

Amendment - 1st Reading/2nd House-blue - Requested by: John Esp - (S) Legislative Administration

- 2023

68th Legislature 2023

Drafter: Joe Kolman, 406-444-3747

HB0140.001.001

HOUSE BILL NO. 140

INTRODUCED BY L. JONES

BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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

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

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

~~and~~

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

(c) whenever possible, if the major topic of the next meeting is of interest to an interim committee,

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an interim committee chairperson and vice chairperson of opposite parties who are invited by the modernization and risk analysis committee to participate in each meeting as temporary voting members of the committee. If the chairperson or vice chairperson of the interim committee is unable to attend, the chairperson or vice chairperson may designate a member of the interim committee. The interim committee chairperson and vice chairperson must be invited at least 30 days prior to the meeting date.

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

(4) The modernization and risk analysis committee shall:

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

(i) health care;

(ii) human services;

(iii) elementary and secondary education;

(iv) higher education;

(v) pensions;

(vi) public safety and corrections;

(vii) infrastructure and public works;

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

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

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

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

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

(e) take affirmative measures to use and disseminate data generated by and for the committee for

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1 educating, training, and increasing the competency of the public.

2

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

4 **compensation.** (1) ~~Appointments~~ Except for interim committee members invited pursuant to [section 1(2)(c)],

5 ~~appointments~~ to the modernization and risk analysis committee are for 2 years, and a member of the committee

6 shall serve until the member's term of office as a legislator ends or until a successor is appointed, whichever

7 occurs first.

8 (2) The modernization and risk analysis committee shall elect one of its members as presiding

9 officer and other officers that it considers necessary.

10 (3) Members of the modernization and risk analysis committee and invited interim committee

11 members are entitled to receive compensation and expenses as provided in 5-2-302. Public members are

12 entitled to receive compensation and expenses as provided in 5-2-302 and 5-5-211.

13 (4) If a vacancy occurs on the modernization and risk analysis committee established in [section 1]

14 when the legislature is not in session, the new member must be appointed by the same method as the original

15 appointment to complete the unexpired term.

16

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

18 **"5-5-211. Appointment and composition of interim committees.** (1) Senate interim committee

19 members must be appointed by the committee on committees.

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

21 (3) Appointments to interim committees must be made by the time of adjournment of the legislative

22 session.

23 (4) A legislator may not serve on more than two interim committees unless no other legislator is

24 available or is willing to serve.

25 (5) (a) Subject to 5-5-234 and subsection (5)(b) of this section, the composition of each interim

26 committee must be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) estimate revenue from existing and proposed taxes;

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

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

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

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

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

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1 ~~(8)~~ assist and provide staff for the modernization and risk analysis committee; and
2 ~~(8)(9)~~ review all reports submitted to the legislative fiscal analyst and notify the legislative finance
3 committee [or the appropriate interim budget committee, or both,] of any concerns the fiscal analyst identifies in
4 a report. (Bracketed language terminates December 31, 2025--sec. 12, Ch. 525, L. 2021.)"

5

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

7

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

11

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

13

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