



**Montana Legislative Services Division**  
**Legal Services Office**

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To: Amy Carlson  
From: Julie Johnson  
Re: Contingent Fund Transfer to the Direct Care Worker Wage Account  
Date: August 31, 2018

**QUESTION PRESENTED**

Whether the contingency for a contingent fund transfer to the Direct Care Worker Wage Account as provided for in House Bill No. 638 has occurred.

**CONTROLLING LEGISLATION**

During the 2017 Session, the Legislature passed House Bill No. 638 (HB 638) to provide direct care worker wage increases. Parts of the bill were amended by Senate Bill No. 261 (SB 261). However, Sections 4(2) and 4(3) of HB 638, which provide for contingent fund transfers to the Direct Care Worker Wage Account were not amended in SB 261 and provide:

(2) For the fiscal year ending June 30, 2018, if the certified unaudited general fund revenue and transfers into the general fund received in fiscal year 2018 is more than the estimated state general fund revenue in House Joint Resolution No. 2 for the same fiscal year, then the state treasurer shall transfer the amount of general fund revenue that exceeds the revenue estimate from the general fund to the direct care worker wage account provided in [section 3], not to exceed \$6,526,928. The state treasurer shall make the transfer by August 1, 2018, and before the transfer in section 14(4) of Senate Bill No. 367.

(3) For the purpose of this section, certified unaudited general fund revenue and transfers into the general fund are those recorded in the statewide accounting, budgeting, and human resource system using generally accepted accounting principles in accordance with 17-1-102 and include transfers into the general fund.

**ANALYSIS AND CONCLUSION**

According to the letter from the Department of Administration State Accountant Cody Pearce, dated August 10, 2018, the "unadjusted and unaudited General Fund Revenue and Transfers-in reported on the Statewide Budgeting, Accounting, and Human Resources System (SABHRS) for the fiscal year ended June 30, 2018" is "\$2,407,085,868".

House Joint Resolution No. 2 set "the estimated state general fund revenue" for fiscal year 2018 at "\$2,359.345 million".

\$2,407,085,868 is larger than \$2,359.345 million; therefore, the contingency has occurred and the transfer should be made.

