

HOUSE BILL NO. 562

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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING DESIGNATED STATE AGENCIES TO SUBMIT  
REPORTS TO THE OFFICE OF BUDGET AND PROGRAM PLANNING ON INFORMATION RELATED TO  
FINANCIAL ASSISTANCE PROVIDED TO TRIBAL ENTITIES; REQUIRING THE OFFICE OF BUDGET AND  
PROGRAM PLANNING TO COMPILE A REPORT ON FINANCIAL ASSISTANCE PROVIDED BY DESIGNATED  
STATE AGENCIES DIRECTLY OR INDIRECTLY TO TRIBAL ENTITIES AND SUBMIT THE REPORT IN AN  
ELECTRONIC FORMAT TO THE STATE-TRIBAL RELATIONS COMMITTEE AND THE OFFICE OF STATE  
DIRECTOR OF INDIAN AFFAIRS; REQUIRING THE REPORT COMPILED BY THE OFFICE OF BUDGET AND  
PROGRAM PLANNING TO BE POSTED ON THE WEBSITE OF THE OFFICE OF STATE DIRECTOR OF  
INDIAN AFFAIRS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, the Montana Indian tribes and the state of Montana desire transparency for funding provided  
by the state and federal governments FLOW-THROUGH FUNDS and administered by the state directly or indirectly  
to the tribes; and

WHEREAS, to enhance transparency and accountability to members of the Montana Indian tribes, tribal  
members, AS STATE CITIZENS, desire to access information regarding ~~the receipt of federal and~~ FEDERAL  
FLOW-THROUGH FUNDS AND THE RECEIPT OF state funding by their tribal governments.

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

NEW SECTION. Section 1. Definitions. (1) As used in [sections 1 and 2]:

(1) (a) "Designated state agency" means:

- (i) the department of administration;
- (ii) the department of agriculture;
- (iii) the arts council;
- (iv) the office of the state auditor;



- 1 (v) the board of regents;  
 2 (vi) the department of commerce;  
 3 (vii) the department of corrections;  
 4 (viii) the department of environmental quality;  
 5 (ix) the department of fish, wildlife, and parks;  
 6 (x) the governor's office;  
 7 (xi) the department of labor and industry;  
 8 (xii) the department of livestock;  
 9 (xiii) the department of military affairs;  
 10 (xiv) the Montana board of crime control;  
 11 (xv) the department of natural resources and conservation;  
 12 (xvi) the commissioner of political practices;  
 13 (xvii) the office of the state public defender;  
 14 (xviii) the board of public education;  
 15 (xix) the department of public health and human services;  
 16 (xx) the office of public instruction;  
 17 (xxi) the public service commission;  
 18 (xxii) the department of revenue;  
 19 (xxiii) the school for the deaf and blind;  
 20 (xxiv) the office of the secretary of state;  
 21 (xxv) the state fund;  
 22 (xxvi) the state library;  
 23 (xxvii) the department of transportation;  
 24 (xxviii) the office of the commissioner of higher education; or  
 25 (xxix) the department of justice;  
 26 (b) The term does not include the judicial branch, the legislative branch, or an office or other entity within  
 27 the judicial branch or the legislative branch.

28 (2) (a) "Financial assistance" means assistance provided ~~by a federal or state entity~~ DIRECTLY OR  
 29 INDIRECTLY to a tribal entity or subrecipient EITHER AS STATE FUNDS OR FEDERAL FUNDS PROVIDED THROUGH A STATE  
 30 AGENCY to carry out a program. Financial assistance may be in the form of grants, contracts, cooperative

1 agreements, loans, loan guarantees, property, interest subsidies, insurance, direct appropriations, or other  
 2 noncash assistance. Financial assistance includes awards received ~~directly from federal or state agencies or~~  
 3 ~~indirectly when subrecipients receive funds identified as federal or state funds by recipients~~ DIRECTLY OR  
 4 INDIRECTLY BY A TRIBAL ENTITY AS STATE FUNDS OR AS FEDERAL FUNDS PASSED THROUGH A STATE AGENCY DIRECTLY  
 5 OR INDIRECTLY FROM A SUBRECIPIENT. The granting agency is responsible for identifying the source of funds  
 6 awarded to tribal entity recipients.

7 (b) Financial assistance does not include federal, state, or local government cash assistance provided  
 8 directly to individuals.

9 (3) "Subrecipient" means a third party who receives state FUNDS or federal funds THROUGH A STATE  
 10 AGENCY that the third party ultimately provides to a tribal entity in the form of financial assistance.

11 (4) "Tribal entity" means a tribal nation, tribal council, or tribal government located in the state of  
 12 Montana.

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 14 NEW SECTION. Section 2. Funding for tribal entities -- reporting. (1) Following the close of each  
 15 fiscal year, a designated state agency shall prepare a report that identifies all financial assistance distributed by  
 16 the designated state agency directly or indirectly to a tribal entity in the previous fiscal year.

17 (2) The report must provide the following information:

18 (a) the amount distributed directly to a tribal entity;

19 (b) the amount distributed to a subrecipient that was ultimately distributed to a tribal entity;

20 (c) the date the amount was distributed to a tribal entity or subrecipient;

21 (d) the tribal entity receiving the financial assistance;

22 (e) the Catalog of Federal Domestic Assistance reference number, if applicable;

23 (f) the purpose of the distribution; and

24 (g) the amount of any management or administrative costs or fees assessed or charged by the  
 25 designated state agency for distributing the financial assistance.

26 (2) A designated state agency that prepares a report in accordance with subsection (1) shall submit the  
 27 report to the office of budget and program planning on or before August 1 of each year.

28 (3) The office of budget and program planning shall prepare an annual report that compiles and  
 29 summarizes the reports that the office of budget and program planning receives in accordance with subsection  
 30 (2).

