

August 24, 2006

Governor Brian Schweitzer  
State of Montana  
State Capitol, Room 204  
PO Box 200801  
Helena MT 59620-0801

Governor Schweitzer:

Chapter 762, Laws of 1991, created a review procedure for proposals to privatize state programs. The law requires any state agency proposing to privatize a program to prepare a privatization plan, which is to be reviewed by the Legislative Audit Committee (LAC).

The LAC has reviewed the proposal to privatize the Billings Assessment and Sanction Center (BASC) Program, operated by the Department of Corrections. I have attached a document which summarizes the LAC review. According to section 2-8-302(6), MCA, the LAC shall vote to recommend approval or disapproval of the privatization plan and transmit the recommendation in writing to the Governor. On behalf of the LAC, I am transmitting the results of the LAC vote in compliance with this statutory requirement.

The LAC vote was a tie: 6 voting to approve the proposal and 6 voting to disapprove the proposal. As a result, the LAC makes no recommendation regarding the proposed privatization of the Billings Assessment and Sanction Center Program.

If you have any questions regarding the LAC review, please do not hesitate to contact the Legislative Auditor or me at (406) 444-3122.

Respectfully Submitted,

Representative John Musgrove  
Chairman, Legislative Audit Committee

c: Members, Legislative Audit Committee  
Mike Ferriter, Department of Corrections