



Education Interim Committee

65th Montana Legislature

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TO: Education Interim Committee
FROM: Pad McCracken, Committee Staff
RE: EDIC statutes and duties related to higher education
DATE: August 3, 2017

As a follow-up to discussion at the June meeting about the revisions to EDIC's statutes and lead-in to your conversation with the Commissioner and Regents on August 22nd, I wanted to provide you with the EDIC statutes as they will read after codification:

5-5-224. Education interim committee. (1) 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) state board of education;
- (b) board of public education;
- (c) board of regents of higher education; and
- (d) 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.

The language that is highlighted comes verbatim from the statute describing the powers and duties of the former Joint Committee on Postsecondary Education Policy and Budget (PEPB). That committee was a permanent committee staffed by LFD and composed of legislators, regents, a student, and a representative from the executive branch; it was eliminated when the interim committees were reorganized in 1999 and these duties were transferred to the new Education Interim Committee (which subsequently became the Education and Local Government Interim Committee which was divided into two committees this year).

I point these duties out to you because it's not clear to me whether they are appropriate or reflect recent committee practice. As you discuss ways to improve collaboration with the Regents over the interim, you may want to consider revisiting the highlighted language.

I am also including on the following pages the statutes governing other interim committees for your comparison. Most of these statutes are quite brief and simply list the agencies over which the committee has monitoring responsibility; RTIC and SAVA are a bit lengthier as they include the additional duties of those committees related to revenue estimating and the actuarial soundness of state retirement systems respectively.

5-5-215. Duties of interim committees. (1) Each interim committee shall:

- (a) review administrative rules within its jurisdiction;
- (b) subject to 5-5-217(3), conduct interim studies as assigned;
- (c) monitor the operation of assigned executive branch agencies with specific attention to the following:
 - (i) identification of issues likely to require future legislative attention;
 - (ii) opportunities to improve existing law through the analysis of problems experienced with the application of the law by an agency; and
 - (iii) experiences of the state's citizens with the operation of an agency that may be amenable to improvement through legislative action;
- (d) review statutorily established advisory councils and required reports of assigned agencies to make recommendations to the next legislature on retention or elimination of any advisory council or required reports pursuant to 5-11-210;
- (e) review proposed legislation of assigned agencies or entities as provided in the joint legislative rules; and
- (f) accumulate, compile, analyze, and furnish information bearing upon its assignment and relevant to existing or prospective legislation as it determines, on its own initiative, to be pertinent to the adequate completion of its work.

(2) Each interim committee shall prepare bills and resolutions that, in its opinion, the welfare of the state may require for presentation to the next regular session of the legislature.

(3) The legislative services division shall keep accurate records of the activities and proceedings of each interim committee.

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; and
- (h) the division of banking and financial institutions provided for in 32-1-211.

(2) The state compensation insurance fund shall annually provide to the committee a report on its budget as approved by the state compensation insurance fund board of directors.

5-5-225. Children, families, health, and human services interim committee. The children, families, health, and human services interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the department of public health and human services and the entities attached to the department for administrative purposes.

5-5-226. Law and justice interim committee. The law and justice interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the office of state public defender, the department of corrections, and the department of justice and the entities attached to the departments for administrative purposes. The committee shall act as a liaison with the judiciary.

5-5-227. Revenue and transportation interim committee — powers and duties — revenue estimating and use of estimates. (1) The revenue and transportation interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the department of revenue and the department of transportation, for the entities attached to the departments for administrative purposes, and for the state tax appeal board established in 2-15-1015.

(2) (a) The committee must have prepared by December 1 for introduction during each regular session of the legislature in which a revenue bill is under consideration an estimate of the amount of revenue projected to be available for legislative appropriation.

(b) The committee may prepare for introduction during a special session of the legislature in which a revenue bill or an appropriation bill is under consideration an estimate of the amount of projected revenue. The revenue estimate is considered a subject specified in the call of a special session under 5-3-101.

(3) The committee's estimate, as introduced in the legislature, constitutes the legislature's current revenue estimate until amended or until final adoption of the estimate by both houses. It is intended that the legislature's estimates and the assumptions underlying the estimates will be used by all agencies with responsibilities for estimating revenue or costs, including the preparation of fiscal notes.

(4) The legislative services division shall provide staff assistance to the committee. The committee may request the assistance of the staffs of the office of the legislative fiscal analyst, the legislative auditor, the department of revenue, and any other agency that has information regarding any of the tax or revenue bases of the state.

5-5-228. State administration and veterans' affairs interim committee. (1) The state administration and veterans' affairs interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the public employee retirement plans and for the following executive branch agencies and, unless otherwise assigned by law, the entities attached to the agencies for administrative purposes:

(a) department of administration, except:

(i) 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;

(ii) the state tax appeal board established in 2-15-1015;

(iii) the office of state public defender; and

(iv) the division of banking and financial institutions;

(b) department of military affairs; and

(c) office of the secretary of state.

(2) The committee shall:

(a) consider the actuarial and fiscal soundness of the state's public employee retirement systems, based on reports from the teachers' retirement board, the public employees' retirement board, and the board of investments, and study and evaluate the equity and benefit structure of the state's public employee retirement systems;

(b) establish principles of sound fiscal and public policy as guidelines;

(c) as necessary, develop legislation to keep the retirement systems consistent with sound policy principles; and

(d) publish, for legislators' use, information on the public employee retirement systems that the committee considers will be valuable to legislators when considering retirement legislation.

(3) The committee may:

(a) specify the date by which retirement board proposals affecting a retirement system must be submitted to the committee for the review pursuant to subsection (1); and

(b) request personnel from state agencies, including boards, political subdivisions, and the state public employee retirement systems, to furnish any information and render any assistance that the committee may request.

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.

5-5-230. Energy and telecommunications interim committee. The energy and telecommunications interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the department of public service regulation and the public service commission.