

# Welcome Packet & Draft Work Plan

SECTION A, GENERAL GOVERNMENT – INTERIM BUDGET  
COMMITTEE

FOR COMMITTEE REVIEW AND DISCUSSION SEPTEMBER 15, 2021

## SECTION A – INTERIM BUDGET COMMITTEE

### LEGISLATIVE MEMBERS

<b>SENATORS</b>	<b>REPRESENTATIVES</b>
Sen. Mike Lang (R – Malta), Vice Chair	Rep. Dan Bartel (R – Lewistown), Chair
Sen. Pat Flowers (D – Belgrade)	Rep. Vince Ricci (R – Laurel)
Sen. Doug Kary (R – Billings)	Rep. Sharon Stewart Peregoy (D – Crow Agency)
	Rep. Brad Tschida (R – Missoula)

### STAFF MEMBERS

<b>STAFF MEMBER</b>	<b>TITLE</b>	<b>PHONE NUMBER</b>	<b>EMAIL</b>
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Molly DelCurto	Fiscal Analyst	406-444-5417	<a href="mailto:Molly.DelCurto@mt.gov">Molly.DelCurto@mt.gov</a>
Julie Johnson	Staff Attorney	406-444-4024	<a href="mailto:juliejohnson@mt.gov">juliejohnson@mt.gov</a>
Charlene Devine	Clerk		

### COMMITTEE WEBPAGE

<https://leg.mt.gov/lfd/interim-budget-committee-section-a/>

### MEETING SCHEDULE

December 15, 2021

March 16, 2022

June 15, 2022

September 14, 2022

December 7, 2022

## INTERIM BUDGET COMMITTEE OVERVIEW

The Interim Budget Committees are authorized by [HB 497](#). The committee duties are outlined in section 4:

(1) Each interim budget committee in [section 1(2)(a) through (2)(e)] shall:

(a) oversee the expenditures included in the budget for the agencies overseen by the interim budget committees established in [section 1];

(b) review implementation of new programs by the agencies overseen by the interim budget committees established in [section 1] that were approved by the legislature immediately preceding the interim;

(c) review programs discussed in the respective subcommittee during the legislative session;

(d) review quarterly expenditures and budget transactions and compare those transactions to the budget adopted by the legislature;

(e) report budget observations and recommendations to the legislative finance committee at each quarterly meeting; and

(f) forward any recommendations for proposed legislation to the legislative finance committee or relevant interim committee and may not directly request legislation.

(2) Beginning in September of each odd-numbered year, each interim budget committee in [section 1(2)(a) through (2)(e)] shall meet within the week prior to the quarterly legislative finance committee meetings.

(3) Beginning in September of each odd-numbered year, the interim budget committee provided for in [section 1(2)(f)] shall meet each December and June within the week prior to the quarterly legislative finance committee meetings to review project status implementation throughout the interim and report budget considerations and recommendations to the legislative finance committee.

(4) The legislative fiscal division shall:

(a) provide staff assistance to the interim budget committees; and

(b) keep accurate records of the activities and proceedings of each interim budget committee.

(5) If an interim budget committee produces a report or receives a report from an agency, the report must also be provided to the appropriate interim committee that has agency oversight over the subject matter discussed in the report.

(6) The legislative finance committee may delegate specific studies or analysis to an interim budget committee and must consider all recommendations for potential legislation

## AGENCY OVERSIGHT

The following agencies are under the Section A, Interim Budget Committee oversight:

- Commissioner of Political Practices
- Department of Administration
- Department of Commerce
- Department of Labor and Industry
- Department of Military Affairs
- Department of Revenue
- Governor's Office
- Legislative Branch
- Montana Consumer Counsel
- Secretary of State
- State Auditor's Office

## REQUIRED REPORTS

Authority	Reporting Entity	Description	Due Date	Staff
17-7-202	Department of Administration	Facility inventory and condition assessment	6/30/2022	Duncan
17-7-130	Department of Administration	General fund unassigned, unaudited fund balance, revenue and transfers	8/1/2021 & 22	Lindsay
17-1-102(4)	Department of Administration	Reports on GF and Non-GF encumbrances remaining a FYE. After 3 years, approved extensions are reported	9/15/2021 & 22	Guenther
17-2-107(5)	Department of Administration	Loans or loan extensions authorized for two consecutive fiscal years.	9/1/2021 & 22	Guenther
17-8-101(7)	Department of Administration	Nature, status and justification for all new accounts in the enterprise fund and the internal services fund	Occurrence	Guenther
HB 2	Department of Administration	SITSD rates established for FY 2022	6/1/2021	Guenther
2-17-101(1)	Department of Administration	Amount, Location and nature of space used by each agency, including info on average cost per square foot	9/1/2022	Guenther
2-17-515	Department of Administration	Exceptions to IT policy, standard or other requirement - reported at each LFC	Each LFC Mtg	Guenther
2-17-522	Department of Administration	Updates to state strategic IT plan; LFC meeting following March 1 of even year	3/1/2022	Guenther
5-12-208	Agencies	Federal grants by state agency	10/1/2021 & 22	Analysts

<b>Authority</b>	<b>Reporting Entity</b>	<b>Description</b>	<b>Due Date</b>	<b>Staff</b>
17-7-140(1)(b)	Agencies	Analyze if GF program is mandatory and the impact of proposed reductions in spending in circumstances when the Governor is proposed reductions in spending, due to GF EB triggers.	Occurrence	Analysts
17-7-138 & 139	Agencies	Operating plan changes and program transfers meeting statutory criteria	Occurrence	Analysts
17-7-404	Agencies	Budget amendments	Occurrence	Analysts
90-6-703	Department of Commerce	Emergency grants from treasure state endowment fund.	Occurrence	Duncan
15-65-121 (2)(i)	Montana Heritage Commission	Use of accommodation tax	Semi Annually	DelCurto
5-13-311	Legislative Audit	Report when waste of state resources has occurred	Occurrence	Guenther
17-2-304(1)	Office of Budget & Program Planning	Info concern accounts with cash balances in execs of statutory limits	9/15/2021 & 22	Wilkinson
17-7-140(1)(b)	Office of Budget & Program Planning	Copy of proposed recommendations for reductions in spending due to GF EB triggers	Occurrence	Wilkinson
2-18-102	Office of Budget & Program Planning	Base salaries that exceed occupation wage range	9/15/2021 & 22	Wilkinson
17-7-311	Agencies	Fiscal year supplemental transfer supplemental appropriation	Occurrence	Wilkinson
HB 2	Department of Administration	Amount of staff time SITSD spend serving each agency, hourly and sub-hourly rates charged to agencies	Quarterly	Guenther

## INTERIM STUDIES

### SITSD MONITORING AND ENTERPRISE RATES

The State Information Technology Services Division (SITSD) provides information technology services to most state agencies. The majority of the funding for SITSD is provided through an internal service fund, which receives revenue by charging for services. There are five rates within the rate structure for the 2023 biennium, which include:

- Enterprise Rates
  - Enterprise Service Allocation – This rate includes the information technology services and staff time provided by SITSD that are used to benefit the entire enterprise (all state agencies)
  - Microsoft Enterprise Agreement – This rate is primarily the cost of the licensing agreement for Microsoft services
  - Cybersecurity Enterprise Rate – This rate includes the costs of providing cybersecurity for the state network
  - ServiceNow Enterprise Agreement – This rate is for the ServiceNow platform that is intended to improve workflows for agencies, leading to operating efficiencies and other operating cost savings for agencies
- Service Rates
  - TechBudget – This rate allocates costs of individual services that agencies use by using an activity-based budgeting model

A study during the interim could review the individual components of each of these rates, the rate setting process, and how other states provide and fund information technology services.

### RISK MANAGEMENT AND TORT DEFENSE DIVISION RATES

The Risk Management and Tort Defense Division (RMTD) administers a comprehensive insurance plan on behalf of state government. RMTD purchases commercial insurance, where cost effective, to cover catastrophic losses above high deductibles. The majority of the funding for RMTD is provided through an internal service fund, which receives revenues by charging state agencies. The amount paid by each state agency depends on the number and type of assets owned and/or the agency's loss history. Rates are established for automobiles, aviation, general liability, and property. A study during the interim could review the individual components of each of these rates, the rate setting process, how reserve levels are determined, and how other states provide and fund insurance coverage.