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HOUSE BILL NO. 10

INTRODUCED BY M. HOPKINS

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO FINANCING INFORMATION TECHNOLOGY CAPITAL PROJECTS; APPROPRIATING MONEY FOR INFORMATION TECHNOLOGY CAPITAL PROJECTS FOR THE BIENNIUM ENDING JUNE 30, 2025; PROVIDING FOR MATTERS RELATING TO THE APPROPRIATIONS; PROVIDING FOR A TRANSFER OF FUNDS FROM THE GENERAL FUND TO THE LONG-RANGE INFORMATION TECHNOLOGY PROGRAM ACCOUNT; PROVIDING FOR THE DEVELOPMENT AND ACQUISITION OF NEW INFORMATION TECHNOLOGY SYSTEMS FOR VARIOUS DEPARTMENTS AND THE MONTANA UNIVERSITY SYSTEM; MODIFYING CERTAIN MOTOR VEHICLE FEES; PROVIDING FOR REPAYMENT OF FUNDS BY THE DEPARTMENT OF JUSTICE; AMENDING SECTIONS 61-3-203, 61-3-204, 61-3-550, AND 61-6-158, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Definitions. For the purposes of [this act], the following definitions apply:

- (1) "Chief information officer" has the meaning provided in 2-17-506.
- (2) "Information technology" has the meaning provided in 2-17-506.
- (3) "Information technology capital project" means a group of interrelated information technology activities that are planned and executed in a structured sequence to create a unique product or service.
- (4) "LRITP" means the long-range information technology program account in the capital projects fund type.

NEW SECTION. Section 2. Appropriations and authorizations. (1) All business application systems funded under this section must have a plan approved by the chief information officer for the design, definition, creation, storage, and security of the data associated with the application system. The security

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1 aspects of the plan must address but are not limited to authentication and granting of system privileges,
 2 safeguards against unauthorized access to or disclosure of sensitive information, and, consistent with state
 3 records retention policies, plans for the removal of sensitive data from the system when it is no longer needed.
 4 It is the intent of this subsection that specific consideration be given to the potential sharing of data with other
 5 state agencies in the design, definition, creation, storage, and security of the data. This plan must be approved
 6 by the chief information officer and the budget director prior to releasing a request for proposal or similar
 7 procurement document.

8 (2) Funds may not be released for a project until the chief information officer and the budget
 9 director approve the plans described in subsection (1) and have reviewed and approved results from requests
 10 for proposals or similar procurement procedures and contract documents.

11 (3) The following money is appropriated to the department of administration to be used only for the
 12 indicated information technology capital projects:

13	Agency/Project	LRITP	State	Federal	Proprietary	Total
14			Special	Special		
15			Revenue	Revenue		
16	DEPARTMENT OF ADMINISTRATION -STATE INFORMATION TECHNOLOGY SERVICES					
17	Montana Cybersecurity Enhancement Project					
18		21,513,774				21,513,774
19	E-Discovery/Public Information Request Software					
20		2,000,000				
21	DEPARTMENT OF AGRICULTURE					
22	Commodity Assessment System					
23		350,000	20,000			370,000
24	SAFHER Federal System					
25			166,667	33,333		200,000
26	Grant Management System					
27			40,000	20,000		60,000
28	DEPARTMENT OF LIVESTOCK					

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1	Animal Health System			
2		450,000		450,000
3	Snowflake Integration			
4		125,000		125,000
5	Google AI			
6		425,000		425,000
7	PUBLIC SERVICE COMMISSION			
8	Software Modernization (REDDI)			
9		1,496,436		1,496,436
10	DEPARTMENT OF NATURAL RESOURCES & CONSERVATION			
11	Financial Management System			
12		758,800	596,200	1,355,000
13	Fire Finance Processing System			
14		500,000		500,000
15	Flathead Reservation Information Technology System			
16		700,000		700,000
17	Trust Land Management System Customer Portal			
18		2,000,000		2,000,000
19	OFFICE OF PUBLIC DEFENDER			
20	Wi-Fi Updates in Courthouses			
21		350,000		350,000
22	DEPARTMENT OF CORRECTIONS			
23	Offender Management System			
24		18,000,000		18,000,000
25	DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES			
26	Comprehensive Child Welfare Information System			
27		12,537,881	12,537,881	25,075,762
28	Montana Child Support Enforcement Automated System			

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1		4,412,940	6,304,200	20,803,860	31,521,000
2					
3	Electronic Health Records & Billing – State Facilities				
4		25,000,000	2,321,690	285,614	27,607,304
5	Montana Healthcare Programs Modularity Project				
6		4,940,613		44,465,517	49,406,130
7	SNAP Employment & Training Enterprise Solution				
8		1,400,000		1,400,000	2,800,000
9	Electronic Benefits Transfer System Replacement				
10		1,250,000		1,250,000	2,500,000

12 **NEW SECTION. Section 3. Judicial branch information technology capital projects**

13 **appropriation.** (1) (a) There is appropriated to the supreme court \$850,000 from the LRITP for courtroom
14 remote appearance video system in the judicial branch.

15 (b) There is appropriated to the supreme court \$500,000 from the LRITP for courthouse security
16 initiative in the judicial branch.

17 (2) Before encumbering any funds appropriated in subsection (1), the office of court administrator
18 shall submit a project and security plan, as described in [section 2(1)], to the chief information officer. The chief
19 information officer shall promptly review the plan and, if necessary, make timely recommendations to the office
20 of court administrator regarding implementation of the plan. The project and security plan, as described in
21 [section 2(1)], must be implemented no later than December 30, 2024.

22 (3) As part of the annual report to the law and justice interim committee and the house
23 appropriations subcommittee required under 3-1-702, the office of court administrator shall include an update
24 on the implementation of projects funded under this section.

26 **NEW SECTION. Section 4. Department of justice information technology capital projects**

27 **appropriation.** (1) Subject to [sections ~~7 and 8~~ and 9], there is appropriated to the department of justice
28 \$50,511,000 from the LRITP for replacement of the MERLIN system in the department of justice.

1 (2) Before encumbering any funds appropriated in subsection (1), the department of justice shall
2 submit a project and security plan to the chief information officer. The chief information officer shall promptly
3 review the plan and, if necessary, make timely recommendations to the department of justice regarding
4 implementation of the plan.

5 (3) The department of justice shall provide a quarterly update to the law and justice interim
6 committee and the legislative finance committee on the implementation of projects funded under this section.

7

8 **NEW SECTION. Section 5. Montana university system/university of Montana technology**
9 **capital project appropriation.** (1) There is appropriated \$6,164,320 from the LRITP to the Montana university
10 system/university of Montana for the cyberMontana cybersecurity initiative.

11 (2) Before encumbering any funds appropriated in subsection (1), the Montana university
12 system/university of Montana shall submit a project and security plan to the chief information officer. The chief
13 information officer shall promptly review the plan, and if necessary, make timely recommendations to the
14 Montana university system/university of Montana regarding implementation of the plan.

15 (3) The Montana university system/university of Montana shall provide a quarterly update to the
16 legislative finance committee on the implementation of projects funded under this section.

17

18 **Section 6.** Section 61-3-203, MCA, is amended to read:

19 **"61-3-203. Fee for original certificate of title -- disposition.** (1) ~~Until June 30, 2028,~~ a A person
20 applying for a certificate of title shall pay the department, its authorized agent, or a county treasurer a fee of:

21 (a) \$10 if the vehicle for which a certificate of title is sought is not a light vehicle or a truck or bus
22 that weighs 1 ton or less; or

23 (b) \$12 if the vehicle for which application is made is a light vehicle or a truck or bus that weighs 1
24 ton or less.

25 (2) The amount of \$5 of the fee imposed pursuant to subsection (1) must be forwarded to the
26 department for deposit in the motor vehicle information technology system account provided for in 61-3-550,
27 and the remaining amount must be deposited in the state general fund.

28 (3) For expedited certificates of title, which may be issued only by the Montana motor vehicle

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1 division, the entirety of the fee imposed pursuant to subsection (1) must be deposited into the motor vehicle
2 information technology system account provided for in 61-3-550.

3 ~~(4) Beginning July 1, 2028, the fee imposed in subsection (1)(a) is \$5 and the fee imposed in~~
4 ~~subsection (1)(b) is \$7 and all fees paid pursuant to this section must be deposited in the state general fund."~~

5

6 **Section 7.** Section 61-3-204, MCA, is amended to read:

7 **"61-3-204. Replacement certificate of title -- application.** (1) (a) If a certificate of title is lost, stolen,
8 destroyed, mutilated, or becomes illegible or if the owner wants to update personal information on the electronic
9 record of title or have a replacement certificate of title issued with updated information, the owner, as shown on
10 the electronic record of title, may apply for and request the department to issue a replacement certificate of title.
11 The application must include satisfactory evidence of the facts requiring the replacement certificate of title and
12 be accompanied by a fee of \$10.

13 (b) The amount of \$5 of the fee must be deposited in the state general fund in accordance with 15-
14 1-504, and the remaining \$5 must be deposited in the motor vehicle information technology system account
15 provided for in 61-3-550.

16 (c) Beginning July 1, 2026 2038, the fee for a replacement certificate of title is \$5 and the entire
17 fee must be deposited in the state general fund.

18 (2) Each replacement certificate of title issued by the department must contain the following
19 statement: "This replacement voids any previously issued title."

20

21 **Section 8.** Section 61-3-550, MCA, is amended to read:

22 **"61-3-550. Motor vehicle information technology system account.** (1) There is a motor vehicle
23 information technology system account in the state special revenue fund provided for in 17-2-102.

24 (2) ~~(a) Until June 30, 2019, \$4 of the fee received by the department pursuant to 61-3-103 (8) for~~
25 ~~a security interest or other lien must be deposited in the account.~~

26 ~~(b) Until June 30, 2026 2038, fees received by the department pursuant to 61-3-103(9) and \$5 of~~
27 ~~each fee received under 61-3-203 or 61-3-204 for a certificate of title must be deposited in the account.~~

28 (3) The money in the motor vehicle information technology system account must be appropriated

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1 by the legislature to the department of justice and must be used by the department for the purpose of:

2 (a) repaying any indebtedness or loan incurred for the creation of a new information technology
3 system for motor vehicles; or

4 (b) payment of costs directly incurred in the creation and support of the new motor vehicle
5 information technology system.

6 (4) (a) Funds in the motor vehicle information technology system account must be used to repay
7 the general fund for the motor vehicle information technology system.

8 (b) By June 30 of each fiscal year, the department of justice shall transfer \$2.5 million from the
9 account to the general fund. The repayment will continue through the fiscal year ending June 30, 2038.

10 (c) For the fiscal year beginning July 1, 2024, through the fiscal year beginning July 1, 2033, the
11 department shall transfer an additional \$500,000 by June 30 of each fiscal year from the account to the general
12 fund."

13

14 **Section 9.** Section 61-6-158, MCA, is amended to read:

15 **"61-6-158. Vehicle insurance verification and license plate operating account.** (1) There is a
16 vehicle insurance verification and license plate operating account in the state special revenue fund type as
17 provided in 17-2-102.

18 (2) Fees imposed under 61-3-321(7)(b)(ii) and (13), 61-3-333, 61-3-465(1)(b)(i), 61-3-480(2)(c)(i),
19 61-3-562(1)(a)(ii), or 61-3-701(5) or established and collected under 61-6-105 must be deposited in the
20 account.

21 (3) The money in the vehicle insurance verification and license plate operating account must be
22 used by the department to pay costs incurred in or associated with the operation, maintenance, and
23 enhancement of the system established under 61-6-157 and the contract required in 61-3-338 for the
24 manufacture and distribution of license plates by Montana correctional enterprises or other costs incurred by
25 the department or as otherwise appropriated by the legislature to the department.

26 (4) For the fiscal year beginning July 1, 2024, through the fiscal year beginning July 1, 2033, the
27 department of justice shall transfer \$500,000 from the vehicle insurance verification and license plate operating
28 account to the general fund by June 30 of each fiscal year."

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2 NEW SECTION. Section 10. Transfer of funds. The state treasurer shall transfer ~~\$147,575,008~~
3 ~~\$153,389,328~~ from the general fund to the LRITP on an as-needed incremental basis no later than June 30,
4 2025.

5

6 NEW SECTION. Section 11. Severability. If a part of [this act] is invalid, all valid parts that are
7 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,
8 the part remains in effect in all valid applications that are severable from the invalid applications.

9

10 NEW SECTION. Section 12. Effective date. [This act] is effective on passage and approval.

11

- END -