

HOUSE BILL ANALYSIS

HB 2977

Title: AN ACT Relating to the office of financial management's budgeting, accounting, and reporting requirements for state agencies.

Brief Description: Modifying the office of financial management's contract requirements for state agencies.

Sponsor: Schmidt, D., Romero, State Board for Community and Technical Colleges.

BRIEF SUMMARY

- Making changes to the state budgeting, accounting, and reporting law concerning advanced payments for maintenance services.

HOUSE STATE GOVERNMENT COMMITTEE

Staff: Steve Lundin (786-7127)

BACKGROUND:

The state budgeting, accounting, and reporting system is established in statute for state agencies. Among other provisions this law establishes duties for fiscal management and controls, accounting and reporting, and duties of the director of financial management, state treasurer, and state auditor.

This system includes restrictions on making advance payments for maintenance services.

SUMMARY:

A number of changes are made in the state budgeting, accounting, and reporting law concerning advance payments for maintenance services.

A copy of the written contract for periodic maintenance services need no longer be in the files of the office of financial management before the state treasurer disburses public funds from the treasury for periodic maintenance services.

A person or entity may receive payment for services prior to actually rendering these services without making a cash deposit or furnishing a surety bond to the state for the amount of these advance payments, unless requested to make the deposit or furnish the bond.

Advance payments for equipment maintenance services may be made up to 12 months, rather than up to three months, prior to the performance of these services.

Rule Making Authority: No Express Authority

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.