs, and scientific investigations;
- (2) is the president of the general faculty and of the special faculties of the departments or colleges and the executive head of the unit in all its departments;
- (3) has the duties of one of the professorships as long as the interests of the unit require it;
- (4) shall perform the duties of corresponding secretary for the unit;
- (5) may offer multiyear contracts to athletic coaches;
- (6) shall make an annual report to the regents containing any information that they may request; and
- (7) shall furnish any special report on request of the regents or the legislature in accordance with 5-11-210."

Section 59. Section 20-26-105, MCA, is amended to read:

"20-26-105. Montana resident student financial aid program -- reporting requirements. The commissioner of higher education shall submit an annual report to the education interim committee ~~provided for in 5-5-224~~ in accordance with 5-11-210 regarding the Montana resident student financial aid program. The report must provide information about the previous year and must include the progress and results achieved by:

(1) the incentive-based financial aid program pursuant to 20-26-102(2)(a), including but not limited to the number of Montana STEM scholarships awarded, the amount of scholarship funds awarded, the workforce development needs targeted by the Montana STEM scholarship program, the number and type of postsecondary credentials earned by Montana STEM scholarship recipients, and any measurable impacts on the Montana workforce;

(2) the merit-based financial aid program pursuant to 20-26-102(2)(b), including but not limited to the recruitment and retention of the highest-achieving Montana resident students, the number of merit-based financial aid recipients, the amount and type of merit-based financial aid awarded, the number and type of postsecondary credentials awarded to merit-based financial aid recipients, and any measurable impacts on the Montana workforce; and

(3) the access-based financial aid program pursuant to 20-26-102(2)(c), including but not limited to the number of access-based financial aid recipients, the amount and type of access-based financial aid awarded, the effect of access-based financial aid on the retention and credential completion by recipients of access-based financial aid, and any measurable impacts on the Montana workforce."

Section 60. Section 22-3-423, MCA, is amended to read:

"22-3-423. Duties of historic preservation officer. Subject to the supervision of the director of the historical society, the historic preservation officer has the following duties and responsibilities:

(1) follow necessary procedures to qualify the state for money that is now or will be made available under any act of congress of the United States or otherwise for purposes of historic preservation;

(2) conduct an ongoing statewide survey to identify and document heritage properties and paleontological remains;

(3) maintain a state inventory file of heritage properties and paleontological remains and maintain a

repository for all inventory work done in the state;

(4) evaluate and formally nominate potential register properties according to the criteria established by the register;

(5) prepare and annually review the state preservation plan, register nominations, and historic preservation grant activity;

(6) maintain, publish, and disseminate information relating to heritage properties and paleontological remains in the state;

(7) cooperate with and assist local, state, and federal government agencies in comprehensive planning that allows for the preservation of heritage properties and paleontological remains;

(8) enter into cooperative agreements with the federal government, local governments, and other governmental entities or private landowners or the owners of objects to ensure preservation and protection of registered properties;

(9) adopt rules outlining procedures by which a state agency that has no approved rules under 22-3-424(1) shall systematically consider heritage properties or paleontological remains on lands owned by the state and avoid, whenever feasible, state actions or state assisted or licensed actions that substantially alter the properties;

(10) respond to requests for consultation under section 106 of the National Historic Preservation Act, as provided for in 22-3-429;

(11) develop procedures and guidelines for the evaluation of heritage property or paleontological remains as provided in 22-3-428;

(12) protect from disclosure to the public any information relating to the location or character of heritage properties when disclosure would create a substantial risk of harm, theft, or destruction to the resources or to the area or place where the resources are located;

(13) report the information gathered pursuant to 22-3-422(6), along with any recommendations by the historic preservation officer or the review board, to ~~an appropriate legislative interim committee established under Title 5, chapter 5, part 2~~ the education interim committee in accordance with 5-11-210. The report required in this subsection must also be incorporated into the biennial report required to be submitted to the governor and the legislature under 22-3-107(8).

(14) any other necessary or appropriate activity permitted by law to carry out and enforce the provisions of this part."

Section 61. Section 22-3-1002, MCA, is amended to read:

"22-3-1002. Montana heritage preservation and development commission. (1) There is a Montana heritage preservation and development commission. The commission is attached to the department of commerce for administrative purposes only, pursuant to 2-15-121. The commission and the department shall negotiate a specific indirect administrative rate annually, ~~with biennial review by a designated, appropriate legislative interim committee.~~ The rate must be reported to the economic affairs interim committee in accordance with 5-11-210.

(2) (a) The commission consists of 14 members. The members shall broadly represent the state. Nine members must be appointed by the governor, one member must be appointed by the president of the senate, and one member must be appointed by the speaker of the house.

(b) If the president of the senate and the speaker of the house do not appoint the members for which they are responsible within 6 months of a vacancy having occurred in those positions, the members must be appointed by the governor.

(c) The director of the Montana historical society, the director of the department of fish, wildlife, and parks, and the director of the department of commerce shall serve as members. Of the members appointed by the governor under subsection (2)(a):

(i) one member must have extensive experience in managing facilities that cater to the needs of tourists;

(ii) one member must have experience in community planning;

(iii) one member must have experience in historic preservation;

(iv) two members must have broad experience in business;

(v) one member must be a member of the tourism advisory council established in 2-15-1816;

(vi) one member must be a Montana historian; and

(vii) two members must be from the public at large.

(3) Except for the initial appointments, members appointed by the governor under subsection (2)(a)

shall serve 3-year terms. Members appointed by the president of the senate and the speaker of the house or by the governor under subsection (2)(b) shall serve 2-year terms. If a vacancy occurs, the appointing authority shall make an appointment for the unexpired portion of the term.

(4) (a) The commission may employ:

(i) an executive director who has general responsibility for the selection and management of commission staff, developing recommendations for the purchase of property, and overseeing the management of acquired property;

(ii) a curator who is responsible for the display and preservation of the acquired property; and

(iii) other staff that the commission and the executive director determine are necessary to manage and operate commission properties.

(b) The commission shall prescribe the duties and annual salary of the executive director, the curator, and other commission staff."

Section 62. Section 23-7-202, MCA, is amended to read:

"23-7-202. Powers and duties of commission. The commission shall:

(1) establish and operate a state lottery;

(2) determine policies for the operation of the state lottery, supervise the director and the staff, and meet with the director at least once every 3 months to make and consider recommendations, set policies, determine types and forms of lottery and sports wagering games to be operated by the state lottery, and transact other necessary business;

(3) maximize the net revenue paid to the state general fund and to the Montana STEM scholarship program special revenue account under 23-7-402 and ensure that all policies and rules adopted further revenue maximization;

(4) subject to 23-7-402(1), determine the percentage of the money paid for tickets, chances, wagers, or bets to be paid out as prizes;

(5) determine the price of each ticket, chance, wager, or bet and the number and size of prizes;

(6) provide for the conduct of drawings of winners of lottery games and sports wagering;

(7) carry out, with the director, a continuing study of the state lottery in Montana and other states'

lotteries and sports wagering operations to make the state lottery more efficient, profitable, and secure from violations of the law;

(8) study and may enter into agreements with:

(a) other lottery states and countries to offer lottery games; or

(b) an association for the purpose of participating in multistate lottery games or games offered in other states and other countries;

(9) prepare quarterly and annual reports on all aspects of the operation of the state lottery, including but not limited to types of games, gross revenue, prize money paid, operating expenses, net revenue to the state, contracts with gaming suppliers, and recommendations for changes to this part, and deliver a copy of each report to the governor, the department of administration, the legislative auditor, ~~the president of the senate, the speaker of the house of representatives, and each member of the appropriate committee of each house of the legislature as determined by the president of the senate and the speaker of the house~~ and to the legislature in accordance with 5-11-210; and

(10) adopt rules relating to lottery and sports wagering and sales agents' commissions and any other rules necessary to carry out this part, including but not limited to:

(a) acceptance of wagers on a sports event or a series of sports events;

(b) the type of wagering tickets that may be used;

(c) method of issuing tickets;

(d) method of accounting and associated reporting minimums to be used by sales agent;

(e) sales agent licensing requirements and prohibitions;

(f) method of age verification;

(g) player exclusion requirements;

(h) protections for an individual placing a wager;

(i) contribution and participation in responsible gaming and consumer protection activities and programs; and

(j) ensuring game integrity through monitoring and reporting of suspicious betting activity and equipment tampering."

Section 63. Section 23-7-410, MCA, is amended to read:

"23-7-410. Annual audit. The legislative auditor shall conduct or have conducted an annual audit of the state lottery. The costs of the audit must be paid out of the state lottery fund. A copy of the audit report must be delivered to the commission, the director, the governor, the president of the senate, the speaker of the house of representatives, and ~~each member of the appropriate committee of each house of the legislature as determined by the president of the senate and the speaker of the house~~ the legislature in accordance with 5-11-210."

Section 64. Section 32-11-306, MCA, is amended to read:

"32-11-306. Information on economic development effect. Each year in which a person is licensed under this chapter, the department shall publish and provide a report to the legislature in accordance with 5-11-210 ~~information~~ on the effect of this chapter on promoting economic development in the state. The information must include aggregate statistics on:

- (1) the number and dollar amount of the financing assistance made by licensees to businesses. The amounts must be organized into broad categories based on the types of industry involved. The North American Industry Classification System Manual may be used for the categories.
- (2) the number and dollar amount of the financing assistance made by licensees to minority-owned businesses and to businesses owned by women; and
- (3) estimates of the number of jobs created or retained."

Section 65. Section 33-1-115, MCA, is amended to read:

"33-1-115. Operation of state fund as authorized insurer -- issuance of certificate of authority -- exceptions -- use of calendar year -- risk-based capital -- reporting requirements. (1) The state fund provided for in 39-71-2313 is an authorized insurer and, except as provided in this section, is subject to the provisions in Title 33 that are generally applicable to authorized workers' compensation insurers in this state and the provisions of Title 39, chapter 71, part 23.

- (2) (a) The commissioner shall issue a certificate of authority to the state fund to write workers' compensation insurance coverages, as provided in 39-71-2316, and except as otherwise provided in this

section the requirements of Title 33, chapter 2, part 1, do not apply. The certificate of authority must be continuously renewed by the commissioner.

(b) The state fund shall pay the annual fee under 33-2-708, provide the surplus funds required under 33-2-109 and 33-2-110, and provide to the commissioner the available documentation and information that is provided by other insurers when applying for a certificate of authority under 33-2-115.

(c) The state fund is subject to the reporting requirements under 33-2-705 but is not subject to the tax on net premiums.

(3) (a) The state fund, as the guaranteed market for workers' compensation insurance for employers pursuant to 39-71-2313, is not subject to:

(i) formation requirements of an insurer under Title 33, chapter 3;

(ii) revocation or suspension of its certificate of authority under any provision of Title 33 or any order or any provision that requires forfeiture of the state fund's obligation to insure employers as required in 39-71-2313;

(iii) liquidation or dissolution under Title 33;

(iv) participation in the guaranty association provided for in Title 33, chapter 10;

(v) 33-12-104; or

(vi) any assessment of punitive or exemplary damages.

(b) The state fund is subject to 33-16-1023, except as provided in 39-71-2316(1)(e), (1)(f), and (1)(g).

(4) The state fund shall complete financial reporting and accounting on a calendar year basis.

(5) (a) If the state fund's risk-based capital falls below the company action level RBC as defined in 33-2-1902, the commissioner shall issue a report to the governor, the state fund board of directors, and to the legislature in accordance with 5-11-210. If the legislature is not in session, the report must go to the economic affairs interim committee in accordance with 5-11-210 and to the legislative auditor. The report must provide a description of the RBC measurement, the regulatory implications of the state fund falling below the RBC criteria, and the state fund's corrective action plan. If the commissioner is reporting on a regulatory action level RBC event, the report must include the state fund's corrective action plan, results of any examination or analysis by the commissioner, and any corrective orders issued by the commissioner.

(b) If the state fund fails to comply with any lawful order of the commissioner, the commissioner may

initiate supervision proceedings under Title 33, chapter 2, part 13, against state fund. If the state fund fails to comply with the commissioner's lawful supervision order under this subsection (5)(b), the commissioner may institute rehabilitation proceedings under Title 33, chapter 2, part 13, only if the commissioner is petitioning for rehabilitation based on the grounds provided in 33-2-1321(1) or (2).

(6) The state fund shall annually transfer funds to the commissioner, out of its surplus, for all necessary staffing and related expenses for a full-time attorney licensed to practice law in Montana and a full-time examiner qualified by education, training, experience, and high professional competence to examine the state fund pursuant to Title 33, chapter 1, part 4, and this section. The attorney and examiner must be employees of the commissioner.

(7) For the purposes of this section, the term "guaranteed market" has the definition provided in 39-71-2312."

Section 66. Section 37-1-107, MCA, is amended to read:

"37-1-107. Joint meetings -- department duties. (1) The department shall convene a joint meeting once every 2 years of two or more boards that:

- (a) have licensees with dual licensure in related professions or occupations;
- (b) have licensees licensed by another board in a related profession or with similar scopes of practice,

including but not limited to:

- (i) health care boards;
- (ii) mental health care boards;
- (iii) design boards;
- (iv) therapeutic boards; or
- (v) technical boards; or
- (c) have issues of joint concern or related jurisdiction with each other.

(2) A quorum is not required for the joint meeting. However, one member from each board shall attend.

(3) The department shall report to the ~~interim committee responsible for monitoring boards economic affairs~~ interim committee in accordance with 5-11-210 with regard to attendance and issues of concern

addressed by the boards."

Section 67. Section 37-1-145, MCA, is amended to read:

"37-1-145. Military training or experience to satisfy licensing or certification requirements -- rulemaking. (1) Each licensing board or the department on behalf of a program shall ~~by July 1, 2014,~~ adopt rules that provide that certification or licensure requirements established by that board or program may be met by relevant military training, service, or education completed by an individual as a member of the armed forces or reserves of the United States, the national guard of a state, or the military reserves.

(2) (a) An applicant for certification or licensure shall provide to the board or, if applying for licensure by a program, to the department satisfactory evidence, as specified in rule, of receiving military training, service, or education that is equivalent to relevant certification or licensure requirements.

(b) The department and each licensing board shall, upon presentation of satisfactory evidence by an applicant for certification or licensure, accept education, training, or service completed by an individual as a member of the armed forces or reserves of the United States, the national guard of a state, or the military reserves toward the qualifications to receive the license or certification.

~~(3) The department shall report to the interim committee responsible for monitoring licensing boards by January 1, 2014, on the progress and actions taken under this section by each licensing board or program."~~

Section 68. Section 37-3-203, MCA, is amended to read:

"37-3-203. Powers and duties -- rulemaking authority. (1) The board may:

(a) adopt rules necessary or proper to carry out the requirements in Title 37, chapter 3, parts 1 through 4, and of chapters covering podiatry, acupuncture, physician assistants, nutritionists, and emergency care providers as set forth in Title 37, chapters 6, 13, 20, and 25, and 50-6-203, respectively. Rules adopted for emergency care providers with an endorsement to provide community-integrated health care must address the scope of practice, competency requirements, and educational requirements.

(b) hold hearings and take evidence in matters relating to the exercise and performance of the powers and duties vested in the board;

(c) aid the county attorneys of this state in the enforcement of parts 1 through 4 and 8 of this chapter

as well as Title 37, chapters 6, 13, 20, and 25, and Title 50, chapter 6, regarding emergency care providers licensed by the board. The board also may assist the county attorneys of this state in the prosecution of persons, firms, associations, or corporations charged with violations of the provisions listed in this subsection (1)(c).

(d) review certifications of disability and determinations of eligibility for a permit to hunt from a vehicle as provided in 87-2-803(11); and

(e) fund additional staff, hired by the department, to administer the provisions of this chapter, by increasing license fees as necessary.

(2) (a) The board shall establish a medical assistance program to assist and rehabilitate licensees who are subject to the jurisdiction of the board and who are found to be physically or mentally impaired by habitual intemperance or the excessive use of addictive drugs, alcohol, or any other drug or substance or by mental illness or chronic physical illness.

(b) The board shall ensure that a licensee who is required or volunteers to participate in the medical assistance program as a condition of continued licensure or reinstatement of licensure must be allowed to enroll in a qualified medical assistance program within this state and may not require a licensee to enroll in a qualified treatment program outside the state unless the board finds that there is no qualified treatment program in this state.

(3) (a) The board shall report annually on the number and types of complaints it has received involving physician practices in providing written certification, as defined in 50-46-302, for the use of marijuana for a debilitating medical condition provided for in Title 50, chapter 46. The report must contain:

(i) the number of complaints received by the board pursuant to 37-1-308;

(ii) the number of complaints for which a reasonable cause determination was made pursuant to 37-1-307;

(iii) the general nature of the complaints;

(iv) the number of investigations conducted into physician practices in providing written certification;

and

(v) the number of physicians disciplined by the board for their practices in providing written certification for the use of marijuana for a debilitating medical condition.

(b) Except as provided in subsection (3)(c), the report may not contain individual identifying information regarding the physicians about whom the board received complaints.

(c) For each physician against whom the board takes disciplinary action related to the physician's practices in providing written certification for the use of marijuana for a debilitating medical condition, the report must include:

- (i) the name of the physician;
- (ii) the general results of the investigation of the physician's practices; and
- (iii) the disciplinary action taken against the physician.

(d) The board shall provide the report to the children, families, health, and human services interim committee ~~by August 1 of each year~~ in accordance with 5-11-210 and shall make a copy of the report available on the board's website.

(4) The board may enter into agreements with other states for the purposes of mutual recognition of licensing standards and licensing of physicians and emergency care providers from other states under the terms of a mutual recognition agreement."

Section 69. Section 37-7-1514, MCA, is amended to read:

"37-7-1514. Report to legislature. The board shall provide a report to the ~~appropriate interim committees of the legislature each interim~~ children, families, health, and human services interim committee and to the economic affairs interim committee in accordance with 5-11-210, including but not limited to information on:

- (1) the cost of establishing and maintaining the registry;
- (2) any grants, gifts, or donations received to assist in establishing and maintaining the registry;
- (3) how registry information was used; and
- (4) how quickly the board was able to answer requests for information from the registry."

Section 70. Section 39-12-103, MCA, is amended to read:

"39-12-103. (Temporary) Montana HELP Act workforce development -- participation -- report.

(1) The department shall provide individuals receiving assistance for health care services pursuant to Title 53,

chapter 6, part 13, with the option of participating in an employment or reemployment assessment and in the workforce development program provided for in 39-12-101. The assessment must identify any probable barriers to employment that exist for the member.

(2) The department shall contact each program participant subject to the community engagement requirements of 53-6-1308 and assist the participant with completion of an employment or reemployment assessment. Based on the results of the assessment, the department shall identify services to help the individual address barriers to employment.

(3) (a) The department shall notify the department of public health and human services when a participant has received all services and assistance under subsection (1) that can reasonably be provided to the individual.

(b) The department is not required to provide further services under this section after it has provided the notification provided for in subsection (3)(a).

(c) A participant who is no longer receiving services under this section does not meet the criteria of 53-6-1307(6)(c) for the exemption granted under 53-6-1307(6).

(4) [The department shall report the following information to the] legislative finance committee and the children, families, health, and human services interim committee in accordance with 5-11-210:

(a) [the activities undertaken to establish] the employer grant program provided for in 39-12-106;

(b) the number of employers receiving grant awards and the number and types of activities, training, or jobs the employers provided; and

(c) the total cost of providing workforce development services under this chapter, including related administrative costs.

(5) To the extent possible, the department of public health and human services shall offset the cost of workforce development activities provided under this section by using temporary assistance for needy families reserve funds.

(6) The department shall reduce fraud, waste, and abuse in determining and reviewing eligibility for unemployment insurance benefits by enhancing technology system support to provide knowledge-based authentication for verifying the identity and employment status of individuals seeking benefits, including the use of public records to confirm identity and to flag changes in demographics. (Terminates June 30, 2025--secs. 38,

48, Ch. 415, L. 2019.)"

Section 71. Section 39-71-2375, MCA, is amended to read:

"39-71-2375. Operation of state fund as authorized insurer -- issuance of certificate of authority -- exceptions -- use of calendar year -- risk-based capital -- reporting requirements. (1) The state fund provided for in 39-71-2313 is an authorized insurer and, except as provided in this section, is subject to the provisions in Title 33 that are generally applicable to authorized workers' compensation insurers in this state and the provisions of Title 39, chapter 71, part 23.

(2) (a) The commissioner shall issue a certificate of authority to the state fund to write workers' compensation insurance coverages, as provided in 39-71-2316, and except as otherwise provided in this section the requirements of Title 33, chapter 2, part 1, do not apply. The certificate of authority must be continuously renewed by the commissioner.

(b) The state fund shall pay the annual fee under 33-2-708, provide the surplus funds required under 33-2-109 and 33-2-110, and provide to the commissioner the available documentation and information that is provided by other insurers when applying for a certificate of authority under 33-2-115.

(c) The state fund is subject to the reporting requirements under 33-2-705 but is not subject to the tax on net premiums.

(3) (a) The state fund, as the guaranteed market for workers' compensation insurance for employers pursuant to 39-71-2313, is not subject to:

- (i) formation requirements of an insurer under Title 33, chapter 3;
 - (ii) revocation or suspension of its certificate of authority under any provision of Title 33 or any order or any provision that requires forfeiture of the state fund's obligation to insure employers as required in 39-71-2313;
 - (iii) liquidation or dissolution under Title 33;
 - (iv) participation in the guaranty association provided for in Title 33, chapter 10;
 - (v) 33-12-104; or
 - (vi) any assessment of punitive or exemplary damages.
- (b) The state fund is subject to 33-16-1023, except as provided in 39-71-2316(1)(e), (1)(f), and (1)(g).

(4) The state fund shall complete financial reporting and accounting on a calendar year basis.

(5) (a) If the state fund's risk-based capital falls below the company action level RBC as defined in 33-2-1902, the commissioner shall issue a report to the governor, the state fund board of directors, and to the legislature. If the legislature is not in session, the report must go to the economic affairs interim committee in accordance with 5-11-210 and to the legislative auditor. The report must provide a description of the RBC measurement, the regulatory implications of the state fund falling below the RBC criteria, and the state fund's corrective action plan. If the commissioner is reporting on a regulatory action level RBC event, the report must include the state fund's corrective action plan, results of any examination or analysis by the commissioner, and any corrective orders issued by the commissioner.

(b) If the state fund fails to comply with any lawful order of the commissioner, the commissioner may initiate supervision proceedings under Title 33, chapter 2, part 13, against state fund. If the state fund fails to comply with the commissioner's lawful supervision order under this subsection (5)(b), the commissioner may institute rehabilitation proceedings under Title 33, chapter 2, part 13, only if the commissioner is petitioning for rehabilitation based on the grounds provided in 33-2-1321(1) or (2).

(6) The state fund shall annually transfer funds to the commissioner, out of its surplus, for all necessary staffing and related expenses for a full-time attorney licensed to practice law in Montana and a full-time examiner qualified by education, training, experience, and high professional competence to examine the state fund pursuant to Title 33, chapter 1, part 4, and this section. The attorney and examiner must be employees of the commissioner.

(7) For the purposes of this section, the term "guaranteed market" has the definition provided in 39-71-2312."

Section 72. Section 41-3-123, MCA, is amended to read:

"41-3-123. (Temporary) Child abuse and neglect review commission -- duties -- confidentiality - liability -- report to legislature. (1) Within existing resources, the child abuse and neglect review commission established in 2-15-2019 shall:

(a) examine the trends and patterns of child abuse and neglect, including fatalities and near fatalities attributable to child abuse and neglect;

(b) educate the public, service providers, and policymakers about child abuse and neglect, including fatalities and near fatalities attributable to child abuse and neglect, and about strategies for intervention in and prevention of child abuse and neglect;

(c) coordinate with the child fatality review team and the domestic fatality review commission as appropriate;

(d) study the laws, practices, policies, successes, and failures of surrounding states in the area of combating child abuse and neglect and consider whether any should be adopted in Montana; and

(e) recommend policies, practices, and services that may encourage collaboration and reduce fatalities and near fatalities attributable to child abuse and neglect.

(2) The commission members may determine the frequency with which the commission will meet, but the commission shall meet at least once a year.

(3) The commission shall select and review a representative sample of child abuse and neglect cases that resulted in a fatality or near fatality.

(4) Upon written request from the commission, a person who possesses records necessary and relevant to a review being conducted under this section shall, as soon as practicable, provide the commission with the records.

(5) The meetings and proceedings of the commission are confidential and are exempt from the provisions of Title 2, chapter 3.

(6) (a) The records of the commission are confidential and are exempt from the provisions of Title 2, chapter 6. The records are not subject to subpoena, discovery, or introduction into evidence in a civil or criminal action unless the records are reviewed by a district court judge in camera and ordered to be provided to the person seeking access.

(b) The commission shall disclose conclusions and recommendations on request but may not disclose records that are otherwise confidential.

(c) The commission may not use the records for purposes other than those allowed under subsections (1)(a) and (1)(c).

(7) The commission may:

(a) require a person appearing before it to sign a confidentiality agreement created by the commission

in order to maintain the confidentiality of the proceedings; and

(b) enter into agreements with nonprofit organizations and private agencies to obtain otherwise confidential records.

(8) A member of the commission who knowingly uses records obtained pursuant to subsection (4) for a purpose not authorized in subsection (1) or who discloses records in violation of subsection (6) is subject to a civil penalty of not more than \$500.

(9) (a) ~~The~~ In accordance with 5-11-210, the commission shall report its findings and recommendations in writing to the children, families, health, and human services interim committee, the law and justice interim committee, the governor, and the chief justice of the Montana supreme court prior to each regular legislative session. The report shall contain the following information:

(i) the cause and circumstances of each fatality and near fatality attributable to child abuse or neglect reviewed by the commission;

(ii) the age and gender of each child involved;

(iii) information describing any previous reports of child abuse or neglect and the results of any investigations into those reports that are pertinent to the child abuse or neglect that led to each fatality or near fatality; and

(iv) the services provided by and actions of the department of public health and human services on behalf of the child that are pertinent to the child abuse or neglect that led to the fatality or near fatality.

(b) The commission periodically may issue other data or information in addition to the report.

(10) The biennial report may exclude information required under subsection (9) for cases in which reporting the information would:

(a) be detrimental to the safety and well-being of the child, parents, or family;

(b) jeopardize a criminal investigation; or

(c) interfere with the protection of individuals who report child abuse or neglect.

(11) For the purposes of this section, "near fatality" means an incident in which a child was certified by a physician to be in a medically serious or critical condition because of an action that constituted child abuse or neglect. (Terminates September 30, 2021--sec. 12, Ch. 235, L. 2017.)"

Section 73. Section 41-3-1211, MCA, is amended to read:

"41-3-1211. Powers and duties. The powers and duties of the ombudsman are:

- (1) to respond to requests for assistance regarding administrative acts and to investigate administrative acts;
- (2) to investigate circumstances surrounding reports that are provided to the ombudsman pursuant to 41-3-209;
- (3) to inspect, copy, or subpoena records as needed to perform the ombudsman's duties under this part;
- (4) to take appropriate steps to ensure that persons are made aware of the purpose, services, and procedures of the ombudsman and how to contact the ombudsman;
- (5) to share relevant findings related to an investigation, subject to disclosure restrictions and confidentiality requirements, with individuals or entities legally authorized to receive, inspect, or investigate reports of child abuse or neglect;
- (6) to periodically review department procedures and promote best practices and effective programs by working collaboratively with the department to improve procedures, practices, and programs;
- (7) to undertake, participate in, and cooperate with persons and the department in activities, including but not limited to conferences, inquiries, panels, meetings, or studies, that serve to improve the manner in which the department functions;
- (8) to provide education on the legal rights of children;
- (9) to apply for and accept grants, gifts, contributions, and bequests of funds for the purpose of carrying out the ombudsman's responsibilities; and
- (10) to report annually to the attorney general and the children, families, health, and human services interim committee in accordance with 5-11-210. The report must be public and may contain recommendations from the ombudsman regarding systematic improvements for the department."

Section 74. Section 41-5-2003, MCA, is amended to read:

"41-5-2003. Establishment of program -- office of court administrator duties. (1) There is a juvenile delinquency intervention program. Each judicial district shall participate in the program.

(2) The office of court administrator and the judicial district shall monitor the judicial district's annual allocation provided for in 41-5-130 to ensure that the judicial district does not exceed its allocation.

(3) The office of court administrator shall provide technical assistance to each judicial district for the monitoring of its annual allocation.

(4) The office of court administrator shall assist each youth court in developing placement alternatives and community intervention and prevention programs and services.

(5) (a) Each fiscal year, the office of court administrator may select out-of-home placements, programs, and services to be evaluated for their effectiveness in achieving the purposes provided in 41-5-2002. The cost containment review panel shall provide recommendations to the office on out-of-home placements, programs, and services to be evaluated and on the scope of the evaluation. Before conducting any evaluation, the office shall obtain approval from the district court council established in 3-1-1602.

(b) The office shall report the results of any evaluation conducted under subsection (5)(a) to the department, cost containment review panel, district court council, and biennially to the law and justice interim committee in accordance with 5-11-210."

Section 75. Section 44-4-1606, MCA, is amended to read:

"44-4-1606. Duties of department. (1) (a) Except as provided in subsection (1)(b), there is a statewide public safety communications system administered by the department.

(b) The department of natural resources and conservation may opt out of the public safety communications system.

(2) The department shall implement, sustain, and plan for the statewide public safety communications system within the limits of budget authority dedicated to the system.

(3) The department shall:

(a) encourage and foster the development of new and innovative technology within the public safety communications system and ways to deliver public safety communications functions;

(b) promote and coordinate the sharing of statewide public safety communications system resources;

(c) establish and execute a long-term, fiscally sustainable strategic plan for the statewide public safety communications system;

(d) establish and communicate policies and standards for the statewide public safety communications system;

(e) staff and cover the costs of the advisory council established in 44-4-1604;

(f) operate and maintain the statewide public safety communications system for the use of state government, political subdivisions, and other participating entities under terms and conditions established by the department, within the limits of budget authority dedicated to the system;

(g) establish rates and other charges for statewide public safety communications system services provided by the department;

(h) ensure collection of any user fees is dedicated to the operation, maintenance, expansion, or any combination of operation, maintenance, or expansion of the statewide public safety communications system. Proposed fees must be deposited in the account established in 44-4-1607 and included in the department's budget.

(i) accept federal funds, gifts, grants, and donations for the purposes of this part;

(j) accept county, tribal, and municipal funds provided for the operation, maintenance, deployment, expansion, or any combination of operation, maintenance, deployment, or expansion of the statewide public safety communications system;

(k) at the department's discretion, accept a transfer of ownership for the existing statewide public safety communications system, subsystems, or other assets or property from a county, tribal, federal, or municipal government;

(l) establish agreements between governmental agencies that currently own, operate, or both own and operate infrastructure on the statewide public safety communications system. Agreements must, if applicable, recognize that current network control points are owned and administered by a county and will remain owned and administered by a county.

(m) pursue funding opportunities that can be leveraged based on user participation;

(n) ~~before September 1 of each year,~~ report to the law and justice interim committee ~~and to the legislature~~ as provided in 5-11-210 on the statewide public safety communications system activities of the department; and

(o) represent the state before public and private entities on matters pertaining to the statewide public

safety communications system.

(4) The department may contract with qualified private organizations, foundations, or individuals to carry out the purposes of this part.

(5) The department shall operate and maintain the statewide public safety communications system within the limits of budget authority dedicated to the system.

(6) This part does not provide the department with regulatory authority or responsibility over a commercial business."

Section 76. Section 44-7-302, MCA, is amended to read:

"44-7-302. Restorative justice grants. (1) The purposes of the restorative justice grant programs are to:

(a) promote the use of restorative justice practices throughout the state; and
 (b) provide technical assistance to local and state jurisdictions and organizations interested in implementing the principles of restorative justice.

(2) For the purposes of this part, the term "restorative justice" means criminal justice practices that elevate the role of crime victims and community members in the criminal justice process, hold offenders directly accountable to the people and communities they have harmed, restore emotional and material losses, and provide a range of opportunities for victim, offender, and community dialogue, negotiation, and problem solving to bring about a greater sense of justice, repair harm, provide restitution, reduce incarceration and recidivism rates, and increase public safety.

(3) A restorative justice program eligible for grant funding pursuant to this section shall use evidence-based practices, which may include but are not limited to facilitated victim-offender meetings, family group conferencing, sentencing circles, victim impact panels, offender accountability letters, restitution programs, constructive community service, victim awareness education, victim empathy programs, school expulsion alternatives, peer mediation, diversion programs, and community panels.

(4) (a) The board of crime control shall actively seek federal grant money that may be used for the purposes of this section.

(b) The board shall produce a biennial report summarizing the grants provided, how the grant money

was spent, and the program data and information reported by grant recipients.

(c) The board shall report ~~annually~~ to the law and justice interim committee in accordance with 5-11-210 regarding the status and performance of the restorative justice grant programs established in this section."

Section 77. Section 46-23-1028, MCA, is amended to read:

"46-23-1028. Supervision responses grid -- report. (1) The department shall revise, maintain, and fully implement the policy known as the Montana incentives and interventions grid. The grid must guide responses to negative and positive behavior by people under supervision by the department, including responses to violations of supervision conditions, in a swift, certain, and proportional manner. The grid must include guidance and procedures to determine when and how to:

- (a) request a warrant or arrest without a warrant;
- (b) use a 72-hour detention;
- (c) initiate an intervention hearing;
- (d) seek departmental approval to use up to 90-day interventions; and
- (e) exhaust and document appropriate graduated violation responses before initiating the revocation process.

(2) The grid must recommend the least restrictive placement for offenders based on the result of a validated risk and needs assessment. Placement decisions must be documented in the offender's file and must indicate any other less secure sanction options considered by the probation and parole officer before utilizing a higher level of custody.

(3) The department shall:

(a) provide information and training on the grid for probation and parole officers and supervisors and for members and staff of the board of pardons and parole;

(b) offer information and training on the grid to district court judges, prosecution and defense attorneys, law enforcement personnel, county detention center personnel, contracted service providers, and other interested personnel;

(c) review the grid every 5 years to ensure that it adheres to evidence-based practices and that the use of sanctions and incentives by probation and parole officers is consistent across the state;

- (d) ensure that the guidance and procedures established in the grid consider community safety and the needs of the victim and offender;
- (e) collect data relating to placement decisions based on the grid; and
- (f) aggregate collected data and provide a report to the law and justice interim committee ~~each~~ biennium in accordance with 5-11-210."

Section 78. Section 47-1-125, MCA, is amended to read:

"47-1-125. Reports. (1) (a) The office shall submit a biennial report to the governor, the supreme court, and the legislature, ~~as provided in 5-11-210. Each interim, the director shall also specifically report to the~~ law and justice interim committee ~~established pursuant to 5-5-202 and 5-5-226~~ in accordance with 5-11-210.

- (b) The biennial report must cover the preceding biennium and include:
 - (i) all policies or procedures in effect for the operation and administration of the statewide public defender system;
 - (ii) all standards of practice established or being considered by the director for the public defender division, the appellate defender division, and the conflict defender division;
 - (iii) the number of deputy public defenders and the region supervised by each;
 - (iv) the number of public defenders employed or contracted with in the system, identified by region, if appropriate, and office;
 - (v) the number of nonattorney staff employed or contracted with in the system, identified by region, if appropriate, and office;
 - (vi) the number of new cases in which counsel was assigned to represent a party, identified by region, court, and case type;
 - (vii) the total number of persons represented by the public defender division, the appellate defender division, and the conflict defender division identified by region, if appropriate, court, and case type;
 - (viii) the annual caseload and workload of each public defender identified by region, if appropriate, court, and case type;
 - (ix) the training programs conducted by the office and the number of attorney and nonattorney staff who attended each program;

(x) the continuing education courses on criminal defense or criminal procedure attended by each public defender employed or contracted with in the system; and

(xi) detailed expenditure data by court and case type.

(2) The office shall report data for each fiscal year by September 30 of the subsequent fiscal year representing the caseload for the entire statewide public defender system to the governor, the legislature in accordance with 5-11-210, and legislative fiscal analyst. The report must include unduplicated count data for all cases for which representation is paid for by the office, the number of new cases opened, the number of cases closed, the number of cases that remain open and active, the number of cases that remain open but are inactive, and the average number of days between case opening and closure for each case type. The report must be provided in an electronic format.

(3) (a) For the fiscal year beginning July 1, 2011, and every 5 years thereafter, the legislative fiscal analyst shall compare the percentage change in general fund revenue for the previous 5 years to the percentage change in the amounts allocated to local governments under the provisions of 15-1-121, as amended in 2005, and the actual costs for public defender services for the same time period.

(b) The results of the comparison must be reported to the governor, legislative finance committee, law and justice interim committee, and supreme court the following fiscal year and in accordance with 5-11-210."

Section 79. Section 50-6-402, MCA, is amended to read:

"50-6-402. Department duties -- rules. (1) The department shall plan, coordinate, implement, and administer a statewide trauma care system that involves all health care facilities and emergency medical services within the state. The department shall also develop and adopt a statewide trauma care system plan and a state trauma register.

(2) The department shall adopt rules to:

(a) establish and coordinate the statewide trauma care system, including rules that establish:

(i) various levels of trauma facilities and the standards each facility is required to meet concerning personnel, equipment, resources, data collection, and organizational capabilities;

(ii) procedures for, standards for, and the duration of designation and revocation of designation of a trauma facility, including application procedures, site survey procedures, complaint investigation, and

emergency suspension of designation;

- (iii) operational procedures and criteria for the regional trauma advisory committees;
- (iv) prehospital emergency medical services triage and treatment protocols for trauma patients;
- (v) triage and treatment protocols for the transfer of injured persons between health care facilities;
- (vi) requirements for collection and release of trauma register data;
- (vii) quality improvement standards for emergency medical services and trauma care facilities; and
- (viii) the duties, responsibilities, and functions of the trauma care committee created by 2-15-2216 and

the regional trauma care advisory committees created pursuant to 50-6-411;

(b) designate trauma regions throughout Montana, taking into consideration geographic distance from available trauma care, transportation modalities available, population location and density, health care facility resources, historical patterns of patient referral, and other considerations relevant to optimum provision of emergency medical care;

(c) establish the procedure to be followed by a health care facility to appeal to the department a decision by the department pursuant to 50-6-410 affecting the facility's designation as a trauma facility;

(d) specify the information that must be submitted to the department, including information from health care facilities, for statistical evaluation of the state and regional trauma care systems, planning prevention programs, assessing trauma-related educational priorities, and determining how trauma facilities and emergency medical services may comply with protocols and standards adopted by the department; and

(e) establish the electronic format and other standards that a health care facility trauma data system is required to meet in order to qualify as a hospital trauma register.

(3) The department shall submit a report to ~~each session of the legislature~~ in accordance with 5-11-210 concerning the effectiveness of the trauma care system established under this part.

(4) This part does not restrict any other provisions of law allowing or requiring a health care facility or health care provider to provide health care services."

Section 80. Section 50-46-329, MCA, is amended to read:

"50-46-329. Inspections -- procedures -- prohibition on inspector affiliation with licensees. (1)

The department shall conduct unannounced inspections of registered premises and testing laboratories.

(2) (a) The department shall inspect annually each registered premises and testing laboratory.

(b) The department shall collect samples during the inspection of registered premises and submit them to one or more testing laboratories for testing as provided in 50-46-304 and by the state laboratory by rule.

(c) The department may collect samples during the inspection of a registered premises and submit the samples to all registered testing laboratories for testing as provided by the department by rule.

(3) (a) Each provider and marijuana-infused products provider shall keep a complete set of records necessary to show all transactions with registered cardholders. The records must be open for inspection by the department or state laboratory, as appropriate, and state or local law enforcement agencies during normal business hours.

(b) Each testing laboratory shall keep:

(i) a complete set of records necessary to show all transactions with providers and marijuana-infused products providers; and

(ii) all data, including instrument raw data, pertaining to the testing of marijuana and marijuana-infused products.

(c) The records and data required under this subsection (3) must be open for inspection by the department and state or local law enforcement agencies during normal business hours.

(d) The department may require a provider, marijuana-infused products provider, or testing laboratory to furnish information that the department considers necessary for the proper administration of this part.

(4) (a) Registered premises and testing laboratories, including any places of storage, where marijuana is cultivated, manufactured, sold, stored, or tested are subject to entry by the department or state or local law enforcement agencies for the purpose of inspection or investigation during normal business hours.

(b) If any part of the registered premises or testing laboratory consists of a locked area, the provider, marijuana-infused products provider, or testing laboratory shall make the area available for inspection without delay upon request of the department or state or local law enforcement officials.

(5) A provider or marijuana-infused products provider shall maintain records showing the names and registry identification numbers of registered cardholders to whom mature plants, seedlings, usable marijuana, or marijuana-infused products were sold or transferred and the quantities sold or transferred to each

cardholder.

(6) The state laboratory shall conduct the inspections of testing laboratories required under this section.

(7) If the department conducts an inspection because of a complaint against a licensee or registered premises and does not find a violation of this part, the department shall give the licensee a copy of the complaint with the name of the complainant redacted.

(8) The department may not hire or contract with a person to be an inspector if the person has worked during the previous 4 years for a Montana business or facility operating under this part.

(9) In addition to any other penalties provided under this part, the department may revoke, suspend for up to 1 year, or refuse to renew a license or endorsement issued under this part if, upon inspection and subsequent notice to the licensee, the department finds that any of the following circumstances exist:

(a) a cause for which issuance of the license or endorsement could have been rejected had it been known to the department at the time of issuance;

(b) a violation of an administrative rule adopted to carry out the provisions of this part; or

(c) noncompliance with any provision of this part.

(10) The department may suspend or modify a license or endorsement without advance notice upon a finding that presents an immediate threat to the health, safety, or welfare of registered cardholders, employees of the licensee, or members of the public.

(11) Review of a department action imposing a suspension, revocation, or other modification under this part must be conducted as a contested case hearing under the provisions of the Montana Administrative Procedure Act.

(12) The department shall establish a training protocol to ensure uniform application and enforcement of the requirements of this part.

(13) The department shall report ~~biennially~~ to the children, families, health, and human services interim committee in accordance with 5-11-210 concerning the results of inspections conducted under this section. The report must include the information required under 50-46-343."

Section 81. Section 50-46-343, MCA, is amended to read:

"50-46-343. Legislative monitoring. (1) The children, families, health, and human services interim committee shall provide oversight of the department's activities pursuant to this part, including but not limited to monitoring of:

- (a) the number of registered cardholders and licensees;
- (b) issues related to the cultivation, manufacture, sale, testing, and use of marijuana; and
- (c) the development, implementation, and use of the seed-to-sale tracking system established in

accordance with 50-46-304.

(2) The committee shall identify issues likely to require future legislative attention and develop legislation to present to the next regular session of the legislature.

(3) (a) The department shall ~~periodically~~ report to the children, families, health, and human services interim committee ~~and submit a report to the legislative clearinghouse, as provided in~~ accordance with 5-11-210, on persons who are licensed or registered pursuant to 50-46-303. The report must include:

- (i) the number of applications for registry identification cards and the number of registered cardholders approved;
- (ii) the nature of the debilitating medical conditions of the cardholders;
- (iii) the number of providers, marijuana-infused products providers, dispensaries, and testing laboratories licensed pursuant to this part;
- (iv) the number of endorsements approved for chemical manufacturing;
- (v) the number of registry identification cards and licenses revoked; and
- (vi) the number of physicians providing written certification for registered cardholders and the number of written certifications each physician has provided.

(b) The report may not provide any identifying information of cardholders, physicians, providers, marijuana-infused products providers, dispensaries, or testing laboratories.

(4) The report on inspections required under 50-46-329 must include, at a minimum, the following information for both announced and unannounced inspections:

- (a) the number of inspections conducted, by canopy licensure tier;
- (b) the number of providers or marijuana-infused products providers who were inspected more than once during the year;

(c) the number of inspections that were conducted because of complaints made to the department;
and

(d) the types of enforcement actions taken as a result of the inspections.

(5) The board of medical examiners shall report annually to the children, families, health, and human services interim committee in accordance with 5-11-210 on the number and types of complaints the board has received involving physician practices in providing written certification for the use of marijuana, pursuant to 37-3-203.

(6) The reports provided for in subsections (3) through (5) must also be provided in accordance with 5-11-210 to the revenue interim committee ~~provided for in 5-5-227.~~"

Section 82. Section 52-2-211, MCA, is amended to read:

"52-2-211. County or regional interdisciplinary child information and school safety team. (1)

The county commissioners of each county shall ensure the formation of a county or regional interdisciplinary child information and school safety team that includes representatives authorized by any of the following:

- (a) the youth court;
- (b) the county attorney;
- (c) the department of public health and human services;
- (d) the county superintendent of schools;
- (e) the sheriff;
- (f) the chief of any police force;
- (g) any board of trustees of a public school district operating within the boundaries of the county; and
- (h) the department of corrections.

(2) Officials under subsection (1) from one county may also cooperate with officials under subsection (1) from any other county to form regional interdisciplinary child information and school safety teams, in which case access to information under 41-5-215(2) is authorized for all members of the regional team for each county participating in a regional team. The formation of regional teams must be formalized by written agreement between participating counties.

(3) The persons and agencies listed in subsection (1) or (2) may by majority vote allow the following

persons to join the team:

(a) physicians, psychologists, psychiatrists, nurses, and other providers of medical and mental health care;

(b) entities operating private elementary and secondary schools;

(c) attorneys; and

(d) a person or entity that has or may have a legitimate interest in one or more children that the team will serve.

(4) (a) The members of the team or their designees may form one or more auxiliary teams for the purpose of providing service to a single child, a group of children, or children with a particular type of problem or for any other purpose.

(b) A member of an auxiliary team must be a person who has personal knowledge of or experience with the child or children in the member's respective field.

(5) The purpose of the team is to ensure the timely exchange and sharing of information that one or more team members may be able to use in serving a child in the course of their professions and occupations, including but not limited to abused or neglected children, delinquent youth, and youth in need of intervention, and of information relating to issues of school safety. Information regarding a child that a team member supplies to other team members or that is disseminated to a team member under 41-3-205 or 41-5-215(2) may not be disseminated beyond the organizations or departments that have an authorized member on the team under this section.

(6) A written agreement may be created to provide for the rules under which the team will operate, the method by which information will be shared, distributed, and managed, and any other matters necessary to the purpose and functions of the team. Any agreement created may not limit access of any team member to information under 41-5-215(2).

(7) An interdisciplinary child information and school safety team shall coordinate its efforts with interdisciplinary child protective teams as provided in 41-3-108 and youth placement committees as provided for in 41-5-121.

(8) To the extent that the county or regional interdisciplinary child information and school safety team is involved in a proceeding that is held prior to adjudication of a youth in youth court, the team satisfies the

requirements of 20 U.S.C. 1232g(b)(1)(E)(ii)(I) of the Family Educational Rights and Privacy Act of 1974.

Montana school districts may release education records to the team. The officials and authorities to whom the information is disclosed may not disclose any information to any other party without the prior written consent of the parent or guardian of the student.

(9) The county superintendent of schools shall provide to the office of public instruction a current copy of any written agreement under this section no later than September 1. The office of public instruction shall report to the education interim committee ~~no later than September 15~~ in accordance with 5-11-210 any county that has not provided a written agreement under this section."

Section 83. Section 52-2-311, MCA, is amended to read:

"52-2-311. Out-of-state placement monitoring and reporting. (1) The department shall collect the following information regarding high-risk children with multiagency service needs:

- (a) the number of children placed out of state;
- (b) the reasons each child was placed out of state;
- (c) the costs for each child placed out of state;
- (d) the process used to avoid out-of-state placements; and
- (e) the number of in-state providers participating in the pool.

(2) For children whose placement is funded in whole or in part by medicaid, the report must include information indicating other department programs with which the child is involved.

(3) On an ongoing basis, the department shall attempt to reduce out-of-state placements.

(4) The department shall report ~~biannually~~ to the children, families, health, and human services interim committee in accordance with 5-11-210 concerning the information it has collected under this section and the results of the efforts it has made to reduce out-of-state placements."

Section 84. Section 53-1-211, MCA, is amended to read:

"53-1-211. Quality assurance unit -- program standards -- evaluation -- cooperation with department of public health and human services -- report. (1) There is a quality assurance unit in the department of corrections.

(2) In addition to duties assigned to it by the department director or otherwise required by law, the unit shall:

(a) adopt an evidence-based program evaluation tool that measures how closely correctional programs meet the known principles of effective intervention. The tool must measure program content and capacity to ensure the delivery of effective interventions for offenders.

(b) conduct evaluations of programs to reduce recidivism that are funded by the state; and

(c) enforce standards to ensure that programs are using best practices for reducing recidivism, including targeting highest-risk individuals, adhering to evidence-based or research-driven practices, and integrating opportunities for ongoing quality assurance and evaluation.

(3) Subject to the availability of funding, the department may contract with an independent contractor or academic institution to complete evaluations.

(4) The unit shall work jointly with the department of public health and human services to develop standards for quality assurance in behavioral health programs or other clinical programs.

(5) The unit shall conduct regular evaluations of programs operated by the department or under a contract with the department.

(6) The department shall:

(a) develop and maintain a list of evidence-based treatment curriculums to be utilized in programs operated by or under contract with the department with priority being placed on adopting treatment curriculums that are in the public domain and evidence-based; and

(b) report the results of all initial and ongoing program evaluations to the law and justice interim committee ~~each interim~~ in accordance with 5-11-210, including any identified program deficiencies and the department's plan to correct those deficiencies.

(7) After May 19, 2017, the department shall ensure that contracts signed or renewed with providers contain:

(a) minimum program standards that adhere to the evidence-based program evaluation tool adopted as required in subsection (2);

(b) offender eligibility criteria for program entry with the contractor; and

(c) program dosage requirements that conform to evidence-based practices."

Section 85. Section 53-1-216, MCA, is amended to read:

"53-1-216. Montana criminal justice oversight council -- duties -- membership. (1) There is a Montana criminal justice oversight council. The council consists of 16 members as follows:

(a) (i) two members of the house of representatives, one selected by the speaker of the house and one selected by the house minority leader; and

(ii) two members of the senate, one selected by the president of the senate and one selected by the senate minority leader;

(b) one district court judge selected by the chief justice of the Montana supreme court;

(c) the director and the deputy director of the department of corrections;

(d) a county sheriff and a county attorney appointed by the attorney general; and

(e) the following individuals appointed by the governor:

(i) a member of a state-recognized or federally recognized Indian tribe located within the boundaries of the state of Montana who has expertise in criminal justice;

(ii) one member of the board of pardons and parole;

(iii) one member who represents the office of state public defender;

(iv) one representative of crime victims;

(v) one representative of civil rights advocates; and

(vi) two representatives of community corrections providers, one of whom must represent a treatment facility and one of whom must represent a prerelease center.

(2) The department of corrections shall provide clerical and administrative staff services to the council.

(3) The council shall elect a presiding officer.

(4) The council shall:

(a) review the recommendations of the commission on sentencing established in Chapter 343, Laws of 2015;

(b) receive and analyze data collected by agencies and entities charged with implementing the recommendations of the commission on sentencing and that are collecting data during the implementation and

management of specific recommendations;

(c) assess outcomes from the recommendations the commission on sentencing has made and corresponding criminal justice reforms; and

(d) request, receive, and review data and report on performance outcome data relating to criminal justice reform.

(5) Data evaluation performed by the council must:

(a) assess the current electronic records utilized by criminal justice agencies;

(b) review and list all variables collected in each agency's information management system;

(c) establish a baseline for historical data comparisons;

(d) determine whether data is linked to specific offenders through a unique identifying factor;

(e) review archival data and agencies' data retention policies;

(f) determine whether presentence investigation reports are completed electronically in the department of corrections' case management system within established statutory timelines;

(g) review any established data protocols for pretrial services;

(h) assess if the data collected or recommended to be collected on offenders and programs will provide criminal justice agencies, the legislature, and the public adequate information to determine whether correctional programs produce standardized outcomes across the state and are an efficient use of state resources; and

(i) review and suggest improvements for behavioral health screening instruments and other screening instruments as needed to ensure the integrity of data that is captured in criminal justice agencies' information management systems.

(6) The council shall examine the feasibility of creating and maintaining a public portal through which criminal justice data can be accessed, including data on court case filings, correctional populations, and historical and legacy data sets.

(7) The council shall submit ~~by September 1 of each even-numbered year a biennial~~ a report to the governor and legislature, as provided in 5-11-210. The report must include:

(a) a description of the council's proceedings since the previous report;

(b) a summary of savings from criminal justice reforms and recommendations for how the savings

should be reinvested to reduce recidivism;

(c) a description of performance measures and outcomes related to criminal justice reforms; and

(d) a narrative of the council's progress on establishing data collection and uniformity standards and any changes that have been implemented as a result of the council's work.

(8) The council may appoint a working group to track any legislation resulting from criminal justice reforms and to perform other detailed analysis as directed by the council. If appointed, the working group shall meet regularly and report to the council as the council requires. The working group may include representatives of criminal justice agencies and key constituencies that are not members of the council.

(9) Using the process established in legislative rules for executive agency legislative requests, the council may request legislation to enact changes to the state's criminal justice system that the council finds necessary.

(10) The judicial branch, the department of corrections, the department of public health and human services, the board of pardons and parole, and the legislative services and fiscal divisions shall provide data and information as requested by the council.

(11) Appointments made under subsection (1) must be made within 60 days after July 1, 2019. A vacancy on the council must be filled in the manner of the original appointment.

(12) Council members must be reimbursed for travel expenses as provided in 2-18-501 through 2-18-503. Members of the council who are full-time salaried officers or employees of this state or any political subdivision are entitled to their regular compensation. Legislative members must be compensated as provided in 5-2-302.

(13) The council shall ~~report~~ provide updates to the law and justice interim committee and the legislative finance committee as requested."

Section 86. Section 53-1-611, MCA, is amended to read:

"53-1-611. Evaluation of proposed medicaid block grant and acceptance of grant. (1) As part of its refinancing duties, the department of public health and human services shall evaluate the proposed medicaid block grant and report its findings with respect to the criteria in subsection (2) to the legislative finance committee at each regular meeting of the committee. At the end of the interim, the department shall provide a

copy of or a link to the last report provided to the finance committee to the legislature in accordance with 5-11-210.

(2) The department shall use the following criteria in its evaluation of the proposed medicaid block grant compared to other medicaid funding alternatives from which the state may choose:

(a) total cost to the state over the life of the block grant and during each year of the block grant compared to the state cost of maintaining medicaid eligibility and service levels funded by the legislature during the current biennium;

(b) types of flexibility;

(c) advantages and disadvantages; and

(d) policy choices that may occur.

(3) (a) The legislative finance committee shall review and analyze the department's findings and make a recommendation to the governor and to the department with regard to acceptance or rejection of the block grant if the state is required to make a decision as to whether to accept or reject the block grant prior to the next regular convening of the legislature.

(b) The governor shall consider the recommendation of the legislative finance committee and provide a written rationale to the committee if the recommendation of the committee is not followed."

Section 87. Section 53-4-209, MCA, is amended to read:

"53-4-209. Montana parents as scholars program -- department duties. (1) There is a Montana parents as scholars program administered by the department.

(2) The department shall:

(a) use state maintenance of effort funds or temporary assistance for needy families funds in a program to provide assistance to eligible households for the purpose of continuation of education leading toward a high school diploma, a high school equivalency diploma, vocational training, an associate's degree, or a baccalaureate degree;

(b) allow an individual receiving temporary assistance for needy families to attend an approved educational program if the individual:

(i) meets the income and resource eligibility requirements for temporary assistance for needy families;

and

(ii) qualifies as a full-time student pursuant to subsection (4); and

(c) limit approved educational programs to educational courses that are intended to promote economic self-sufficiency, not to exceed the baccalaureate level.

(3) The participants may apply for and may be eligible for child-care assistance provided by the department to be paid from the temporary assistance for needy families block grant funds that are transferred to discretionary funding for child care.

(4) A program must require a participant to be a full-time student, which means that a participant:

(a) shall maintain enrollment in at least 12 credit hours each semester or 30 credit hours a year; or

(b) must be a full-time high school student, student studying for a high school equivalency diploma, or vocational training student as defined by the institution in which the participant is enrolled;

(c) shall maintain a 2.0 grade point average on a 4.0 grade point scale or be making satisfactory progress as defined by the institution in which the participant is enrolled; and

(d) may not be allowed to remain in the program after receiving a baccalaureate degree.

(5) (a) There may be no more than 25 participants in the program at any one time.

(b) Temporary assistance for needy families participants within the 12-month period allowed by federal law do not count in the total number of participants in the parents as scholars program. However, the parents as scholars program may be used to extend a participant's education beyond the 12-month federal period.

(6) The department shall provide annual reports to the legislative finance committee and the children, families, health, and human services interim committee in accordance with 5-11-210."

Section 88. Section 53-6-110, MCA, is amended to read:

"53-6-110. Report and recommendations on medicaid funding. (1) As a part of the information required in 17-7-111, the department of public health and human services shall submit a report concerning medicaid funding for the next biennium. This report must include at least the following elements:

(a) analysis of past and present funding levels for the various categories and types of health services eligible for medicaid reimbursement;

(b) projected increased medicaid funding needs for the next biennium. These projections must identify the effects of projected population growth and demographic patterns on at least the following elements:

- (i) trends in unit costs for services, including inflation;
- (ii) trends in use of services;
- (iii) trends in medicaid recipient levels; and
- (iv) the effects of new and projected facilities and services for which a need has been identified in the state health care facilities plan.

(2) As an integral part of the report, the department of public health and human services shall present a recommendation of funding levels for the medicaid program. The recommendation need not be consistent with the state health care facilities plan.

(3) In making its appropriations for medicaid funding, the legislature shall specify the portions of medicaid funding anticipated to be allocated to specific categories and types of health care services.

(4) Beginning November 15 of each year through June 15 of the following year, the department of public health and human services shall provide to the legislative fiscal analyst monthly reports containing estimates of the cost for medicaid services and a budget status report for all department programs. The department shall also provide a fiscal yearend summary of medicaid costs and the department budget status report prior to the first legislative finance committee meeting following the end of the fiscal year. The reports must be presented in a format mutually agreed to by the legislative fiscal analyst and the department. The department shall provide the yearend summaries to the legislature in accordance with 5-11-210.

Section 89. Section 53-6-116, MCA, is amended to read:

"53-6-116. Medicaid managed care -- capitated health care. (1) The department of public health and human services, in its discretion, may develop managed care and capitated health care systems for medicaid recipients.

(2) The department may contract with one or more persons for the management of comprehensive physical health services and the management of comprehensive mental health services for medicaid recipients. The department may contract for the provision of these services by means of a fixed monetary or capitated amount for each recipient.

(3) A managed care system is a program organized to serve the medical needs of medicaid recipients in an efficient and cost-effective manner by managing the receipt of medical services for a geographical or otherwise defined population of recipients through appropriate health care professionals.

(4) The provision of medicaid services through managed care and capitated health care systems is not subject to the limitations provided in 53-6-104. The managed care or capitated health care system that is provided to a defined population of recipients may be based on one or more of the medical assistance services provided for in 53-6-101.

(5) The proposed systems, referred to in subsection (1), must be submitted to the legislative finance committee. The legislative finance committee shall review the proposed systems at its next regularly scheduled meeting and shall provide any comments concerning the proposed systems to the department. The department shall provide a copy of any reports made to the legislative finance committee concerning the proposed systems to the legislature in accordance with 5-11-210.

(6) A managed care or capitated health care system, except for a primary care case management service, that requires for implementation a waiver from the centers for medicare and medicaid is subject to the provisions of Title 53, chapter 6, part 7."

Section 90. Section 53-6-710, MCA, is amended to read:

"53-6-710. Advisory council -- duties. (1) There is an advisory council to review requests for proposals issued and contracts proposed to be awarded under this part.

(2) The advisory council consists of seven members appointed as follows:

(a) two members appointed by the speaker of the house of representatives, at least one of whom must be a health care provider;

(b) two members appointed by the president of the senate, at least one of whom must be a health care provider; and

(c) three members appointed by the governor, at least one of whom must be a health care provider.

(3) Members shall serve staggered, 3-year terms.

(4) When the department proposes to seek a medicaid waiver for managed care, the council shall conduct the following activities before the department issues a request for proposal and after it has selected a

vendor but before a contract is awarded:

(a) hold a public hearing in the geographic area that would be affected by the program or contract in order to:

(i) educate medicaid recipients, health care providers, and the public residing in the area about the provisions of the proposed program or contract and the consumer's options; and

(ii) accept public comment about the proposed program or contract;

(b) submit a report if managed care is in place of its findings related to the public comment process to the ~~appropriate interim or legislative committee~~ children, families, health, and human services interim committee in accordance with 5-11-210, the legislative auditor's office, and the department.

(5) The council shall meet according to a schedule adopted by a majority vote of the council.

(6) The council is attached to the department for administrative purposes only, and members are entitled to reimbursement for travel expenses as provided in 2-18-501 through 2-18-503."

Section 91. Section 53-6-1325, MCA, is amended to read:

"53-6-1325. (Temporary) Report to legislature. (1) The department shall report the following information to the legislative finance committee and the children, families, health, and human services interim committee quarterly:

~~(4)~~(a) the number of individuals who were determined eligible for medicaid-funded services pursuant to 53-6-1304;

~~(2)~~(b) demographic information on program participants;

~~(3)~~(c) the average length of time that participants remained eligible for medical assistance;

~~(4)~~(d) the number of participants subject to the fees provided for in 15-30-2660 and the total amount of fees collected;

~~(5)~~(e) the amount of money deposited in the Montana HELP Act special revenue account, by source of funding;

~~(6)~~(f) the level of participant engagement in wellness activities or incentives offered under this part;

~~(7)~~(g) the number of participants who took part in community engagement activities, the number whose program participation was suspended for failure to take part in community engagement activities, and

the number who were disenrolled from the program for failure to report a change in circumstances;

~~(8)~~(h) the number of participants who reduced their dependency on the HELP Act program, either voluntarily or because of increased income levels; and

~~(9)~~(i) the total cost of providing services under this part, including related administrative costs.

(2) A compilation of reports received during the interim must be provided to the legislature in accordance with 5-11-210. (Terminates June 30, 2025, on occurrence of contingency--sec. 48, Ch. 415, L. 2019.)"

Section 92. Section 53-20-225, MCA, is amended to read:

"53-20-225. Department monitoring of Montana developmental center residents -- report to legislature. (1) The department shall monitor:

(a) individuals released from the Montana developmental center and placed in a community home as defined in 53-20-302 for 2 years after placement in a community home; and

(b) for the duration of their residency, individuals who are admitted to and residing at the Montana developmental center.

(2) The department shall evaluate on a quarterly basis behaviors in the following areas to determine whether the skills, abilities, and behaviors of an individual subject to this section have improved, diminished, or remained unchanged:

(a) verbal or nonverbal communication, as appropriate for the individual;

(b) activities of daily living;

~~(c)~~ (c) emotional well-being;

~~(d)~~ (d) physical aggression; and

~~(e)~~ (e) sexually inappropriate behaviors.

(3) The department shall report on the results of the monitoring:

(a) at least quarterly to family members and guardians of the individuals if the family members and guardians are authorized to receive health care information; and

(b) annually to the children, families, health, and human services interim committee in accordance with 5-11-210. The report to the interim committee may provide information only in an aggregate form and may

not contain any individually identifying information."

Section 93. Section 53-21-508, MCA, is amended to read:

"53-21-508. Monitoring of children's mental health outcomes -- report. (1) Each September and March, the department shall measure factors, specific to a point in time, for children receiving targeted case management services in the state-funded children's mental health system to determine the effect of the services on the likelihood the children will remain at home, in school, and out of trouble.

(2) The department shall monitor the following factors to determine whether children receiving targeted case management services are able to remain at home:

(a) the number of children placed in out-of-home mental health treatment, including the level and type of care and whether the treatment is provided in state or out of state; and

(b) the number of children placed in a foster care setting, including kinship care, or a correctional setting.

(3) The department shall monitor the following factors related to the school success of a child receiving targeted case management services:

(a) the number of children enrolled in and attending school; and

(b) the number of children who advanced to the next grade level from the previous school year.

(4) The department shall monitor the following additional factors for children receiving targeted case management services:

(a) the number of children receiving treatment for substance use;

(b) the number of children screened for substance use disorders by the current case management provider;

(c) the number of children involved, formally or informally, with youth court; and

(d) the number of children in care or treatment related to suicide risk.

(5) The department shall report annually to the children, families, health, and human services interim committee and to the legislature as provided in accordance with 5-11-210 on the information required under this section."

Section 94. Section 53-30-604, MCA, is amended to read:

"53-30-604. Department duties and responsibilities -- rulemaking authority. (1) (a) The department shall adopt administrative rules that include the minimum applicable standards for the siting, construction, operation, and physical condition of a private correctional facility and for the security, safety, health, treatment, and discipline of persons confined in a private correctional facility.

(b) The administrative rules must require that a private correctional facility conform to applicable American correctional association and national commission on correctional health care standards for the facility and achieve accreditation from the American correctional association and national commission on correctional health care within 3 years from the date the facility begins operation.

(c) The administrative rules must provide for review and approval of facility design and construction by the department of administration.

(2) Within 90 days of May 2, 1997, and on a biennial basis, the department shall publish a description of the long-range correctional needs, objectives, and goals of the department and the state.

(3) The department shall at least annually inspect each private correctional facility to determine compliance with this part, applicable American correctional association and national commission on correctional health care standards, department rules, and contract requirements.

(4) The department shall present a ~~biennial~~ report of compliance inspections to the legislature in accordance with 5-11-210."

Section 95. Section 61-2-109, MCA, is amended to read:

"61-2-109. Emergency medical services grants. The department of transportation shall report to the governor and the legislative fiscal analyst ~~not~~ no later than November 1 of the year preceding a regular session of the legislature regarding emergency medical services grants that are awarded during each biennium. The report must be provided in an electronic format and include a listing of all grant requests and a listing of grants awarded, including a summary of the use of grant funds. The department shall provide a copy of the report to the legislature in accordance with 5-11-210."

Section 96. Section 69-1-222, MCA, is amended to read:

"69-1-222. Annual report. (1) The consumer counsel shall prepare and submit a yearly report and other interim reports to the consumer committee that the consumer counsel determines advisable concerning the consumer counsel's activities during the year, and The consumer counsel also may recommend appropriate remedial legislation to the committee.

(2) The annual report and any recommendations for remedial legislation prepared in accordance with subsection (1) must also be provided to the energy and telecommunications interim committee in accordance with 5-11-210."

Section 97. Section 69-8-402, MCA, is amended to read:

"69-8-402. Universal system benefits programs. (1) Universal system benefits programs are established for the state of Montana to ensure continued funding of and new expenditures for energy conservation, renewable resource projects and applications, and low-income energy assistance.

(2) (a) Except as provided in subsection (11), beginning January 1, 1999, 2.4% of each utility's annual retail sales revenue in Montana for the calendar year ending December 31, 1995, is established as the initial funding level for universal system benefits programs. To collect this amount of funds on an annualized basis in 1999, the commission shall establish rates for utilities subject to its jurisdiction and the governing boards of cooperatives shall establish rates for the cooperatives.

(b) The recovery of all universal system benefits programs costs imposed pursuant to this section is authorized through the imposition of a universal system benefits charge assessed at the meter for each local utility system customer as provided in this section.

(c) A utility must receive credit toward annual funding requirements for the utility's internal programs or activities that qualify as universal system benefits programs, including those amortized or nonamortized portions of expenditures for the purchase of power that are for the acquisition or support of renewable energy, conservation-related activities, or low-income energy assistance, and for large customers' programs or activities as provided in subsection (7). The department of revenue shall review claimed credits of the utilities and large customers pursuant to 69-8-414.

(d) A utility at which the sale of power for final end use occurs is the utility that receives credit for the universal system benefits programs expenditure.

(e) A customer's utility shall collect universal system benefits funds less any allowable credits.

(f) For a utility to receive credit for low-income-related expenditures, the activity must have taken place in Montana.

(g) If a utility's or a large customer's credit for internal activities does not satisfy the annual funding provisions of this subsection (2), then the utility or large customer shall make a payment to the universal system benefits fund established in 69-8-412 for any difference.

(3) Cooperative utilities may collectively pool their statewide credits to satisfy their annual funding requirements for universal system benefits programs and low-income energy assistance.

(4) A utility's transition plan must describe how the utility proposes to provide for universal system benefits programs, including the methodologies, such as cost-effectiveness and need determination, used to measure the utility's level of contribution to each program.

(5) (a) A cooperative utility's minimum annual funding requirement for low-income energy and weatherization assistance is established at 17% of the cooperative utility's annual universal system benefits funding level and is inclusive within the overall universal system benefits funding level.

(b) Except as provided in subsection (11), a public utility's minimum annual funding requirement for low-income energy and weatherization assistance is established at 50% of the public utility's annual universal system benefits funding level and is inclusive within the overall universal system benefits funding level.

(c) A utility must receive credit toward the utility's low-income energy assistance annual funding requirement for the utility's internal low-income energy assistance programs or activities. Internal programs and activities may include providing low-income energy and weatherization assistance on Indian reservations.

(d) If a utility's credit for internal activities does not satisfy its annual funding requirement, then the utility shall make a payment for any difference to the universal low-income energy assistance fund established in 69-8-412.

(6) An individual customer may not bear a disproportionate share of the local utility's funding requirements, and a sliding scale must be implemented to provide a more equitable distribution of program costs.

(7) (a) A large customer:

(i) shall pay a universal system benefits programs charge with respect to the large customer's

qualifying load equal to the lesser of:

(A) \$500,000, less the large customer credits provided for in this subsection (7); or

(B) the product of 0.9 mills per kilowatt hour multiplied by the large customer's total kilowatt hour purchases, less large customer credits with respect to that qualifying load provided for in this subsection (7);

(ii) must receive credit toward that large customer's universal system benefits charge for internal expenditures and activities that qualify as a universal system benefits programs expenditure, and these internal expenditures must include but not be limited to:

(A) expenditures that result in a reduction in the consumption of electrical energy in the large customer's facility; and

(B) those amortized or nonamortized portions of expenditures for the purchase of power at retail or wholesale that are for the acquisition or support of renewable energy or conservation-related activities.

(b) Large customers making these expenditures must receive a credit against the large customer's universal system benefits charge, except that any of those amounts expended in a calendar year that exceed that large customer's universal system benefits charge for the calendar year must be used as a credit against those charges in future years until the total amount of those expenditures has been credited against that large customer's universal system benefits charges.

(8) (a) Except as provided in subsection (11), a public utility shall prepare and submit an annual summary report of the public utility's activities relating to all universal system benefits programs to the commission, the department of revenue, and the energy and telecommunications interim committee ~~provided for in 5-5-230~~ in accordance with 5-11-210. A cooperative utility shall prepare and submit annual summary reports of activities to the cooperative utility's respective local governing body, the statewide cooperative utility office, and the energy and telecommunications interim committee in accordance with 5-11-210. The statewide cooperative utility office shall prepare and submit an annual summary report of the activities of individual cooperative utilities, including a summary of the pooling of statewide credits, as provided in subsection (3), to the department of revenue and the energy and telecommunications interim committee in accordance with 5-11-210. The annual report of a public utility or of the statewide cooperative utility office must include but is not limited to:

(i) the types of internal utility and customer programs being used to satisfy the provisions of this

chapter;

(ii) the level of funding for those programs relative to the annual funding requirements prescribed in subsection (2);

(iii) any payments made to the statewide funds in the event that internal funding was below the prescribed annual funding requirements; and

(iv) the names of all large customers who either utilized credits to minimize or eliminate their charge pursuant to subsection (7) or received a reimbursement for universal system benefits related to expenditures from the utility during the previous reporting year.

(b) Before September 15 of the year preceding a legislative session, the energy and telecommunications interim committee shall:

(i) review the universal system benefits programs and, if necessary, submit recommendations regarding these programs to the legislature; and

(ii) review annual universal system benefits reports provided by utilities in accordance with subsection (8)(a) and compare those reports with reports provided by large customers to the department of revenue in accordance with subsection (10)(a) and identify large customers, if any, who are not in compliance with reporting requirements in accordance with this subsection (8) and subsection (10).

(9) A utility or large customer filing for a credit shall develop and maintain appropriate documentation to support the utility's or the large customer's claim for the credit.

(10) (a) A large customer claiming credits for a calendar year shall submit an annual summary report of its universal system benefits programs activities and expenditures to the department of revenue and to the large customer's utility. The department shall annually make the reports available to the energy and telecommunications interim committee in accordance with 5-11-210. A report must be filed with the department even if a large customer is being reimbursed for a prior year's project. The annual report of a large customer must identify each qualifying project or expenditure for which it has claimed a credit and the amount of the credit. Prior approval by the utility is not required, except as provided in subsection (10)(b).

(b) If a large customer claims a credit that the department of revenue disallows in whole or in part, the large customer is financially responsible for the disallowance. A large customer and the large customer's utility may mutually agree that credits claimed by the large customer be first approved by the utility. If the utility

approves the large customer credit, the utility may be financially responsible for any subsequent disallowance.

(11) A public utility with fewer than 50 customers is exempt from the requirements of this section."

Section 98. Section 75-1-314, MCA, is amended to read:

"75-1-314. Reporting requirements. (1) The departments of environmental quality, agriculture, and natural resources and conservation shall ~~biennially~~ report to the council in accordance with 5-11-210 the following natural resource and environmental compliance and enforcement information:

- (a) the activities and efforts taking place to promote compliance assistance and education;
- (b) the size and description of the regulated community and the estimated proportion of that community that is in compliance;
- (c) the number, description, method of discovery, and significance of noncompliances, including those noncompliances that are pending; and
- (d) a description of how the department has addressed the noncompliances identified in subsection (1)(c) and a list of the noncompliances left unresolved.

(2) When practical, reporting required in subsection (1) should include quantitative trend information."

Section 99. Section 75-1-1101, MCA, is amended to read:

"75-1-1101. Environmental contingency account objectives. (1) There is an environmental contingency account within the state special revenue fund established in 17-2-102. The environmental contingency account is controlled by the governor.

(2) At the beginning of each biennium, \$175,000 must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund with the following exceptions:

- (a) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account equals or exceeds \$750,000, allocation may not be made; and
- (b) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account is less than \$750,000, then an amount less than or equal to the difference between the unobligated cash balance and \$750,000, but not to exceed \$175,000, must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund.

(3) Funds are statutorily appropriated, as provided in 17-7-502, from the environmental contingency account upon the authorization of the governor to meet unanticipated public needs consistent with the following objectives:

(a) to support renewable resource development projects in communities that face an emergency or imminent need for the services or to prevent the physical failure of a project;

(b) to preserve vegetation, water, soil, fish, wildlife, or other renewable resources from an imminent physical threat or during an emergency, not including:

(i) natural disasters adequately covered by other funding sources; or

(ii) fire;

(c) to respond to an emergency or imminent threat to persons, property, or the environment caused by mineral development;

(d) to respond to an emergency or imminent threat to persons, property, or the environment caused by a hazardous material; and

(e) to fund the environmental quality protection fund provided for in 75-10-704 or to take other necessary actions, including the construction of facilities, to respond to actual or potential threats to persons, property, or the environment caused by hazardous wastes or other hazardous materials.

(4) Interest from funds in the environmental contingency account accrues to the general fund.

(5) The governor shall submit to the legislative fiscal analyst, as a part of the information required by 17-7-111, a complete financial report on the environmental contingency account, including a description of all expenditures made since the preceding report. The report must be provided in an electronic format. The department shall provide a copy of the report to the legislature in accordance with 5-11-210.

Section 100. Section 75-5-703, MCA, is amended to read:

"75-5-703. Development and implementation of total maximum daily loads. (1) The department shall, in consultation with local conservation districts and watershed advisory groups, develop total maximum daily loads or TMDLs for threatened or impaired water bodies or segments of water bodies in order of the priority ranking established by the department under 75-5-702. Each TMDL must be established at a level that will achieve compliance with applicable water quality standards and must include a reasonable margin of safety

that takes into account any lack of knowledge concerning the relationship between the TMDL and water quality standards. The department shall consider applicable guidance from the federal environmental protection agency, as well as the environmental, economic, and social costs and benefits of developing and implementing a TMDL.

(2) In establishing TMDLs under subsection (1), the department may establish waste load allocations for point sources and may establish load allocations for nonpoint sources, as set forth in subsection (8), and may allow for effluent trading. The department shall, in consultation with local conservation districts and watershed advisory groups, develop reasonable land, soil, and water conservation practices specifically recognizing established practices and programs for nonpoint sources.

(3) The department shall establish a schedule that provides a reasonable timeframe for TMDL development for impaired and threatened water bodies that are on the most recent list prepared pursuant to 75-5-702. ~~On or before July 1 of each even-numbered year, the~~ The department shall report the progress in completing TMDLs and the current schedule for completion of TMDLs for the water bodies that remain on the list to the water policy interim committee ~~established in 5-5-234~~ in accordance with 5-11-210.

(4) The department shall provide guidance for TMDL development on any threatened or impaired water body, regardless of its priority ranking, if the necessary funding and resources from sources outside the department are available to develop the TMDL and to monitor the effectiveness of implementation efforts. The department shall review the TMDL and either approve or disapprove the TMDL. If the TMDL is approved by the department, the department shall ensure implementation of the TMDL according to the provisions of subsections (6) through (8).

(5) For water bodies listed under 75-5-702, the department shall provide assistance and support to landowners, local conservation districts, and watershed advisory groups for interim measures that may restore water quality and remove the need to establish a TMDL, such as informational programs regarding control of nonpoint source pollution and voluntary measures designed to correct impairments. When a source implements voluntary measures to reduce pollutants prior to development of a TMDL, those measures, whether or not reflected in subsequently issued waste discharge permits, must be recognized in development of the TMDL in a way that gives credit for the pollution reduction efforts.

(6) After development of a TMDL and upon approval of the TMDL, the department shall:

- (a) incorporate the TMDL into its current continuing planning process;
- (b) incorporate the waste load allocation developed for point sources during the TMDL process into appropriate water discharge permits; and
- (c) assist and inform landowners regarding the application of a voluntary program of reasonable land, soil, and water conservation practices developed pursuant to subsection (2).

(7) Once the control measures identified in subsection (6) have been implemented, the department shall, in consultation with the statewide TMDL advisory group, develop a monitoring program to assess the waters that are subject to the TMDL to determine whether compliance with water quality standards has been attained for a particular water body or whether the water body is no longer threatened. The monitoring program must be designed based on the specific impairments or pollution sources. The department's monitoring program must include long-term monitoring efforts for the analysis of the effectiveness of the control measures developed.

(8) The department shall support a voluntary program of reasonable land, soil, and water conservation practices to achieve compliance with water quality standards for nonpoint source activities for water bodies that are subject to a TMDL developed and implemented pursuant to this section.

(9) If the monitoring program provided under subsection (7) demonstrates that the TMDL is not achieving compliance with applicable water quality standards within 5 years after approval of a TMDL, the department shall conduct a formal evaluation of progress in restoring water quality and the status of reasonable land, soil, and water conservation practice implementation to determine if:

- (a) the implementation of a new or improved phase of voluntary reasonable land, soil, and water conservation practice is necessary;
- (b) water quality is improving but a specified time is needed for compliance with water quality standards; or
- (c) revisions to the TMDL are necessary to achieve applicable water quality standards.

(10) Pending completion of a TMDL on a water body listed pursuant to 75-5-702:

- (a) point source discharges to a listed water body may commence or continue, provided that:
 - (i) the discharge is in conformance with a discharge permit that reflects, in the manner and to the extent applicable for the particular discharge, the provisions of 75-5-303;

(ii) the discharge will not cause a decline in water quality for parameters by which the water body is impaired; and

(iii) minimum treatment requirements adopted pursuant to 75-5-305 are met;

(b) the issuance of a discharge permit may not be precluded because a TMDL is pending;

(c) new or expanded nonpoint source activities affecting a listed water body may commence and continue if those activities are conducted in accordance with reasonable land, soil, and water conservation practices; and

(d) for existing nonpoint source activities, the department shall continue to use educational nonpoint source control programs and voluntary measures as provided in subsections (5) and (6).

(11) This section may not be construed to prevent a person from filing an application or petition under 75-5-302, 75-5-310, or 75-5-312."

Section 101. Section 75-10-111, MCA, is amended to read:

"75-10-111. State solid waste management and resource recovery plan -- hearings. The department shall adopt the solid waste management and resource recovery plan required in 75-10-104 and 75-10-807 according to the rulemaking procedures of the Montana Administrative Procedure Act under Title 2, chapter 4, part 3. The department shall prepare the plan in conjunction with local governments in the state, citizens, solid waste and recycling industries, environmental organizations, and others involved or interested in the management of solid waste. Within 3 days after the notice of proposed rulemaking to adopt the plan is published pursuant to Title 2, chapter 4, part 3, the department shall mail a copy of the notice and the proposed plan to the board of county commissioners in each county in the state, the governing body of every incorporated city or town in the state, any person responsible for the operation of a solid waste management system under the provisions of Title 75, chapter 10, parts 1 and 2, the governor, the environmental quality council in accordance with 5-11-210, and any other interested person. During the period for receipt of comments on the proposed rulemaking concerning the plan, the department shall hold at least one public hearing."

Section 102. Section 75-10-743, MCA, is amended to read:

"75-10-743. Orphan share state special revenue account -- reimbursement of claims -- payment of department costs. (1) There is an orphan share account in the state special revenue fund established in 17-2-102 that is to be administered by the department. Money in the account is available to the department by appropriation and, except as provided in subsections (9), (10), and (11), must be used to reimburse remedial action costs claimed pursuant to 75-10-742 through 75-10-751, to provide funding for the department of justice for investigations pursuant to its natural resource damage program, to pay costs incurred by the department in defending the orphan share, and to pay remedial action costs incurred by the department pursuant to subsection (12). Any amounts provided for investigations must be returned to the account, with interest, from the settlement proceeds of a claim made under the natural resource damage program within 30 days of receiving settlement proceeds.

(2) There must be deposited in the orphan share account:

- (a) all penalties assessed pursuant to 75-10-750(12);
- (b) funds received from the distribution of oil and natural gas production taxes pursuant to 15-36-331;
- (c) unencumbered funds remaining in the abandoned mines state special revenue account;
- (d) interest income on the account;
- (e) funds received from settlements pursuant to 75-10-719(7); and
- (f) funds received from reimbursement of the department's orphan share defense costs pursuant to subsection (6).

(3) If the orphan share account contains sufficient money, valid claims must be reimbursed subsequently in the order in which they were received by the department. If the orphan share account does not contain sufficient money to reimburse claims for completed remedial actions, a reimbursement may not be made and the orphan share account, the department, and the state are not liable for making any reimbursement for the costs. The department and the state are not liable for any penalties if the orphan share account does not contain sufficient money to reimburse claims, and interest may not accrue on outstanding claims.

(4) Except as provided in subsections (6) and (7), claims may not be submitted and remedial action costs may not be reimbursed from the orphan share account until all remedial actions, except for operation and maintenance, are completed at a facility.

(5) Except as provided in subsection (6), reimbursement from the orphan share account must be limited to actual documented remedial action costs incurred after the date of a petition provided for in 75-10-745. Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs.

(6) (a) The department's costs incurred in defending the orphan share must be paid by the persons participating in the allocation under 75-10-742 through 75-10-751 in proportion to their allocated shares. The orphan share account is responsible for a portion of the department's costs incurred in defending the orphan share in proportion to the orphan share's allocated share, as follows:

(i) If sufficient funds are available in the orphan share account, the department's costs incurred in defending the orphan share must be paid from the orphan share account in proportion to the share of liability allocated to the orphan share.

(ii) If sufficient funds are not available in the orphan share account, persons participating in the allocation under 75-10-742 through 75-10-751 shall pay all the orphan share's allocated share of the department's costs incurred in defending the orphan share in proportion to each person's allocated share of liability.

(b) A person who pays the orphan share's proportional share of costs has a claim against the orphan share account and must be reimbursed as provided in subsection (3).

(c) A state agency that is liable for remedial action costs incurred has a claim against the orphan share account and must be reimbursed as provided in subsection (3). The agency may submit a claim before or after remedial action is complete. Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs. The agency may be reimbursed only after:

(i) its liability has been determined pursuant to 75-10-742 through 75-10-751 or by a court of competent jurisdiction;

(ii) it has received a notice letter pursuant to 75-10-711; and

(iii) the department has approved the costs.

(7) (a) If the lead liable person under 75-10-746 presents evidence to the department that the person cannot complete the remedial actions without partial reimbursement and that a delay in reimbursement will cause undue financial hardship on the person, the department may allow the submission of claims and may reimburse the claims prior to the completion of all remedial actions. A person is not eligible for early

reimbursement unless the person is in substantial compliance with all department-approved remedial action plans.

(b) The department may reimburse claims from a lead liable person upon completion and department approval of a report evaluating the nature and extent of contamination and a report formulating and evaluating final remediation alternatives. This early reimbursement is limited to those eligible costs incurred by the lead liable person for the preparation of the reports.

(8) A person participating in the allocation process who received funds under the mixed funding pilot program provided for in sections 14 through 20, Chapter 584, Laws of 1995, may not claim or receive reimbursement from the orphan share account for the amount of funds received under the mixed funding pilot program that are later attributed to the orphan share under the allocation process.

(9) (a) For the biennium beginning July 1, 2005, up to \$1.25 million may be used by the department to pay the costs incurred by the department in contracting for evaluating the extent of contamination and formulating final remediation alternatives for releases at the Kalispell pole and timber, reliance refinery company, and Yale oil corporation facility complex. If the department spends less than \$1.25 million for those purposes, the remaining funds must be spent for remediation of the facility complex. The department may not seek recovery of the \$1.25 million from potentially liable persons.

(b) The money spent pursuant to subsection (9)(a) must be credited against the amount owed by the state agency in a judgment or settlement agreement for payment of the remedial action costs at the facility for which the money was spent.

(10) (a) The department shall transfer from the orphan share account to the long-term or perpetual water treatment permanent trust fund provided for in 82-4-367 \$1.2 million in each fiscal year until the board of investments makes the certification pursuant to subsection (10)(b) of this section.

(b) (i) The board of investments shall monitor the long-term or perpetual water treatment permanent trust fund provided for in 82-4-367 to determine when the amount of money in the long-term or perpetual water treatment permanent trust fund will be sufficient, with future earnings, to provide a fund balance of \$19.3 million on January 1, 2018.

(ii) When the board of investments makes the determination pursuant to subsection (10)(b)(i), the board of investments shall notify the department and certify to the department the amount of money, if any, that

must be transferred during the fiscal year in which the board of investments makes its determination pursuant to subsection (10)(b)(i) in order to provide a fund balance of \$19.3 million on January 1, 2018.

(iii) In the fiscal year that the board of investments makes its determination and notifies the department, the department shall transfer only the amount certified by the board of investments, if any, and may not make additional transfers during subsequent fiscal years.

(c) After July 1, 2018, the department shall transfer \$1.2 million in each fiscal year from the orphan share state special revenue account to the environmental quality protection fund provided in 75-10-704.

(11) The orphan share account is subject to legislative fund transfers.

(12) Except as provided in subsection (13), the department may use the orphan share account to:

(a) take remedial action at a facility where there has been a release or there is a substantial threat of a release into the environment that may present an imminent and substantial endangerment to the public health, safety, or welfare or to the environment and there is no readily apparent person who is financially viable and potentially liable under 75-10-715 to conduct the remedial action; or

(b) fund the administration of data collection, the monitoring of the performance of remedial action, and the initial assessment of a facility to determine whether that facility may be closed or delisted.

(13) The department may not use for data collection, initial assessments, or monitoring pursuant to subsection (12)(b) more than 20% of the funds appropriated from the orphan share account for the bienniums beginning July 1, 2015, and ending June 30, 2025. For the bienniums beginning July 1, 2025, no more than 15% of the funds appropriated from the orphan share account may be used for data collection, initial assessments, or monitoring pursuant to subsection (12)(b).

(14) ~~On or before July 1 of each year, the~~The department shall report annually to the environmental quality council in accordance with 5-11-210 the amount of funds from the orphan share account used pursuant to subsection (12), the type of expenditures made, and the identity and location of facilities addressed. (Subsection (10)(c) terminates June 30, 2027--sec. 5, Ch. 387, L. 2015.)"

Section 103. Section 75-10-1601, MCA, is amended to read:

"75-10-1601. Libby asbestos superfund oversight committee -- duties. (1) There is a Libby asbestos superfund oversight committee. The oversight committee is attached to the department of

environmental quality for administrative purposes only, as prescribed in 2-15-121.

(2) The oversight committee consists of:

(a) the director of the department of environmental quality or the director's designated representative;

(b) a Lincoln County commissioner designated by the commission;

(c) a citizen of Lincoln County nominated by the Lincoln County commission and selected by the governor;

(d) one member of the house of representatives whose district includes at least a portion of Lincoln County appointed by the speaker of the house; and

(e) one member of the senate whose district includes at least a portion of Lincoln County appointed by the senate president.

(3) The oversight committee shall select a presiding officer.

(4) The oversight committee shall meet at least quarterly to fulfill the requirements of this section.

(5) Duties of the oversight committee include:

(a) monitoring activities related to the Libby asbestos superfund site;

(b) assisting in the implementation of final cleanup and long-term operation and maintenance plans for the Libby asbestos superfund site;

(c) reviewing documents and providing comments and recommendations to the department of environmental quality and to local governments and appropriate federal agencies regarding the Libby asbestos superfund site;

(d) assisting in the preparation and dissemination of reports and other information as necessary;

(e) providing recommendations to the department of environmental quality regarding the administration of:

(i) the Libby asbestos cleanup trust fund provided for in 75-10-1603; and

(ii) the Libby asbestos cleanup operation and maintenance account provided for in 75-10-1604;

(f) initiating and striving to maintain negotiations with the department of environmental quality, the environmental protection agency, and any other entity with a goal of reducing the state and federal roles in the long-term operation and maintenance work at the Libby asbestos superfund site while increasing the role of Lincoln County in expending funds and managing and implementing operation and maintenance activities; and

(g) submitting a report to the environmental quality council ~~by July 1 of each year~~ annually in accordance with 5-11-210.

(6) Unless otherwise provided by law, each member is entitled to be reimbursed for travel expenses, as provided for in 2-18-501 through 2-18-503, incurred while performing oversight committee duties."

Section 104. Section 75-11-521, MCA, is amended to read:

"75-11-521. Benchmarks -- budget action taken if not met. (1) Categorizing petroleum storage tank release sites as resolved is a higher priority than investigation of new releases unless the new release is an imminent danger to the health and safety of the public.

(2) The department shall develop a list of open release sites prioritized by danger to the health and safety of the public and anticipated date of categorizing the sites as resolved.

(3) (a) The cumulative benchmarks that are provided in subsection (3)(b) must be met. If the benchmarks are not met, money appropriated for petroleum storage tank leak prevention may not be included in the department's base budget, as defined in 17-7-102, for the current biennium.

(b) The cumulative benchmarks are as follows:

Date	Total Number of Resolved Sites
December 31, 2011	45
July 1, 2012	90
December 31, 2012	135
July 1, 2013	180
December 31, 2013	225
July 1, 2014	270
December 31, 2014	315
July 1, 2015	360

~~(4) The department shall report to the environmental quality council established by 5-16-101 at the next regularly scheduled meeting of the council following the passing of each benchmark date in subsection (3)(b).~~

~~(5)~~(4) As used in this section, the following definitions apply:

- (a) "Petroleum storage tank" has the same meaning as prescribed in 75-11-302.
- (b) "Release" has the same meaning as prescribed in 75-11-302.
- (c) "Resolved" means a determination by the department that all cleanup requirements have been met and that conditions at the site ensure present and long-term protection of human health, safety, and the environment."

Section 105. Section 76-4-116, MCA, is amended to read:

"76-4-116. Annual report. The department shall report annually to the environmental quality council ~~established by 5-16-101~~ in accordance with 5-11-210 summarizing the review procedures adopted under Title 76, chapter 4, and recommending whether statutory changes should be made to the process."

Section 106. Section 76-22-118, MCA, is amended to read:

"76-22-118. Reporting. (1) The oversight team shall report to the governor regularly and provide an annual report to the governor, the environmental quality council in accordance with 5-11-210, the board of land commissioners, and the county commissions in the counties where projects were funded pursuant to this part. The annual report must include information on activities undertaken pursuant to this part, including but not limited to:

- (a) any appropriation, grant, gift, transfer, bequest, or donation received, including interest in real property;
- (b) each grant awarded and the details of each grant's status and results; and
- (c) any compensatory mitigation activities.

(2) The oversight team shall annually report to the environmental quality council in accordance with 5-11-210 the findings of its review of staffing needs to effectively implement this part, as well as the costs and benefits of doing so, conducted pursuant to 76-22-105(1)(j)."

Section 107. Section 77-1-223, MCA, is amended to read:

"77-1-223. State trust land report to trust beneficiaries and legislature -- contents. (1) The board shall annually prepare a report on state trust lands that summarizes the land held in trust for each beneficiary

by land classification.

(2) The report must include the asset value and financial performance of the land held for each beneficiary as calculated using the best available methodology and data.

(3) The board shall provide a copy of the report to the beneficiary of each trust and to the legislature in accordance with 5-11-210 at the end of each fiscal year."

Section 108. Section 77-2-366, MCA, is amended to read:

"77-2-366. Land banking and state land cabin and home sites -- reports to environmental quality council. (1) (a) The department shall provide a biennial report in accordance with 5-11-210 to the environmental quality council ~~by July 1 prior to each regular legislative session~~ that describes the results of the land banking program in detail.

(b) At a minimum, the report must summarize the sale and purchase transactions made through the program by type, location, acreage, value, and trust beneficiary. The environmental quality council shall make any recommendations that it determines necessary regarding the implementation of the state land banking process, including recommendations for legislation.

(2) Because it is the legislature's intent that the board implement the provisions of 77-2-318(1) in a timely manner, ~~on or before July 1 of each year,~~ the department, in consultation with the appropriate stakeholders, shall annually report to the environmental quality council in accordance with 5-11-210 by providing a summary of land sales of those lands that were state land cabin or home sites pursuant to 77-2-318 and efforts by the department to comply with the requirements of 77-2-318(1)."

Section 109. Section 80-7-1006, MCA, is amended to read:

"80-7-1006. Departmental responsibilities -- reporting. (1) The departments shall prepare a list of invasive species and identify those departments and other public agencies with jurisdiction over each species on the list. The jurisdiction of each department for the prevention and control of invasive species is according to the department's powers and duties as established by law.

(2) For those invasive species under the jurisdiction of more than one department, the departments with jurisdiction, through cooperative agreement, shall seek to clarify and coordinate their respective

responsibilities.

(3) Working in collaboration with each other, the departments, individually or collectively, shall develop and adopt an invasive species strategic plan or plans to accomplish the purposes of this part. The plan or plans shall identify and prioritize threats and determine appropriate actions, in the following order of priority, related to:

(a) public awareness and education;

(b) prevention and detection of invasive species, including the use of invasive species management areas authorized under 80-7-1008 and the statewide invasive species management area established in 80-7-1015;

(c) management, control, and restoration of infested areas; and

(d) emergency response.

(4) The departments shall enforce quarantine regulations and measures imposed by law or rule in an invasive species management area established under 80-7-1008 and in the statewide invasive species management area established in 80-7-1015, including the mandatory inspection or decontamination of any interior portion of a vessel or equipment that may contain water for the presence of an invasive species.

(5) The departments may designate employees to carry out the provisions of this part.

(6) The department of fish, wildlife, and parks shall authorize a request by another entity to operate a check station pursuant to this part if the entity agrees to the conditions of an agreement established by all parties, any cooperative funding requirements, and rules adopted under this part. The department of fish, wildlife, and parks retains oversight authority over the operation of a check station pursuant to this subsection.

(7) The departments shall implement education and outreach programs that increase public knowledge and understanding of prevention, early detection, and control of invasive species.

(8) (a) The departments of fish, wildlife, and parks and natural resources and conservation shall report to the environmental quality council at least ~~biannually~~ biennially in accordance with 5-11-210 regarding activities undertaken and expenses incurred in the implementation of this part.

(b) The department of fish, wildlife, and parks shall report to the legislative finance committee at least ~~biannually~~ biennially on expenditures made in the implementation of this part. Expenditures, if not provided in accordance with subsection (8)(a), must be provided to the legislature in accordance with 5-11-210."

Section 110. Section 80-7-1026, MCA, is amended to read:

"80-7-1026. Upper Columbia conservation commission -- purpose and duties. (1) The purpose of the upper Columbia conservation commission, established in 2-15-3310, is to protect the aquatic environment in tributaries to the Columbia River from the threat of invasive species.

(2) The commission shall:

(a) monitor the condition of aquatic resources in the tributaries to the Columbia River and coordinate development of an annual monitoring plan. The plan must use a cooperative strategy among all water management agencies within the Columbia River basin in Montana and identify monitoring specific to invasive species threats.

(b) encourage the close cooperation and coordination between federal, state, regional, tribal, and local water resource managers for establishment of comprehensive monitoring, data collection, and interpretation;

(c) encourage and work for international cooperation and coordination between the state of Montana and the Canadian province of British Columbia;

(d) develop and implement an invasive species education and outreach strategy specifically for the upper Columbia River basin in Montana;

(e) encourage economic development by reducing threats from invasive species and conducting restoration and infestation control measures;

(f) provide an annual report of the following to the governor, the director of the department of natural resources and conservation, and the environmental quality council in accordance with 5-11-210:

(i) a summary of information gathered in fulfillment of its duties under this section;

(ii) information on monitoring activities within the portions of the Columbia River basin occurring in Montana;

(iii) an accounting of all money received and expended by source and purpose for the period since the last report; and

(g) meet at least ~~biannually~~ biennially, alternating the meeting site between the cities of Kalispell and Missoula.

(3) The commission may make recommendations to the governor and to federal, state, tribal, provincial, regional, and local agencies for reducing threats from invasive species and for conducting restoration and infestation control measures.

(4) The commission may receive and, subject to appropriation by the legislature, expend donations, gifts, grants, and other money necessary to fulfill its duties."

Section 111. Section 80-7-1203, MCA, is amended to read:

"80-7-1203. Duties -- reporting -- definition. (1) The invasive species council shall:

(a) provide policy level recommendations, direction, and planning assistance for combating infestations of invasive species throughout the state and preventing the introduction of other invasive species;

(b) foster cooperation, communication, and coordinated approaches that support federal, state, provincial, regional, tribal, and local initiatives for the prevention, early detection, and control of invasive species;

(c) identify, coordinate, and maintain an independent science advisory panel that informs Montana's efforts based on the current status, trends, and emerging technology as they relate to invasive species management in Montana;

(d) in coordination with stakeholders, identify and implement priorities for coordination, prevention, early detection, rapid response, and control of invasive species in Montana;

(e) champion priority invasive species issues identified by stakeholders to best protect the state;

(f) advise and coordinate with agency personnel, local efforts, and the scientific community to implement program priorities;

(g) implement an invasive species education and outreach strategy;

(h) work with regional groups to coordinate regional defense and response strategies; and

(i) work toward establishing and maintaining permanent funding for invasive species priorities.

(2) The council may receive and, subject to appropriation by the legislature, expend donations, gifts, grants, and other money necessary to fulfill its duties.

(3) The council shall report on its activities to the governor, the director of the department of natural resources and conservation, and the environmental quality council in accordance with 5-11-210 annually.

(4) For the purposes of this part, "invasive species" means plants, animals, and pathogens that are nonnative to Montana's ecosystem and cause harm to natural and cultural resources, the economy, and human health."

Section 112. Section 82-2-701, MCA, is amended to read:

"82-2-701. Sand and gravel deposit program -- investigation -- purpose -- prioritization. (1) The Montana bureau of mines and geology shall establish a sand and gravel deposit program for the purpose of investigating sand and gravel deposits in areas of the state where conflicts between development and sand and gravel operations are high.

(2) In prioritizing areas for investigation, the bureau of mines and geology shall consider the largest counties, according to the most recent census data, and counties with the most opencut mining permits and subdivision applications, according to the department of environmental quality.

(3) The bureau of mines and geology may start an investigation when it has sufficient funds to conduct an investigation.

(4) Within 1 year of starting an investigation, the bureau of mines and geology shall present the results of the investigation in the form of maps and text and in accordance with 5-11-210 to:

- (a) the counties included in the investigation;
- (b) the local government interim committee; and
- (c) the environmental quality council."

Section 113. Section 85-1-203, MCA, is amended to read:

"85-1-203. State water plan. (1) The department shall gather from any source reliable information relating to Montana's water resources and prepare from the information a continuing comprehensive inventory of the water resources of the state. In preparing this inventory, the department may:

- (a) conduct studies;
- (b) adopt studies made by other competent water resource groups, including federal, regional, state, or private agencies;
- (c) perform research or employ other competent agencies to perform research on a contract basis;

and

(d) hold public hearings in affected areas at which all interested parties must be given an opportunity to appear.

(2) The department shall formulate and adopt and amend, extend, or add to a comprehensive, coordinated multiple-use water resources plan known as the "state water plan". The state water plan may be formulated and adopted in sections, with some of these sections corresponding with hydrologic divisions of the state. The state water plan must set out a progressive program for the conservation, development, utilization, and sustainability of the state's water resources and propose the most effective means by which these water resources may be applied for the benefit of the people, with due consideration of alternative uses and combinations of uses.

(3) Sections of the state water plan must be completed for the Missouri, Yellowstone, and Clark Fork River basins, submitted to the 2015 legislature, and updated at least every 20 years. These basinwide plans must include:

- (a) an inventory of consumptive and nonconsumptive uses associated with existing water rights;
- (b) an estimate of the amount of surface and ground water needed to satisfy new future demands;
- (c) analysis of the effects of frequent drought and of new or increased depletions on the availability of future water supplies;
- (d) proposals for the best means, such as an evaluation of opportunities for storage of water by both private and public entities, to satisfy existing water rights and new water demands;
- (e) possible sources of water to meet the needs of the state; and
- (f) any legislation necessary to address water resource concerns in these basins.

(4) (a) The department shall create a water user council in both the Yellowstone and Missouri River basins that is inclusive and representative of all water interests and interests in those basins. For the Clark Fork River basin, the department shall continue to utilize the Clark Fork River basin task force established pursuant to 85-2-350.

(b) The councils in the Missouri and Yellowstone River basins consist of representatives of existing watershed groups or councils within the basins.

(c) Each council may have up to 20 members.

(d) Each water user council shall make recommendations to the department on the basinwide plans required by subsection (3).

(5) Before adopting the state water plan or any section of the plan, the department shall hold public hearings in the state or in an area of the state encompassed by a section of the plan if adoption of a section is proposed. Notice of the hearing or hearings must be published for 2 consecutive weeks in a newspaper of general county circulation in each county encompassed by the proposed plan or section of the plan at least 30 days prior to the hearing.

(6) The department shall submit to the water policy interim committee ~~established in 5-5-231~~ and to the legislature ~~at the beginning of each regular session in accordance with 5-11-210~~ the state water plan or any section of the plan or amendments, additions, or revisions to the plan that the department has formulated and adopted.

(7) The legislature, by joint resolution, may revise the state water plan.

(8) The department shall prepare a continuing inventory of the ground water resources of the state. The ground water inventory must be included in the comprehensive water resources inventory described in subsection (1) but must be a separate component of the inventory.

(9) The department shall publish the comprehensive inventory, the state water plan, the ground water inventory, or any part of each, and the department may assess and collect a reasonable charge for these publications.

(10) In developing and revising the state water plan as provided in this section, the department shall consult with the water policy committee established in 5-5-231 and solicit the advice of the water policy committee in carrying out its duties under this section."

Section 114. Section 85-1-501, MCA, is amended to read:

"85-1-501. Survey of power generation capacity. (1) The department shall study the economic and environmental feasibility of constructing and operating a small-scale hydroelectric power generating facility on each of the water projects under its control and shall periodically update those studies as the cost of the electrical energy increases. In determining whether small-scale hydroelectric generation may be economically feasible on a particular project, the department shall consider:

- (a) the estimated cost of construction of a facility;
- (b) the estimated cost of maintaining, repairing, and operating the facility;
- (c) the estimated cost of tying into an existing power distribution channel;
- (d) the ability of public utilities or rural electric cooperatives to lease and operate such a facility;
- (e) the debt burden to be serviced;
- (f) the revenue expected to be derived;
- (g) the likelihood of a reasonable rate of return on the investment; and
- (h) the potential impacts on water supply and streamflows.

(2) ~~Prior to September 1 of each even-numbered year, the~~ The department shall update the energy and telecommunications interim committee and the water policy interim committee in accordance with 5-11-210 on all past and current studies conducted pursuant to this section."

Section 115. Section 85-1-605, MCA, is amended to read:

"85-1-605. Grants, loans, and bonds for state, local, or tribal government assistance. (1) The department may recommend to the legislature that grants and loans be made from revenue deposited in the natural resources projects state special revenue account established in 15-38-302, that loans be made from renewable resource bond proceeds deposited in the renewable resource loan proceeds account established in 85-1-617(5), and that coal severance tax bonds be authorized pursuant to Title 17, chapter 5, part 7, to provide financial assistance to a department, agency, board, commission, or other division of state government, to a city, county, or other political subdivision or local government body of the state, including an authority as defined in 75-6-304, or to a tribal government. The legislature may approve by appropriation or other appropriate means those grants and loans that it finds consistent with the policies and purposes of the program.

(2) Nothing in this part creates or expands the state's or a local government's authority to incur debt, and the legislature may authorize loans only to state and local government entities otherwise structured to incur debt.

(3) Loans may not be authorized except to a state, local, or tribal government entity that agrees to secure the authorized loan with its bond.

(4) In addition to implementing those projects approved by the legislature, the department may

request up to 10% of the grant funds available and up to \$10 million for loans from the natural resources projects state special revenue account established in 15-38-302 and the renewable resource loan proceeds account in any biennium to be used for emergencies. These emergency grant projects or loan projects, or both, may not be made because of the gross negligence of the state, local, or tribal government applicant, must be approved by the department, and must be defined as those projects otherwise eligible for either grant funding or loan funding, or both, that, if delayed until legislative approval can be obtained, will cause substantial damages or legal liability to the project sponsor. In allocating the funds, the department shall inform the legislative fiscal analyst. The department shall provide a copy of the information to the legislature in accordance with 5-11-210.

(5) The grants and loans provided for by this section may be made for projects that enhance renewable resources in the state through conservation, development, management, or preservation; for assessing feasibility or planning; for implementing renewable resource projects; and for similar purposes approved by the legislature.

(6) Grant and loan agreements with tribal governments in Montana entered into under this part must contain, in addition to other appropriate terms and conditions, the following conditions:

- (a) a requirement that in the event a dispute or claim arises under the agreement, state law will govern as to the interpretation and performance of the agreement and that any judicial proceeding concerning the terms of the agreement will be brought in the district court of the first judicial district of the state of Montana;
- (b) an express waiver of the tribal government's immunity from suit on any issue specifically arising from the transaction of a loan or grant; and
- (c) an express waiver of any right to exhaust tribal remedies signed by the tribal government."

Section 116. Section 85-1-621, MCA, is amended to read:

"85-1-621. Report. The department shall prepare a biennial report describing the status of the renewable resource grant and loan program. The report must describe ongoing projects and projects that have been completed during the biennium. The report must identify and rank in order of priority the projects for which the department has received applications. The report must also describe proposed projects and activities for the coming biennium and recommendations for necessary appropriations. A copy of the report must be

submitted to the water policy interim committee ~~established in 5-5-234~~ in accordance with 5-11-210."

Section 117. Section 85-1-704, MCA, is amended to read:

"85-1-704. Prioritization of water storage projects -- governor's report. (1) The governor shall submit to ~~each regular session of the legislature~~ a report in accordance with 5-11-210 identifying specific water storage projects proposed for development, including the rehabilitation of existing projects and new project proposals. The report must contain:

- (a) a list of water storage project priorities;
- (b) an implementation strategy for each priority project that identifies the resources (including specific budget requests), government actions, and other actions needed to accomplish the project; and
- (c) a progress report on the development of water storage projects during the previous 2 years.

(2) In setting priorities among new water storage projects, the governor shall consider whether a project:

- (a) solves a severe water problem;
- (b) provides multiple uses and benefits;
- (c) provides for public uses;
- (d) shows strong evidence of broad citizen support;
- (e) is able to obtain nonstate sources of funding;
- (f) protects and seeks to enhance social, ecological, cultural, and aesthetic values;
- (g) improves local and state economic development;
- (h) could resolve Indian and federal reserved water rights issues;
- (i) supports water conservation activities; and
- (j) promotes the use of water reserved under Montana law.

(3) In setting priorities among water storage rehabilitation projects, the governor shall consider whether the project:

- (a) is needed to protect public safety;
- (b) has impacts if not repaired or rehabilitated; and
- (c) accomplishes the goals listed in subsections (2)(a) through (2)(j).

- (4) In establishing budget priorities for the allocation of state water storage development funds:
- (a) first preference must be given to projects that resolve threats to life and property posed by high-hazard facilities that are in an unsafe condition;
- (b) second preference must be given to projects that improve or expand existing water storage facilities; and
- (c) third preference must be given to the planning and construction of new water storage facilities."

Section 118. Section 85-2-105, MCA, is amended to read:

"85-2-105. Water policy interim committee duties. (1) The water policy interim committee established in 5-5-231 shall meet as often as necessary, including during the interim between sessions, to perform the duties specified within this section.

- (2) On a continuing basis, the water policy interim committee may:
- (a) advise the legislature on the adequacy of the state's water policy and on important state, regional, national, and international developments that affect Montana's water resources;
- (b) oversee the policies and activities of the department, other state executive agencies, and other state institutions as those policies and activities affect the water resources of the state;
- (c) assist with interagency coordination related to Montana's water resources; and
- (d) communicate with the public on matters of water policy as well as the water resources of the state.
- (3) On a regular basis, the water policy interim committee shall:
- (a) analyze and comment on the state water plan required by 85-1-203, when filed by the department;
- (b) analyze and comment on the report of the status of the state's renewable resource grant and loan program required by 85-1-621, when filed by the department;
- (c) analyze and comment on water-related research undertaken by any state agency, institution, college, or university;
- (d) analyze, verify, and comment on the adequacy of and information contained in the water information system maintained by the natural resource information system under 90-15-305; and
- (e) report to the legislature as provided in 5-11-210 provide recommendations and a report, if one is written, in accordance with 5-5-216 for studies completed by the committee."

Section 119. Section 85-2-281, MCA, is amended to read:

"85-2-281. (Temporary) Reporting requirements. The department and the water court shall:

- (1) provide quarterly reports to the water policy interim committee ~~during a legislative interim in accordance with 5-11-210~~ on:
- (a) the progress of the adjudication on a basin-by-basin basis;
 - (b) the number of basins for which examination was completed during the reporting period;
 - (c) the number and type of decrees issued in the preceding year and in each quarter of the current year and an update on summary reports in review;
 - (d) the number of claims resolved each month in the preceding year;
 - (e) the percentage of claims resolved by basin, limited to basins under active review by the water court, after issuance of a decree and passage of the deadline of the notices of intent to appear; and
 - (f) compact status describing compacts approved by the water court and pending compacts;
- (2) include a status report on the adjudication in their presentation to the applicable appropriation subcommittees during each legislative session including the number of basins for which examination was completed during the reporting period; and
- (3) provide a budget that outlines how each of the entities will be funded in the next biennium, including general fund money and state special revenue funds. (Terminates June 30, 2028--secs. 10, 11, Ch. 269, L. 2015.)"

Section 120. Section 85-2-316, MCA, is amended to read:

"85-2-316. State reservation of waters. (1) The state, any political subdivision or agency of the state, or the United States or any agency of the United States may apply to the department to acquire a state water reservation for existing or future beneficial uses or to maintain a minimum flow, level, or quality of water throughout the year or at periods or for a length of time that the department designates.

- (2) (a) Water may be reserved for existing or future beneficial uses in the basin where it is reserved, as described by the following basins:
- (i) the Clark Fork River and its tributaries to its confluence with Lake Pend Oreille in Idaho;

- (ii) the Kootenai River and its tributaries to its confluence with Kootenay Lake in British Columbia;
- (iii) the St. Mary River and its tributaries to its confluence with the Oldman River in Alberta;
- (iv) the Little Missouri River and its tributaries to its confluence with Lake Sakakawea in North Dakota;
- (v) the Missouri River and its tributaries to its confluence with the Yellowstone River in North Dakota;

and

- (vi) the Yellowstone River and its tributaries to its confluence with the Missouri River in North Dakota.

(b) A state water reservation may be made for an existing or future beneficial use outside the basin where the diversion occurs only if stored water is not reasonably available for water leasing under 85-2-141 and the proposed use would occur in a basin designated in subsection (2)(a).

(3) (a) The department shall adopt rules that are necessary to determine whether or not an application is correct and complete based on the provisions applicable to issuance of a state water reservation. The rules must be adopted in compliance with Title 2, chapter 4.

(b) An applicant shall submit a correct and complete application. The determination of whether an application is correct and complete must be based on rules adopted under this subsection (3) that are in effect at the time the application is submitted. The department shall proceed in accordance with 85-2-302 with regard to any defects in the application.

(c) The application must be made on a form prescribed by the department. The department shall make the forms available through its offices.

(d) Upon receiving a correct and complete application, the department shall proceed in accordance with 85-2-307 through 85-2-309. After the hearing provided for in 85-2-309, the department shall decide whether to reserve the water for the applicant. The department's costs of giving notice, holding the hearing, conducting investigations, and making records incurred in acting upon the application to reserve water, except the cost of salaries of the department's personnel, must be paid by the applicant. In addition, a reasonable proportion of the department's cost of preparing an environmental analysis must be paid by the applicant unless waived by the department upon a showing of good cause by the applicant.

(4) (a) Except as provided in 85-20-1401, the department shall issue a state water reservation if the applicant establishes to the department by a preponderance of evidence:

- (i) the purpose of the reservation;

- (ii) the need for the reservation;
- (iii) the amount of water necessary for the purpose of the reservation;
- (iv) that the reservation is in the public interest.

(b) In determining the public interest under subsection (4)(a)(iv), the department shall issue a water reservation for withdrawal and transport for use outside the state if the applicant proves by clear and convincing evidence that:

- (i) the proposed out-of-state use of water is not contrary to water conservation in Montana; and
- (ii) the proposed out-of-state use of water is not otherwise detrimental to the public welfare of the citizens of Montana.

(c) In determining whether the applicant has proved by clear and convincing evidence that the requirements of subsections (4)(b)(i) and (4)(b)(ii) are met, the department shall consider the following factors:

- (i) whether there are present or projected water shortages within the state of Montana;
- (ii) whether the water that is the subject of the application could feasibly be transported to alleviate water shortages within the state of Montana;
- (iii) the supply and sources of water available to the applicant in the state where the applicant intends to use the water; and
- (iv) the demands placed on the applicant's supply in the state where the applicant intends to use the water.

(d) When applying for a state water reservation to withdraw and transport water for use outside the state, the applicant shall submit to and comply with the laws of the state of Montana governing the appropriation, lease, use, and reservation of water.

(5) If the purpose of the state water reservation requires construction of a storage or diversion facility, the applicant shall establish to the department by a preponderance of evidence that there will be progress toward completion of the facility and accomplishment of the purpose with reasonable diligence in accordance with an established plan.

(6) (a) Upon issuing a state water reservation for the purpose of maintaining a minimum flow, level, or quality of water, the appropriation of water is complete.

- (b) The department shall limit any state water reservations after May 9, 1979, for maintenance of

minimum flow, level, or quality of water that it awards at any point on a stream or river to a maximum of 50% of the average annual flow of record on gauged streams. Ungauged streams are not subject to the limit under this subsection (6)(b).

(7) A state water reservation issued under this section has a priority of appropriation dating from the filing of a correct and complete application with the department.

(8) (a) A person desiring to use water reserved to a conservation district for agricultural purposes shall make application for the use with the district, and the district, upon approval of the application, shall inform the department of the approved use and issue the applicant an authorization for the use. The department shall maintain records of all uses of water reserved to conservation districts and be responsible, when requested by the districts, for rendering technical and administrative assistance within the department's staffing and budgeting limitations in the preparation and processing of the applications for the conservation districts. The department shall, within its staffing and budgeting limitations, complete any feasibility study requested by the districts within 12 months of the time that the request was made. The department shall extend the time allowed to develop a plan identifying projects for using a district's reservation as long as the conservation district makes a good faith effort, within its staffing and budget limitations, to develop a plan.

(b) Upon actual application of water to the proposed beneficial use, the authorized user shall notify the conservation district. The notification must contain a certified statement by a person with experience in the design, construction, or operation of project works for agricultural purposes describing how the reserved water was put to use. The department or the district may then inspect the appropriation to determine if it has been completed in substantial accordance with the authorization.

(9) A state water reservation issued under this section may not adversely affect any rights in existence at that time. The department may issue a state water reservation subject to terms, conditions, restrictions, and limitations it considers necessary to satisfy the criteria of this section.

(10) (a) Except for a reservation provided in subsection (6) or a reservation provided in 85-20-1401, the department shall, at least once every 10 years, review existing state water reservations to ensure that the objectives of the reservations are being met.

(b) The department shall provide the water policy interim committee, ~~established in 5-5-231~~, a summary of the reviews before September 15, 2026 in accordance with 5-11-210.

(c) Following a review pursuant to this subsection (10), at the request of the entity holding a water reservation or when the objectives of a state water reservation are not being met, the department may:

- (i) extend the time period to complete the appropriation of water;
- (ii) modify the reservation; or
- (iii) revoke the reservation.

(d) Any undeveloped water made available as a result of a revocation or modification under this subsection (10) is available for appropriation by others pursuant to this part.

(11) Except as provided in 85-20-1401, the department may modify an existing or future order originally adopted to reserve water for the purpose of maintaining minimum flow, level, or quality of water, so as to reallocate the state water reservation or portion of the reservation to an applicant who is a qualified reservant under this section. Reallocation of water reserved pursuant to a state water reservation may be made by the department following notice and hearing if the department finds that all or part of the reservation is not required for its purpose and that the need for the reallocation has been shown by the applicant to outweigh the need shown by the original reservant. Reallocation of reserved water may not adversely affect the priority date of the reservation, and the reservation retains its priority date despite reallocation to a different entity for a different use. The department may not reallocate water reserved under this section on any stream or river more frequently than once every 5 years.

(12) A reservant may not make a change in a state water reservation under this section, except as permitted under 85-2-402 and this subsection. If the department approves a change, the department shall give notice and require the reservant to establish that the criteria in subsection (4) will be met under the approved change.

(13) A state water reservation may be transferred to another entity qualified to hold a reservation under subsection (1). Only the entity holding the reservation may initiate a transfer. The transfer occurs upon the filing of a water right ownership update form with the department, together with an affidavit from the entity receiving the reservation establishing that the entity is a qualified reservant under subsection (1), that the entity agrees to comply with the requirements of this section and the conditions of the reservation, and that the entity can meet the objectives of the reservation as granted. If the transfer of a state water reservation involves a change in an appropriation right, the necessary approvals must be acquired pursuant to subsection (12).

(14) This section does not vest the department with the authority to alter a water right that is not a state water reservation.

(15) The department shall undertake a program to educate the public, other state agencies, and political subdivisions of the state as to the benefits of the state water reservation process and the procedures to be followed to secure the reservation of water. The department shall provide technical assistance to other state agencies and political subdivisions in applying for reservations under this section.

(16) Water reserved under this section is not subject to the state water leasing program established under 85-2-141."

Section 121. Section 85-2-338, MCA, is amended to read:

"85-2-338. Upper Clark Fork River basin steering committee -- membership and duties -- comprehensive management plan. (1) There is an upper Clark Fork River basin steering committee. The steering committee has 22 members, who must be appointed as follows:

- (a) Each of the six conservation districts in the basin may appoint a member.
- (b) Each of the six county commissions in the basin may appoint a member.
- (c) The department director shall appoint the remaining 10 committee members and any additional committee members not appointed under subsections (1)(a) and (1)(b) and shall ensure that committee membership includes a balance of affected basin interests and is in conformance with subsection (2).

(2) Steering committee members must be selected on the basis of their knowledge of water use, water management, fish, wildlife, recreation, water quality, and water conservation. Representation on the committee must include but is not limited to representatives from affected:

- (a) agriculture;
- (b) conservation districts;
- (c) departments of state government;
- (d) environmental organizations;
- (e) industries;
- (f) local governments;
- (g) reservation applicants;

- (h) utilities; and
- (i) water users not otherwise represented.

(3) Except as provided in subsection (4), steering committee members shall serve 4-year terms and may serve more than one term.

(4) Initial term lengths must be staggered in conformance with the following:

- (a) conservation district appointees shall initially serve for 4 years;
- (b) county commissioner appointees shall initially serve for 2 years; and
- (c) as determined by the department, half of the department appointees shall initially serve for 2 years

and the remainder shall initially serve for 4 years.

(5) The steering committee, consistent with the upper Clark Fork River basin comprehensive management plan, shall:

(a) review the upper Clark Fork River basin closure and exceptions as provided in 85-2-336 no less than every 5 years after April 14, 1995, and make recommendations to the legislature regarding necessary changes;

(b) prepare and submit a report concerning the relationship between surface water and ground water and the cumulative impacts of ground water withdrawals in each subbasin;

(c) provide a forum for all interests to communicate about water issues;

(d) provide education about water law and water management issues;

(e) identify short-term and long-term water management issues and problems and identify alternatives for resolving them;

(f) identify the potential beneficiaries of and a funding mechanism for new and expanded water storage sites;

(g) assist in facilitating the resolution of water-related disputes;

(h) provide coordination with other basin management and planning efforts;

(i) advise government agencies about water management and permitting activities;

(j) consult with local governments within the upper Clark Fork River basin; and

(k) report periodically-relevant recommendations as determined necessary to the legislature in accordance with 5-11-210."

Section 122. Section 85-2-350, MCA, is amended to read:

"85-2-350. Clark Fork River basin task force -- duties -- water management plan. (1) The governor's office shall designate an appropriate entity to convene and coordinate a Clark Fork River basin task force to prepare proposed amendments to the state water plan provided for under 85-1-203 related to the Clark Fork River basin. The designated appropriate entity shall:

- (a) identify the individuals and organizations, public, tribal, and private, that are interested in or affected by water management in the Clark Fork River basin;
- (b) provide advice and assistance in selecting representatives to serve on the task force;
- (c) develop, in consultation with the task force, appropriate opportunities for public participation in studies of water management in the Clark Fork River basin; and
- (d) ensure that all watersheds and viewpoints within the basin are adequately represented on the task force, including a representation from the following:
 - (i) the reach of the Clark Fork River in Montana below its confluence with the Flathead River;
 - (ii) the Flathead River basin, including Flathead Lake, from Flathead Lake to the confluence of the Flathead River and the Clark Fork River;
 - (iii) the Flathead River basin upstream from Flathead Lake;
 - (iv) the reach of the Clark Fork River between the confluence of the Blackfoot River and the Clark Fork River and the confluence of the Clark Fork River and the Flathead River;
 - (v) the Bitterroot River basin as defined in 85-2-344; and
 - (vi) the upper Clark Fork River basin as defined in 85-2-335.

(2) Task force members shall serve 2-year terms and may serve more than one term. The Confederated Salish and Kootenai tribal government has the right to appoint a representative to the task force.

- (3) The task force shall:
- (a) identify short-term and long-term water management issues and problems and alternatives for resolving any issues or problems identified;
 - (b) identify data gaps regarding basin water resources, especially ground water;
 - (c) coordinate water management by local basin watershed groups, water user organizations, and

individual water users to ensure long-term sustainable water use;

(d) provide a forum for all interests to communicate about water issues;

(e) advise government agencies about water management and permitting activities in the Clark Fork River basin;

(f) consult with local and tribal governments within the Clark Fork River basin;

(g) make recommendations, if recommendations are considered necessary, to the department for consideration as amendments to the state water plan provided for under 85-1-203 related to the Clark Fork River basin; and

(h) report to:

(i) the department on a periodic basis;

(ii) the water policy committee established in ~~5-5-231~~ annually in accordance with 5-11-210; and

(iii) the appropriations subcommittee that deals with natural resources and commerce each legislative session."

Section 123. Section 85-2-436, MCA, is amended to read:

"85-2-436. Instream flow to protect, maintain, or enhance streamflows to benefit fishery resource -- change in appropriation rights. (1) The department of fish, wildlife, and parks may change an appropriation right, which it either holds in fee simple or leases, to an instream flow purpose of use and a defined place of use to protect, maintain, or enhance streamflows to benefit the fishery resource.

(2) The change in purpose of use or place of use must meet all of the criteria and process outlined in 85-2-307 through 85-2-309, 85-2-401, and 85-2-402 and the additional criteria and process described in subsection (3) of this section to protect the rights of other appropriators from adverse impacts.

(3) (a) The department of fish, wildlife, and parks, with the consent of the commission, may lease existing rights for the purpose of protecting, maintaining, or enhancing streamflows to benefit the fishery resource.

(b) The department may not approve a change in appropriation right until all objections are resolved.

(c) The application for a change in appropriation right authorization must include specific information on the length and location of the stream reach in which the streamflow is to be protected, maintained, or

enhanced and must provide a detailed streamflow measuring plan that describes the points where and the manner in which the streamflow must be measured.

(d) The maximum quantity of water that may be changed to instream flow is the amount historically diverted. However, only the amount historically consumed, or a smaller amount if specified by the department in the change in appropriation right authorization, may be used to protect, maintain, or enhance streamflows below the point of diversion that existed prior to the change in appropriation right.

(e) A lease for instream flow purposes may be entered for a term of up to 10 years, except that a lease of water made available from the development of a water conservation or storage project may be for a term equal to the expected life of the project but not more than 30 years. All leases may be renewed an indefinite number of times but not for more than 10 years for each term. Upon receiving notice of a lease renewal, the department shall notify other appropriators potentially affected by the lease and shall allow 90 days for submission of new evidence of adverse effects to other water rights. A change in appropriation right authorization is not required for a renewal unless an appropriator other than an appropriator described in subsection (3)(i) submits evidence of adverse effects to the appropriator's rights that has not been considered previously. If new evidence is submitted, a change in appropriation right authorization must be obtained according to the requirements of 85-2-402.

(f) The department may modify or revoke the change in appropriation right authorization up to 10 years after it is approved if an appropriator other than an appropriator described in subsection (3)(i) submits new evidence not available at the time the change in appropriation right was approved that proves by a preponderance of evidence that the appropriator's water right is adversely affected.

(g) The priority of appropriation for a lease or change in appropriation right under this section is the same as the priority of appropriation of the right that is changed to an instream flow purpose.

(h) Neither a change in appropriation right nor any other authorization is required for the reversion of a leased appropriation right to the lessor's previous use.

(i) A person issued a water use permit with a priority of appropriation after the date of filing of an application for a change in appropriation right authorization under this section may not object to the exercise of the changed water right according to its terms or to the reversion of a leased appropriation right to the lessor according to the lessor's previous use.

(j) The department of fish, wildlife, and parks shall pay all costs associated with installing devices or providing personnel to measure streamflows according to the measuring plan required under this section.

(4) (a) The department of fish, wildlife, and parks shall complete and submit to the department, commission, and water policy interim committee ~~established in 5-5-231~~ a biennial progress report ~~by December 1 of odd-numbered years~~ in accordance with 5-11-210. This report must include a summary of all appropriation rights changed to an instream flow purpose in the last 2 years.

(b) For each change in appropriation right to an instream flow purpose, the report must include a copy of the change authorization issued by the department and must address:

- (i) the length of the stream reach and how it is determined;
- (ii) critical streamflow or volume needed to protect, maintain, or enhance streamflow to benefit the fishery resource;
- (iii) the amount of water available for instream flow as a result of the change in appropriation right;
- (iv) contractual parameters, conditions, and other steps taken to ensure that each change in appropriation right does not harm other appropriators, particularly if the stream is one that experiences natural dewatering; and
- (v) methods used to monitor use of water under each change in appropriation right.

(5) This section does not create the right for a person to bring suit to compel the renewal of a lease that has expired.

(6) (a) From May 8, 2007, through June 30, 2029, the department of fish, wildlife, and parks may change, pursuant to this section, the appropriation rights that it holds in fee simple to instream flow purposes on no more than 12 stream reaches.

(b) After June 30, 2029, the department of fish, wildlife, and parks may not change the appropriation rights that it holds in fee simple to instream flow purposes on any stream reaches.

(7) After June 30, 2029, the department of fish, wildlife, and parks may not enter into any new lease agreements pursuant to this section or renew any leases that will expire after that date."

Section 124. Section 87-1-201, MCA, is amended to read:

"87-1-201. Powers and duties. (1) Except as provided in subsection (12), the department shall

supervise all the wildlife, fish, game, game and nongame birds, waterfowl, and the game and fur-bearing animals of the state and may implement voluntary programs that encourage hunting access on private lands and that promote harmonious relations between landowners and the hunting public. The department possesses all powers necessary to fulfill the duties prescribed by law and to bring actions in the proper courts of this state for the enforcement of the fish and game laws and the rules adopted by the department.

(2) Except as provided in subsection (12), the department shall enforce all the laws of the state regarding the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and nongame birds within the state.

(3) The department has the exclusive power to spend for the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and nongame birds all state funds collected or acquired for that purpose, whether arising from state appropriation, licenses, fines, gifts, or otherwise. Money collected or received from the sale of hunting and fishing licenses or permits, from the sale of seized game or hides, from fines or damages collected for violations of the fish and game laws, or from appropriations or received by the department from any other sources is under the control of the department and is available for appropriation to the department.

(4) The department may discharge any appointee or employee of the department for cause at any time.

(5) The department may dispose of all property owned by the state used for the protection, preservation, management, and propagation of fish, game, fur-bearing animals, and game and nongame birds that is of no further value or use to the state and shall turn over the proceeds from the sale to the state treasurer to be credited to the fish and game account in the state special revenue fund.

(6) The department may not issue permits to carry firearms within this state to anyone except regularly appointed officers or wardens.

(7) Except as provided in subsection (12), the department is authorized to make, promulgate, and enforce reasonable rules and regulations not inconsistent with the provisions of Title 87, chapter 2, that in its judgment will accomplish the purpose of chapter 2.

(8) The department is authorized to promulgate rules relative to tagging, possession, or transportation of bear within or outside of the state.

(9) (a) The department shall implement programs that:

(i) manage wildlife, fish, game, and nongame animals in a manner that prevents the need for listing under 87-5-107 or under the federal Endangered Species Act, 16 U.S.C. 1531, et seq.;

(ii) manage listed species, sensitive species, or a species that is a potential candidate for listing under 87-5-107 or under the federal Endangered Species Act, 16 U.S.C. 1531, et seq., in a manner that assists in the maintenance or recovery of those species;

(iii) manage elk, deer, and antelope populations based on habitat estimates determined as provided in 87-1-322 and maintain elk, deer, and antelope population numbers at or below population estimates as provided in 87-1-323. In implementing an elk management plan, the department shall, as necessary to achieve harvest and population objectives, request that land management agencies open public lands and public roads to public access during the big game hunting season.

(iv) in accordance with the forest management plan required by 87-1-622, address fire mitigation, pine beetle infestation, and wildlife habitat enhancement giving priority to forested lands in excess of 50 contiguous acres in any state park, fishing access site, or wildlife management area under the department's jurisdiction.

(b) In maintaining or recovering a listed species, a sensitive species, or a species that is a potential candidate for listing, the department shall seek, to the fullest extent possible, to balance maintenance or recovery of those species with the social and economic impacts of species maintenance or recovery.

(c) Any management plan developed by the department pursuant to this subsection (9) is subject to the requirements of Title 75, chapter 1, part 1.

(d) This subsection (9) does not affect the ownership or possession, as authorized under law, of a privately held listed species, a sensitive species, or a species that is a potential candidate for listing.

(10) The department shall publish an annual game count, estimating to the department's best ability the numbers of each species of game animal, as defined in 87-2-101, in the hunting districts and administrative regions of the state. In preparing the publication, the department may incorporate field observations, hunter reporting statistics, or any other suitable method of determining game numbers. The publication must include an explanation of the basis used in determining the game count.

(11) The department shall report current sage grouse population numbers, including the number of leks, to the Montana sage grouse oversight team, established in 2-15-243, and the environmental quality

council, ~~established in 5-16-101, in accordance with 5-11-210~~ on an annual basis. The report must include seasonal and historic population data available from the department or any other source.

(12) The department may not regulate the use or possession of firearms, firearm accessories, or ammunition, including the chemical elements of ammunition used for hunting. This does not prevent:

(a) the restriction of certain hunting seasons to the use of specified hunting arms, such as the establishment of special archery seasons;

(b) for human safety, the restriction of certain areas to the use of only specified hunting arms, including bows and arrows, traditional handguns, and muzzleloading rifles;

(c) the restriction of the use of shotguns for the hunting of deer and elk pursuant to 87-6-401(1)(f);

(d) the regulation of migratory game bird hunting pursuant to 87-3-403; or

(e) the restriction of the use of rifles for bird hunting pursuant to 87-6-401(1)(g) or (1)(h)."

Section 125. Section 87-1-250, MCA, is amended to read:

"87-1-250. Upland game bird enhancement program -- report. The department shall report to ~~the fish and game committee of each house of the legislature each regular session of the legislature, in accordance with 5-11-210,~~ concerning upland game bird enhancement activities undertaken pursuant to 87-1-246 through 87-1-249 and 87-1-251 during the preceding biennium, including providing:

(1) copies of reports made to the upland game bird citizens' advisory council pursuant to 87-1-251(2)(b); and

(2) any recommendations concerning the operation of the program."

Section 126. Section 87-1-269, MCA, is amended to read:

"87-1-269. Private land/public wildlife advisory committee -- duties -- reports. (1) There is a private land/public wildlife advisory committee composed of persons interested in issues related to hunters, anglers, landowners, and outfitters, including but not limited to hunting access programs established pursuant to 87-1-265, the fishing access enhancement program, landowner-hunter relations, outfitting industry issues, public access land agreements, and other issues related to private lands and public wildlife. The committee must have broad representation of landowners, outfitters, and sportspeople. The department may provide

administrative assistance as necessary to assist the private land/public wildlife advisory committee.

(2) The governor shall appoint the members of the private land/public wildlife advisory committee.

(3) (a) The private land/public wildlife advisory committee shall report to the governor and to each regular session of the legislature, in accordance with 5-11-210, regarding the success of various elements of the hunting access programs, including a report of annual landowner participation, the number of acres annually enrolled in the programs, hunter harvest success on enrolled lands, the number of qualified applicants who were denied enrollment because of a shortfall in funding, and an accounting of program expenditures, and make recommendations for funding, modification, or improvement needed to achieve the objectives of the programs. The department shall provide fiscal analyses of all hunting access program funding sources to the review committee for review and recommendations.

(b) The private land/public wildlife advisory committee shall report to the governor and to each regular session of the legislature, in accordance with 5-11-210, regarding the success of the fishing access enhancement program and make recommendations for funding, modification, or improvement needed to achieve the objectives of the program. The department shall provide fiscal analyses of all fishing access enhancement program funding sources to the review committee for review and recommendations.

(4) The private land/public wildlife advisory committee shall review public access land agreement proposals pursuant to 87-1-295 and recommend to the department whether to grant public access land agreements.

(5) The director may appoint additional advisory committees that are considered necessary to assist in the implementation of the hunting access programs, public access land agreements, and the fishing access enhancement program and to advise the commission regarding the development of rules implementing the hunting access programs, public access land agreements, and the fishing access enhancement program."

Section 127. Section 87-1-272, MCA, is amended to read:

"87-1-272. Future fisheries improvement program -- funding priority -- reports required. (1) In order to enhance future fisheries through natural reproduction, the department shall establish and implement a statewide voluntary program that promotes fishery habitats and spawning areas for the rivers, streams, and lakes of Montana's fisheries.

(2) When projects are suggested by the future fisheries review panel, the department shall, through a public hearing process and with the approval of the commission, prioritize projects that have been recommended by the review panel to be funded. Emphasis must be given to projects that enhance the historic habitat of native fish species. The department shall fund and implement the program regarding the long-term enhancement of streams and streambanks, instream flows, water leasing, lease or purchase of stored water, and other voluntary programs that deal with wild fish and aquatic habitats. A project conducted under the future fisheries improvement program may not restrict or interfere with the exercise of any water rights or property rights of the owners of streambeds and property adjacent to streambeds, streambanks, and lakes. The fact that a program project has been completed on private property does not create any right of public access to the private property unless that right is granted voluntarily by the property owner.

(3) The department shall work in cooperation with private landowners, conservation districts, irrigation districts, local officials, anglers, and other citizens to implement the future fisheries improvement program. Any department employee who is employed under this section to facilitate contact with landowners must have experience in commercial or irrigated agriculture. The department shall encourage the use of volunteer labor and grants, matching grants, and private donations to accomplish program purposes. The department may use contracted services:

- (a) for negotiations with landowners, local officials, citizens, and others;
- (b) for coordination with other agencies that may be involved in projects conducted under this section;

and

- (c) to perform and supervise project work.

(4) Funds expended under this section may be used only for projects for the protection of the fisheries resource that have been identified by the review panel established in 87-1-273 and approved by the commission and may not be used for the acquisition of any interest in land.

(5) (a) The department shall report to the commission on the progress of the future fisheries improvement program every 12 months and post a copy of the report on a state electronic access system to ensure public access to the report.

(b) The department shall also present a detailed report to ~~each regular session of the legislature~~ in accordance with 5-11-210 on the progress of the future fisheries improvement program. The legislative report

must include the department's program activities and expenses since the last report and the project schedules and anticipated expenses for the ensuing 10 years' implementation of the future fisheries improvement program.

(c) In order to implement 87-1-273 and this section, the department may expend revenue from the future fisheries improvement program for up to two additional full-time employees."

Section 128. Section 87-1-629, MCA, is amended to read:

"87-1-629. Review of budget -- report to legislature. In addition to the requirements of Title 17, chapter 7, part 1, every 4 years the department shall review its expenditures and revenue to determine the need for making license revenue recommendations to the legislature. The department shall report the findings of its review to the legislature in ~~the next regular session. The first report is due January 1, 2019~~ accordance with 5-11-210."

Section 129. Section 87-1-901, MCA, is amended to read:

"87-1-901. Gray wolf management -- rulemaking -- reporting. (1) Except as provided in subsection (2), the commission shall establish by rule hunting and trapping seasons for wolves. For game management purposes, the commission may authorize:

- (a) the issuance of more than one Class E-1 or Class E-2 wolf hunting license to an applicant; and
- (b) the trapping of more than one wolf by the holder of a trapping license.

(2) The commission shall adopt rules to allow a landowner or the landowner's agent to take a wolf on the landowner's property at any time without the purchase of a Class E-1 or Class E-2 wolf license when the wolf is a potential threat to human safety, livestock, or dogs. The rules must:

- (a) be consistent with the Montana gray wolf conservation and management plan and the adaptive management principles of the commission and the department for the Montana gray wolf population;
- (b) require a landowner or the landowner's agent who takes a wolf pursuant to this subsection (2) to promptly report the taking to the department and to preserve the carcass of the wolf;
- (c) establish a quota each year for the total number of wolves that may be taken pursuant to this subsection (2); and

(d) allow the commission to issue a moratorium on the taking of wolves pursuant to this subsection (2) before a quota is reached if the commission determines that circumstances require a limitation of the total number of wolves taken.

(3) Public land permittees who have experienced livestock depredation must obtain a special kill permit authorized in 87-5-131(3)(b) to take a wolf on public land without the purchase of a Class E-1 or Class E-2 license.

(4) The department shall report annually to the environmental quality council in accordance with 5-11-210 regarding the implementation of 87-5-131, 87-5-132, and this section."

Section 130. Section 87-2-702, MCA, is amended to read:

"87-2-702. Restrictions on special licenses -- availability of bear and mountain lion licenses. (1)

A person who has killed or taken any game animal, except a deer, an elk, or an antelope, during the current license year is not permitted to receive a special license under this chapter to hunt or kill a second game animal of the same species.

(2) The commission may require applicants for special permits authorized by this chapter to obtain a valid big game license for that species for the current year prior to applying for a special permit.

(3) Except as provided in 87-2-815, a person may take only one grizzly bear in Montana with a license authorized by 87-2-701.

(4) (a) Except as provided in 87-1-271(2) and 87-2-815, a person who receives a moose, mountain goat, or limited mountain sheep license, as authorized by 87-2-701, with the exception of an antlerless moose or an adult ewe game management license issued under 87-2-104, is not eligible to receive another special license for that species for the next 7 years. For the purposes of this subsection (4)(a), "limited mountain sheep license" means a license that is valid for an area in which the number of licenses issued is restricted.

(b) (i) Except as provided in 87-1-271(2) and 87-2-815, a person who takes a legal ram mountain sheep with at least one horn that is equal to or greater than a three-fourths curl using an unlimited mountain sheep license or a population management license issued pursuant to 87-2-701 is not eligible to receive another special license for that species for the next 7 years. For the purposes of this subsection (4)(b)(i), "unlimited mountain sheep license" means a license that is valid for an area in which the number of licenses

issued is not restricted.

{(ii) ~~Before September 1 of each even-numbered year, the~~The department shall biennially report to the environmental quality council in accordance with 5-11-210 information on:

(A) mountain sheep harvested pursuant to this subsection (4) from the Tendoy Mountain herd;

(B) efforts to collect tissue samples and other biological information from mountain sheep harvested from the Tendoy Mountain herd to determine the immunity of surviving herd members to pneumonia outbreaks; and

(C) attempts by the department to share tissue samples and other biological information collected from the Tendoy Mountain herd with Washington State University, other public entities, and private entities that research the interaction between mountain sheep and domestic sheep.}

(5) An application for a wild buffalo or bison license must be made on the same form and is subject to the same license application deadline as the special license for moose, mountain goat, and mountain sheep.

(6) (a) Licenses for spring bear hunts must be available for purchase at department offices after April 15 of any license year. However, a person who purchases a license for a spring bear hunt after April 15 of any license year may not use the license until 24 hours after the license is issued.

(b) Licenses for fall bear hunts must be available for purchase at department offices after August 31 of any license year. However, a person who purchases a license for a fall bear hunt after August 31 of any license year may not use the license until 24 hours after the license is issued.

(7) Licenses for mountain lion hunts must be available for purchase at department offices after August 31 of any license year. However, a person who purchases a license for a mountain lion hunt after August 31 of any license year may not use the license until 5 days after the license is issued. (Bracketed language in (4)(b) terminates July 1, 2027--sec. 3, Ch. 186, L. 2017)."

Section 131. Section 90-1-105, MCA, is amended to read:

"90-1-105. Functions of department of commerce -- economic development. The department of commerce shall:

(1) provide coordinating services to aid state and local groups and Indian tribal governments in the promotion of new economic enterprises and conduct publicity and promotional activities within the state,

nationally, and internationally in connection with new economic enterprises;

(2) collect and disseminate information regarding the advantages of developing agricultural, recreational, commercial, and industrial enterprises within this state;

(3) serve as an official state liaison between persons interested in locating new economic enterprises in Montana and state and local groups and Indian tribal governments seeking new enterprises;

(4) aid communities and Indian tribal governments interested in obtaining new business or expanding existing business;

(5) (a) study and promote means of expanding markets for Montana products within the state, nationally, and globally; and

(b) provide training and assistance for Montana small businesses and entrepreneurs to expand markets for made-in-Montana products;

(6) encourage and coordinate public and private agencies or bodies in publicizing the facilities and attractions of the state;

(7) starting in 2020, publish a decennial report, to be authored by the bureau of business and economic research at the university of Montana, on the economic contributions and impacts of Indian reservations in Montana based on federal, state, local, tribal, and private inputs. Copies of the report must be provided to the governor, each tribal government in Montana, the state-tribal economic development commission, and the state-tribal relations committee in accordance with 5-11-210, and the report must be published on the department's website.

(8) explore the use of cooperative agreements, as provided in Title 18, chapter 11, part 1, for the promotion and enhancement of economic opportunities on the Indian reservations in Montana; and

(9) assist the state-tribal economic development commission established in 90-1-131 in:

(a) identifying federal government and private sector funding sources for economic development on Indian reservations in Montana; and

(b) fostering and providing assistance to prepare, develop, and implement cooperative agreements, in accordance with Title 18, chapter 11, part 1, with each of the tribal governments in Montana."

Section 132. Section 90-1-132, MCA, is amended to read:

"90-1-132. Commission purposes -- duties and responsibilities. (1) The general purposes of the state-tribal economic development commission include:

(a) assisting, promoting, encouraging, developing, and advancing economic prosperity and employment on Indian reservations in Montana by fostering the expansion of business, manufacturing, tourism, agriculture, and community development programs;

(b) cooperating and acting in conjunction with other organizations, public and private, to benefit tribal communities;

(c) recruiting business enterprises to locate on or invest in enterprises on the reservations; and

(d) identifying, obtaining, and coordinating federal, state, and private sector gifts, grants, loans, and donations to further economic development on the Indian reservations in Montana.

(2) The state-tribal economic development commission shall:

(a) in conjunction with the tourism advisory council provided for in 2-15-1816, oversee use of proceeds to expand tourism activities and visitation in the Indian tourism region;

(b) determine, with assistance from the tribal business center coordinator and the federal grants coordinator in the office of the state director of Indian affairs, the availability of federal, state, and private sector gifts, grants, loans, and donations to tribal governments, Indian business enterprises, and communities located on Indian reservations in Montana;

(c) apply for grants listed in the Catalog of Federal Domestic Assistance for which the commission is eligible and which would, if awarded, supply identifiable economic benefits to any or all of the Indian reservations in Montana;

(d) in cooperation with a tribal government, and when allowed by federal law and regulation, assist the tribe in applying for grants listed in the Catalog of Federal Domestic Assistance for which an appropriate tribal entity is eligible and which would, if awarded, supply identifiable economic benefits to any or all of the Indian reservations in Montana;

(e) evaluate the apportionment of current spending of federal funds by state agencies in areas including but not limited to economic development, housing, community infrastructure, business finance, tourism promotion, transportation, and agriculture;

(f) conduct or commission and oversee a comprehensive assessment of the economic development

needs and priorities of each Indian reservation in the state;

(g) notify tribal governments, the governor, the state director of Indian affairs, and the directors of the departments of commerce, agriculture, and transportation, of the availability of specific federal, state, or private sector funding programs or opportunities that would directly benefit Indian communities in Montana;

(h) assist tribal governments and other tribal entities that are eligible for federal assistance programs as provided in the most recent published edition in the Catalog of Federal Domestic Assistance in applying for funds that would contribute to the respective tribes' economic development;

(i) work cooperatively with tribal government officials, the state director of Indian affairs, and other appropriate state officials to help foster state-tribal cooperative agreements pursuant to Title 18, chapter 11, part 1, that will:

(i) enhance economic development on the Indian reservations in Montana; and

(ii) help the department of commerce to fully implement and comply with the provisions of 90-1-105;

and

(j) provide to the governor, the legislative council, the state-tribal relations committee, the legislative auditor, and to each of the presiding officers of the tribal governments in Montana a biennial report in accordance with 5-11-210 that summarizes the activities of the commission."

Section 133. Section 90-1-182, MCA, is amended to read:

"90-1-182. State assistance to local governments in review of and comment on federal land management proposals -- rulemaking. (1) In carrying out the provisions of 90-1-181, the department of commerce may conduct on behalf of local governments a socioeconomic impact review and analysis of significant federal land management proposals. The department of commerce may use the review and analysis to comment in a timely manner on the federal proposals regarding projected impacts on local government.

(2) The department of commerce may:

(a) establish a minimal procedure for local governments to request from the department a review and analysis of significant federal land management proposals that may have a direct socioeconomic impact on the community for which the local government has requested the review. The request must include sufficient details about the federal land management proposal for the department of commerce to determine a deadline by which

the review must be conducted.

(b) contract with a unit of the Montana university system experienced in technical, doctorate-level analysis of the socioeconomic impacts of federal land management proposals to provide an independent economic analysis of the federal proposals;

(c) advocate on behalf of the local government before the agency issuing the federal land management proposals, using the reports generated under this subsection (2); and

(d) report to ~~an appropriate legislative~~ the local government interim committee in accordance with 5-11-210, in any year in which there is a request, regarding the number of requests, the types of requests, and the number of responses handled ~~annually~~. The department shall post the information under this subsection (2)(d) on its website when a request has been made along with a summary of each requested analysis.

(3) The department of commerce may adopt rules to implement this section."

Section 134. Section 90-3-1301, MCA, is amended to read:

"90-3-1301. Geothermal research. (1) Subject to subsection (2), the Montana bureau of mines and geology may conduct geothermal research that:

(a) characterizes the geothermal resource base in Montana;

(b) tests high-temperature and high-pressure drilling technologies benefiting geothermal well construction; and

(c) determines reservoir characterization, monitoring, and modeling necessary for commercial application in Montana.

(2) If the research is conducted on private property, the bureau must have written agreements with:

(a) the surface property owner and any owners of the geothermal resource for access and use of the site for research purposes; and

(b) subject to subsections (3) and (4), the utility, as defined in 69-5-102, with a service area nearest the research site if the utility intends to commercially develop the site.

(3) If the utility with a service area nearest the research site intends to develop the site for future commercial use, the utility shall:

(a) contribute, at a minimum, 25% of the research costs as determined by the bureau for research at

the site; and

(b) have an agreement in place with the surface property owner and any owners of the geothermal resource where the research site is located for future development of the geothermal resource.

(4) If the utility with a service area nearest the research site does not intend to develop the site for commercial use, the utility with a service area next nearest the site may enter into a written agreement pursuant to subsection (2)(b). If a utility does not intend to develop the site for future commercial use, the agreement pursuant to subsection (2)(b) is not required.

(5) In determining the utility with a service area nearest the site, all measurements must be made on the shortest vector that can be drawn from the line nearest the service area to the nearest portion of the geothermal site.

(6) ~~Prior to September 1 of each even-numbered year, the~~ The bureau shall update provide a report to the energy and telecommunications interim committee in accordance with 5-11-210 on research conducted pursuant to this section and funding received pursuant to 90-3-1302."

Section 135. Section 90-6-703, MCA, is amended to read:

"90-6-703. Types of financial assistance available. (1) The legislature shall provide for and make available to local governments the following types of financial assistance under this part:

- (a) matching grants for local infrastructure projects;
- (b) matching grants for infrastructure planning; and
- (c) emergency grants for local infrastructure projects.

(2) The department of commerce may provide local governments with emergency grants for infrastructure projects only if necessary to remedy conditions that, if allowed to continue until legislative approval could be obtained, will endanger the public health or safety and expose the applicant to substantial financial risk. The department shall report to the governor, ~~and the legislative fiscal analyst,~~ and the local government interim committee in accordance with 5-11-210 regarding emergency grants that are awarded during each biennium. The report must be provided in an electronic format.

(3) The department of commerce may provide local governments with matching grants for infrastructure planning. The department shall report to the governor and the legislature in accordance with 5-11-

210 regarding infrastructure planning grants that are awarded during each biennium."

Section 136. Section 90-6-710, MCA, is amended to read:

"90-6-710. Priorities for projects -- procedure -- rulemaking. (1) The department of commerce must receive proposals for infrastructure projects from local governments on a continual basis. The department shall work with a local government in preparing cost estimates for a project. In reviewing project proposals, the department may consult with other state agencies with expertise pertinent to the proposal. For the projects under 90-6-703(1)(a), the department shall prepare and submit two lists containing the recommended projects and the recommended form and amount of financial assistance for each project to the governor, prioritized pursuant to subsection (2) and this subsection. One list must contain the ranked and recommended bridge projects, and the other list must contain the remaining ranked and recommended infrastructure projects referred to in 90-6-701(3)(a). Each list must be prioritized pursuant to subsection (2) of this section, but the department may recommend up to 20% of the interest earnings anticipated to be deposited into the treasure state endowment fund established in 17-5-703 during the following biennium for bridge projects. Before making recommendations to the governor, the department may adjust the ranking of projects by giving priority to urgent and serious public health or safety problems. The governor shall review the projects recommended by the department and shall submit the lists of recommended projects and the recommended financial assistance to the legislature.

(2) In preparing recommendations under subsection (1), preference must be given to infrastructure projects based on the following order of priority:

- (a) projects that solve urgent and serious public health or safety problems or that enable local governments to meet state or federal health or safety standards;
- (b) projects that reflect greater need for financial assistance than other projects;
- (c) projects that incorporate appropriate, cost-effective technical design and that provide thorough, long-term solutions to community public facility needs;
- (d) projects that reflect substantial past efforts to ensure sound, effective, long-term planning and management of public facilities and that attempt to resolve the infrastructure problem with local resources;
- (e) projects that enable local governments to obtain funds from sources other than the funds provided

under this part;

(f) projects that provide long-term, full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintain the tax base or that encourage expansion of the tax base; and

(g) projects that are high local priorities and have strong community support.

(3) After the review required by subsection (1), the projects must be approved by the legislature.

(4) The department shall adopt rules necessary to implement the treasure state endowment program.

(5) The department shall report to ~~each regular session of the legislature~~ in accordance with 5-11-210 the status of all projects that have not been completed in order for the legislature to review each project's status and determine whether the authorized grant should be withdrawn."

Section 137. Section 90-11-102, MCA, is amended to read:

"90-11-102. Duties and assistance. (1) It is the duty of the state director of Indian affairs to carry out the legislative policy set forth in 90-11-101.

(2) The state director shall:

(a) meet at least quarterly with tribal governments and become acquainted with the problems confronting the Indians of Montana;

(b) meet with executive branch directors on issues arising between Montana's Indian citizens, tribes, and state agency personnel and programs;

(c) report to the governor's cabinet meeting concerning issues confronting Indian people and tribal governments;

(d) advise the legislative and executive branches of the state of Montana of those problems and issues;

(e) make recommendations for the alleviation of those problems and issues;

(f) serve the Montana delegation in the federal congress as an adviser and intermediary in the field of Indian affairs;

(g) act as a liaison for representative Indian organizations and groups, public and private, whenever the state director's support is solicited by tribal governmental entities;

- (h) serve on the state-tribal economic development commission established in 90-1-131;
- (i) report in detail at every meeting of ~~the interim committee of the legislature responsible for acting as a liaison between the legislature and the tribal governments~~ the state-tribal relations interim committee those actions taken by the state-tribal economic development commission established by 90-1-131 to carry out its duties; and
- (j) hire, with the concurrence of the other members of the state-tribal economic development commission, a tribal business center coordinator and a federal grants coordinator, and subsequently provide administrative support for both positions.

(3) All executive and legislative agencies of state government may within the area of their expertise and authority provide assistance to tribal councils or their official designees requesting assistance on any matter relating to education, health, natural resources, and economic development on Indian reservation lands."

Section 138. Repealer. The following sections of the Montana Code Annotated are repealed:

20-9-323. Ending fund balance limits.

41-3-122. Strategic plan for child abuse and neglect prevention -- report to legislature.

Section 139. Directions to code commissioner. (1) Wherever a reference to 5-11-210 appears in legislation enacted by the 2021 legislature and requires a new report to the legislature, the code commissioner is directed to include the report under the appropriate interim committee as listed in [section 1].

(2) Wherever a reference to 5-11-210 is repealed or stricken in legislation enacted by the 2021 legislature, the code commissioner is directed to strike that report from [section 1].

Section 140. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 5, chapter 11, part 2, and the provisions of Title 5, chapter 11, part 2, apply to [section 1].

Section 141. Effective date. [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,
SB 57, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2021.

Speaker of the House

Signed this _____ day
of _____, 2021.

SENATE BILL NO. 57

INTRODUCED BY J. POMNICHOWSKI

BY REQUEST OF THE LEGISLATIVE COUNCIL

AN ACT GENERALLY REVISING REQUIREMENTS FOR REPORTS TO THE LEGISLATURE; UPDATING REQUIREMENTS FOR REPORTS TO THE LEGISLATURE CLEARINGHOUSE; PROVIDING EXCEPTIONS; REVISING DATE REQUIREMENTS; AMENDING SECTIONS 2-1-407, 2-7-104, 2-15-210, 2-15-225, 2-15-401, 2-15-2017, 2-15-2225, 2-15-3113, 2-15-3308, 2-17-101, 2-17-512, 2-17-513, 2-17-515, 2-17-804, 2-17-825, 3-1-702, 5-5-223, 5-5-224, 5-5-229, 5-5-231, 5-5-232, 5-11-210, 5-12-208, 5-12-302, 5-12-303, 5-13-305, 5-13-311, 5-20-301, 10-2-102, 10-3-802, 13-22-108, 13-37-120, 15-30-2303, 15-32-703, 15-70-450, 17-1-102, 17-2-107, 17-5-1650, 17-7-140, 17-7-202, 17-7-214, 17-8-416, 19-3-117, 19-20-216, 19-20-732, 20-1-231, 20-7-101, 20-7-308, 20-7-469, 20-7-904, 20-7-1602, 20-9-161, 20-9-328, 20-9-330, 20-9-537, 20-15-309, 20-25-305, 20-26-105, 22-3-423, 22-3-1002, 23-7-202, 23-7-410, 32-11-306, 33-1-115, 37-1-107, 37-1-145, 37-3-203, 37-7-1514, 39-12-103, 39-71-2375, 41-3-123, 41-3-1211, 41-5-2003, 44-4-1606, 44-7-302, 46-23-1028, 47-1-125, 50-6-402, 50-46-329, 50-46-343, 52-2-211, 52-2-311, 53-1-211, 53-1-216, 53-1-611, 53-4-209, 53-6-110, 53-6-116, 53-6-710, 53-6-1325, 53-20-225, 53-21-508, 53-30-604, 61-2-109, 69-1-222, 69-8-402, 75-1-314, 75-1-1101, 75-5-703, 75-10-111, 75-10-743, 75-10-1601, 75-11-521, 76-4-116, 76-22-118, 77-1-223, 77-2-366, 80-7-1006, 80-7-1026, 80-7-1203, 82-2-701, 85-1-203, 85-1-501, 85-1-605, 85-1-621, 85-1-704, 85-2-105, 85-2-281, 85-2-316, 85-2-338, 85-2-350, 85-2-436, 87-1-201, 87-1-250, 87-1-269, 87-1-272, 87-1-629, 87-1-901, 87-2-702, 90-1-105, 90-1-132, 90-1-182, 90-3-1301, 90-6-703, 90-6-710, AND 90-11-102, MCA; REPEALING SECTIONS 20-9-323 AND 41-3-122, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.