



State Auditor's Office

Overview

Elected Official: Troy Downing, State Auditor, also the Commissioner of Securities and Insurance

Constitutionally Designated Office

Under Article VI, section 1, the State Auditor is listed with the other constitutionally named officers in the executive branch. Under Article VI, section 4, subsection (5), the duties of the state auditor are as "provided by law."

The statutory listing is under 2-15-601, MCA. A deputy state auditor is provided for in 2-15-602. MCA. The state auditor serves as the ex officio securities commissioner, pursuant to 2-15-1901, MCA, and as the ex officio commissioner of insurance, pursuant to 2-15-1903, MCA. The state auditor also serves on the Land Board and the Board of Hail Insurance.

Under SB 125, enacted in 2019, the State Auditor is to oversee the activities of the Montana Reinsurance Association and appoint an insurer director who is a member of the association. SB 125 assigns other duties to the State Auditor, including designation of staff to attend board meetings as an ex officio member, adoption of rules, and collection of assessments and federal funding, among other tasks.

Duties & Responsibilities

The State Auditor:

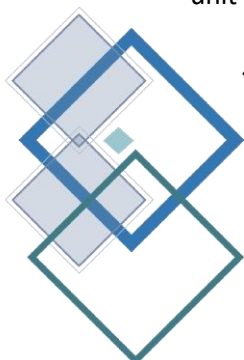
- ◆ Regulates certain securities activities in Montana under Title 30, chapter 10, parts 1 through 3 and part 10, including registration or filing of securities, registration, examination, investigation, and discipline of broker-dealers, investment advisers described in 30-10-201, or other securities salespersons.
- ◆ Regulates under Title 33 certain insurance products, insurers, and insurance producers in Montana as well as certain aspects of health service corporations and health maintenance organizations.
- ◆ Collects premium taxes on insurance policies.
- ◆ Oversees transfers of insurance premium taxes to certain pension and disability trust funds. Another transfer from the general fund is required for fire department relief associations.
- ◆ Oversees a repository of information, including for public bonds issued for major economic development projects under 17-5-1506, MCA, transition bonds issued under Title 69, chapter 8, industrial development bonds issued under Title 90, chapter 5, part 1, or bonds issued by the Montana Facility Finance Authority.
- ◆ Oversees the Montana Living trust Act and the Securities Restitution Assistance Fund.

Boards of other entities to which the State Auditor is statutorily assigned

- ◆ Land Board
- ◆ Board of Hail Insurance (which is statutorily assigned to the Department of Agriculture)
- ◆ Montana Reinsurance Association, which—although a nonprofit and not a state entity—is assigned as a component unit to the State Auditor's Office for auditing purposes. The State Auditor is on the association's oversight board.
- ◆ Board of State Canvassers (along with the Superintendent of Public Instruction and Attorney General under 13-15-502, MCA)

Legislative Audits

- ◆ Financial compliance audit, [March 2021](#), no recommendations
- ◆ Financial compliance audit, [March 2019](#), no recommendations
- ◆ Financial compliance audit, [April 2017](#), no recommendations



State Auditor's Office Biennium Budget for FY 2022 and FY 2023*

Divisions	FTEs	House Bill 2 via State Special Revenue	Statutory Appropriations	Total All Sources
Central Management	16	\$4,095,927		\$4,095,927
Insurance Division**	44	\$30,355,708		\$30,355,708
Securities Division	12.5	\$2,702,273	\$300,000	\$3,002,273
Other*			\$81,691,000	\$81,691,000
Total	72.5	\$37,153,908	\$81,991,000	\$119,144,908

* Other includes: General fund pass-through to fire and police retirement funds.

** Additional funding includes appropriation of \$19,862,286 for the Montana Reinsurance Association.

State Auditor's Office Revenue Sources for FY 2022

Type	Amount	Distribution	
		General Fund	State Special
Insurance Premium Tax (excluding captive insurance premiums)	\$131,117,000	\$92,000,000	\$39,117,000
Reinsurance Assessment SB125	\$10,100,000		\$10,100,000
Fire Insurance Premium Tax	\$9,850,000	\$9,850,000	
Insurance Licenses and Permits	\$6,446,500	\$33,500	\$6,413,000
Captive Licenses and Permits	\$86,000		\$86,000
Retaliatory Tax	\$300,000		\$300,000
Insurance Fines	\$50,000	\$50,000	
Securities Licenses and Permits	\$16,361,000	\$16,361,000	
Securities Fines	\$5,000	\$5,000	
Securities Portfolio Registration Fees	\$8,122,000		\$8,122,000
Genetics Program	\$1,365,000		\$1,365,000
Total Agency Revenue	\$185,387,500	\$119,574,500	\$65,813,000

Organization Chart

