

1 HOUSE BILL NO. 140
2 INTRODUCED BY L. JONES
3 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MODERNIZATION AND RISK ANALYSIS
6 COMMITTEE; ESTABLISHING DUTIES AND FUNCTIONS OF THE COMMITTEE; PROVIDING FOR
7 COMPENSATION FOR LEGISLATIVE AND PUBLIC COMMITTEE MEMBERS; PROVIDING FOR
8 ADDRESSING VACANCIES ON THE COMMITTEE; PROVIDING THAT THE LEGISLATIVE FISCAL
9 DIVISION AND THE LEGISLATIVE SERVICES DIVISION WILL STAFF THE COMMITTEE; RENAMING THE
10 LEGISLATIVE FINANCE ACT TO THE LEGISLATIVE FINANCE AND DATA ANALYTICS ACT; AMENDING
11 SECTIONS 5-5-211, 5-12-101, 5-12-301, AND 5-12-302, MCA; REPEALING SECTION 3, CHAPTER 508,
12 LAWS OF 2021; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15

16 NEW SECTION. **Section 1. Modernization and risk analysis committee.** (1) There is a
17 modernization and risk analysis committee. The committee shall study the long-term future budget and revenue
18 needs of the state with changing economics and demographics.

19 (2) The modernization and risk analysis committee is a bipartisan committee consisting of the
20 following:

21 (a) six members of the legislative finance committee, with three members appointed by the
22 presiding officer and three members appointed by the vice presiding officer of the legislative finance committee;
23 and

24 (b) four members who are not officials or employees in the executive or legislative branches with
25 two appointed by the presiding officer and two appointed by the vice presiding officer of the modernization and
26 risk analysis committee.

27 (3) The legislative fiscal division shall provide administrative staff support and analysis to the
28 modernization and risk analysis committee. The legislative services division may provide research and legal

1 support at the request of the committee.

2 (4) The modernization and risk analysis committee shall:

3 (a) use available data and analytical resources to study the past, present, and future costs and
4 revenues of all state and local government entities and other policy areas that affect the future well-being of the
5 citizens of the state of Montana, including but not limited to:

6 (i) health care;

7 (ii) human services;

8 (iii) elementary and secondary education;

9 (iv) higher education;

10 (v) pensions;

11 (vi) public safety and corrections;

12 (vii) infrastructure and public works;

13 (viii) programs historically funded by revenue generated from natural resource taxes;

14 (ix) information technology systems of the state and local government.

15 (b) issue and, at the committee's discretion, accept invitations to work with interim committees on
16 various data and analytic research projects;

17 (c) provide direction to the legislative fiscal division on the direction and priorities of data work of
18 the division;

19 (d) create data sets and models for future analysis by the legislature; and

20 (e) take affirmative measures to use and disseminate data generated by and for the committee for
21 educating, training, and increasing the competency of the public.

22

23 **NEW SECTION. Section 2. Modernization and risk analysis committee -- terms -- officers --**

24 **compensation.** (1) Appointments to the modernization and risk analysis committee are for 2 years, and a
25 member of the committee shall serve until the member's term of office as a legislator ends or until a successor
26 is appointed, whichever occurs first.

27 (2) The modernization and risk analysis committee shall elect one of its members as presiding
28 officer and other officers that it considers necessary.

1 (3) Members of the modernization and risk analysis committee are entitled to receive
2 compensation and expenses as provided in 5-2-302. Public members are entitled to receive compensation and
3 expenses as provided in 5-2-302 and 5-5-211.

4 (4) If a vacancy occurs on the modernization and risk analysis committee established in [section 1]
5 when the legislature is not in session, the new member must be appointed by the same method as the original
6 appointment to complete the unexpired term.

7

8 **Section 3.** Section 5-5-211, MCA, is amended to read:

9 **"5-5-211. Appointment and composition of interim committees.** (1) Senate interim committee
10 members must be appointed by the committee on committees.

11 (2) House interim committee members must be appointed by the speaker of the house.

12 (3) Appointments to interim committees must be made by the time of adjournment of the legislative
13 session.

14 (4) A legislator may not serve on more than two interim committees unless no other legislator is
15 available or is willing to serve.

16 (5) (a) Subject to 5-5-234 and subsection (5)(b) of this section, the composition of each interim
17 committee must be as follows:

18 (i) four members of the house, two from the majority party and two from the minority party; and

19 (ii) four members of the senate, two from the majority party and two from the minority party.

20 (b) If the committee workload requires, the legislative council may request the appointing authority
21 to appoint one or two additional interim committee members from the majority party and the minority party.

22 (6) The membership of the interim committees must be provided for by legislative rules. The rules
23 must identify the committees from which members are selected, and the appointing authority shall attempt to
24 select not less than 50% of the members from the standing committees that consider issues within the
25 jurisdiction of the interim committee and at least one member from the joint subcommittee that considers the
26 related agency budgets. In making the appointments, the appointing authority shall take into account term limits
27 of members so that committee members will be available to follow through on committee activities and
28 recommendations in the next legislative session.

1 (7) An interim committee, ~~of the environmental quality council,~~ or the modernization and risk
 2 analysis committee may create subcommittees. Nonlegislative members may serve on a subcommittee. Unless
 3 the person is a full-time salaried officer or employee of the state or a political subdivision of the state, a
 4 nonlegislative member appointed to a subcommittee or to the modernization and risk analysis committee is
 5 entitled to salary and expenses to the same extent as a legislative member. If the appointee is a full-time
 6 salaried officer or employee of the state or of a political subdivision of the state, the appointee is entitled to
 7 reimbursement for travel expenses as provided for in 2-18-501 through 2-18-503."

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9 **Section 4.** Section 5-12-101, MCA, is amended to read:

10 **"5-12-101. Title and purpose of chapter.** (1) This chapter may be cited as "The Legislative Finance
 11 and Data Analytics Act".

12 (2) Because the legislature is responsible for appropriating public funds, it ~~must~~ shall provide for
 13 fiscal analysis of state government to accumulate, compile, analyze, and furnish ~~such information bearing upon~~
 14 on the financial matters of the state that is relevant to issues of policy and questions of statewide importance.

15 (3) Because the legislature is responsible for providing a comprehensive system of efficient
 16 governance, policy, and appropriations for the state and its political subdivisions, including local governments
 17 and schools, analysis of data across all aspects of government revenues, services, and funding is essential.

18 (4) Because the laws enacted by the legislature remain unless later changed by the legislature,
 19 appropriations may impact future generations, and tax and other law changes may impact the state's economy,
 20 the legislature needs a data tool to evaluate the impacts of legislation on future generations. The tool should be
 21 derived from reliable data sets and numeric in nature to allow the legislature to evaluate different assumptions
 22 and potential changes in law 20 years into the future."

23

24 **Section 5.** Section 5-12-301, MCA, is amended to read:

25 **"5-12-301. Legislative fiscal division.** There is a legislative fiscal division. The legislative fiscal
 26 analyst shall manage the legislative fiscal division to support the legislative finance committee and the
 27 modernization and risk analysis committee and carry out the provisions of this chapter."

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1 **Section 6.** Section 5-12-302, MCA, is amended to read:

2 **"5-12-302. Fiscal analyst's duties.** The legislative fiscal analyst shall:

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

7 (2) estimate revenue from existing and proposed taxes;

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

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

13 (5) assist committees of the legislature and individual legislators in compiling and analyzing
14 financial ~~information~~ data tools;

15 (6) assist the revenue interim committee in performing its revenue estimating duties;

16 [(7) assist and provide staff for the interim budget committees established in 5-12-501]; ~~and~~

17 (8) assist and provide staff for the modernization and risk analysis committee; and

18 ~~(8)(9)~~ review all reports submitted to the legislative fiscal analyst and notify the legislative finance
19 committee [or the appropriate interim budget committee, or both,] of any concerns the fiscal analyst identifies in
20 a report. (Bracketed language terminates December 31, 2025--sec. 12, Ch. 525, L. 2021.)"

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22 NEW SECTION. Section 7. Repealer. Section 3, Chapter 508, Laws of 2021, is repealed.

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24 NEW SECTION. Section 8. Codification instruction. [Sections 1 through 2] are intended to be
25 codified as an integral part of Title 5, chapter 12, and the provisions of Title 5, chapter 12, apply to [sections 1
26 through 2].

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28 NEW SECTION. Section 9. Effective date. [This act] is effective on passage and approval.

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