

1 HOUSE BILL NO. 190

2 INTRODUCED BY B. MERCER, T. MOORE, M. BERTOGLIO, L. HELLEGAARD

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4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO PROVIDING FOR A

5 STRATEGIC PLANNING PROCESS FOR CERTAIN GOVERNMENT ENTITIES; REQUIRING

6 DEPARTMENTS TO PRODUCE STRATEGIC PLANS AND ANNUAL PERFORMANCE REPORTS;

7 PROVIDING FOR CERTAIN PUBLIC COMMENT PROVISIONS; LIMITING JUDICIAL REVIEW; EXEMPTING

8 CERTAIN DEPARTMENTS FROM CERTAIN BUDGET PLANNING PROCESS REQUIREMENTS;

9 REQUIRING THAT ONLY EXISTING RESOURCES MAY BE USED TO IMPLEMENT THE ACT; PROVIDING

10 DIRECTIONS TO THE CODE COMMISSIONER; AMENDING SECTIONS 2-4-102 AND 17-7-111, MCA;

11 REPEALING SECTIONS 2-15-2221, 2-15-2222, 2-15-2223, 2-15-2224, 2-15-2225, AND 2-15-2226, MCA; AND

12 PROVIDING AN EFFECTIVE DATE."

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

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16 NEW SECTION. Section 1. Short title. [Sections 1 through 8] may be cited as the "State

17 Measurement for Accountable, Responsive, and Transparent Government (SMART) Act".

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19 NEW SECTION. Section 2. Declaration of policy and purpose. (1) It is the public policy of this

20 state to provide for a strategic planning process for state government that results in the development of goals,

21 objectives, and performance measures for each department's programs to facilitate efficient, transparent,

22 accountable, and responsive government service, including annual performance reports to optimize the

23 performance of state government.

24 (2) The purpose of [sections 1 through 8] is to ensure the development of strategic plans for

25 executive branch departments that include performance measures to allow policymakers, stakeholders, and the

26 public to understand what a department intends to accomplish and that create a basis to evaluate whether each

27 department has achieved its strategic plan and whether the outcomes and outputs merited the use of taxpayer

28 money.



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2 NEW SECTION. Section 3. Definitions. As used in [sections 1 through 8], the following definitions

3 apply:

4 (1) "Annual performance report" means a written annual review and assessment of the outcomes
5 and outputs of a department as compared to its established strategic plan and performance measures.

6 (2) "Department" means each entity listed in 2-15-104(1)(a) through (1)(p), the office of the
7 secretary of state, the office of the state auditor, and the office of public instruction.

8 (3) "Goal" means a specific goal or target related to a performance measure that is adopted by a
9 department.

10 (4) "Mission and vision statement" means a written statement describing a department's purpose,
11 what it intends to do, and whom it intends to serve.

12 (5) "Outcomes" means a quantification of the public benefit for Montanans derived from actions by
13 a department.

14 (6) "Outputs" means a quantification of the number of services that a department produces for
15 Montanans.

16 (7) "Performance measure" means a written monitoring tool that is designed to help guide
17 government by assessing what a department aspires to achieve pursuant to its strategic plan with respect to
18 the outcomes and outputs of its programs.

19 (8) "Program" means any activity undertaken by a department pursuant to an appropriation.

20 (9) "Strategic plan" means a written plan prepared by a department that contains the mission and
21 vision statement, goals, and objectives that a department intends to accomplish through its programs, that is
22 used to guide the ongoing and proposed activities of a department with performance measures for tracking
23 success in meeting goals and objectives, that is revised regularly, and that remains in effect until replaced or
24 revised.

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26 NEW SECTION. Section 4. Strategic plan. (1) Each department shall engage in the process of
27 strategic planning and shall produce a strategic plan.

28 (2) No later than September 1, 2023, each department shall adopt a strategic plan. Each

1 department shall publish a subsequent strategic plan no later than July 1, 2026, and a revised plan no later
2 than July 1 every 3 years afterward.

3 (3) At a minimum, a department's strategic plan must include the following components:

4 (a) a mission and vision statement;

5 (b) a description of the functions and programs of the department, including a discussion of the
6 department's priorities;

7 (c) goals of the department that reflect the benefits and outcomes the department expects to
8 achieve on behalf of the public or specific groups through its programs; and

9 (d) specific and measurable performance measures for its programs, including the preferred
10 outcomes and outputs with respect to each performance measure for each department program.

11 (4) Performance measures must:

12 (a) be derived from a department's mission and vision statement, goals, objectives, and strategic
13 plan;

14 (b) focus on a department's efforts in implementing legislative intent and the department's
15 priorities, goals, and objectives;

16 (c) be quantitative when possible; and

17 (d) be designed to provide meaningful and useful information to policymakers and the public.

18 (5) A department's strategic plan, including associated performance measures, may be adopted
19 only after consideration of public comment. The reports due September 1, 2023, are exempt from this
20 requirement. All subsequent reports may be adopted only after consideration of public comment.

21 (6) Before adopting a new or subsequent strategic plan, a department shall:

22 (a) prior to the beginning of the public notice period, give written public notice of the proposed
23 strategic plan by:

24 (i) providing prominent notice of the proposed strategic plan and any associated hearings on its
25 website; and

26 (ii) publishing notice in the Montana Administrative Register of the proposed strategic plan, any
27 associated hearings, and the dates during which public comment will be accepted;

28 (b) hold at least one public hearing on the proposed strategic plan;

1 (c) accept public comment for at least 30 days; and

2 (d) consider written and oral comments made during the public comment period and post

3 transcripts of public hearings and written comments on the proposed strategic plan on its website.

4 (7) The strategic plan adopted by a department must be posted on the websites of the department
5 and the office of budget and program planning.

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7 **NEW SECTION. Section 5. Annual performance report.** (1) No later than December 1, 2024, and
8 no later than October 1 of each year afterward, each department shall produce an annual performance report
9 for the fiscal year that concluded in the same year and distribute it as provided in subsections (4) and (5).

10 (2) The annual performance report must focus on measuring outcomes and outputs rather than
11 processes undertaken.

12 (3) In the annual performance report, a department shall assess whether existing performance
13 measures continue to relate logically to goals and other elements of the strategic plan and to measure preferred
14 outcomes for department programs.

15 (4) An annual performance report of a department must be posted on the websites of the
16 department and the office of budget and program planning. The annual performance report must include a
17 hyperlink to the department's strategic plan posted on the department's official website.

18 (5) By December 1 of each year, in accordance with 5-11-210, the annual performance report of
19 each department must be provided to the legislative finance committee and the appropriate legislative policy
20 interim committee provided for in Title 5, chapter 5, part 2.

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22 **NEW SECTION. Section 6. Periodic assessment, audit, and revision of performance measures.**
23 Performance measures must be revised no less frequently than every 3 years. Interim committees and interim
24 budget subcommittees, if provided for in law, shall use performance data to review a department's strategic
25 planning documents as the documents relate to prospective legislation and budgets. If directed by the
26 legislative audit committee, the legislative audit division may evaluate the methods used by departments to
27 ensure the accuracy of data collection and reporting.

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