

House Joint Resolution 61

In The House

March 28, 1981	Introduced and referred to Committee on Local Government.
March 30, 1981	Rereferred to Committee on Taxation.
April 2, 1981	Committee recommend bill do pass as amended.
April 3, 1981	Bill printed and placed on members' desks.
April 7, 1981	Motion pass consideration.
April 9, 1981	Second reading pass consideration.
April 10, 1981	Second reading do pass.
	On motion rules suspended and bill placed on third reading this day.
	Third reading passed.

In The Senate

April 11, 1981	Introduced and referred to Committee on Local Government.
April 23, 1981	Died in Committee.

HOUSE JOINT RESOLUTION NO. 61

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INTRODUCED BY *Walden Hillis, Sherwin Ferguson, Bertelen Melin, Switzer, Baragan, Kitzelmann, ROTA*

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING *DOZ, Kay Kemmura, Mike McBride*

ASSIGNMENT OF AN INTERIM COMMITTEE TO STUDY THE FISCAL CONDITION OF LOCAL GOVERNMENT, POSSIBLE ALTERNATIVE SOURCES OF REVENUE FOR LOCAL GOVERNMENT, AND POSSIBLE METHODS BY WHICH THE STATE MIGHT ROUTINELY MONITOR THE FISCAL CONDITION OF LOCAL GOVERNMENTS AND ADJUST REVENUE SOURCES AND EXPENDITURE REQUIREMENTS.

WHEREAS, inflation continues to contribute to a rapid escalation in the cost of local government services; and

WHEREAS, local governments are by legislative actions overly dependent on the property tax and other revenue sources that fail to keep pace with inflation; and

WHEREAS, the Legislature has repeatedly enacted legislation that reclassifies certain properties into lower property tax classifications or removes properties from property taxation altogether, resulting in sizable decreases in revenue available for local government operations; and

WHEREAS, once the statutorily-based mill levy limitations are reached, local governments are usually forced to reduce services and still continue to levy

property taxes at maximum mill levies; and

WHEREAS, the Legislature has repeatedly failed to enact legislation to provide local governments with mixed, flexible revenue sources; and

WHEREAS, local governments are confronted with the real prospect of a fiscal crisis unless the Legislature provides relief.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

(1) that an interim committee be assigned to study the current and projected fiscal condition of local governments in Montana;

(2) that the study include an examination of revenue and expenditure trends, the immediate effects of inflation and legislative actions on local governments' ability to finance the delivery of services, and possible alternative revenue sources that might be made available to local governments to relieve fiscal pressures;

(3) that the study review information currently available that can be used to assess the fiscal conditions of local governments, as well as to determine the adverse or favorable impact of proposed legislation;

(4) that the interim committee review possible methods by which the state might routinely monitor the fiscal

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1 condition of local governments and make reports and
2 recommendations to the legislative and executive branches of
3 state government; and
4 (5) that the interim committee submit to the 48th
5 Legislature a report of its findings and recommendations for
6 legislation, if any, to implement the findings.

-End-

Approved by Comm.
on Local Government

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3 ROUSH, BERTELSEN, DEVLIN, SWITZER, IVERSON,
4 KITSELMAN, ROTH, DOZIER, ASAY, KEMMIS, FABREGA,
5 KESSLER, McBRIDE, SHONTZ, BARDANOUVE, DUSSAULT
6
7 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
8 REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING
9 ~~ASSIGNMENT-OF-AN-INTERIM~~ THE REVENUE OVERSIGHT COMMITTEE TO
10 STUDY THE FISCAL CONDITION OF LOCAL GOVERNMENT, POSSIBLE
11 ALTERNATIVE SOURCES OF REVENUE FOR LOCAL GOVERNMENT, AND
12 POSSIBLE METHODS BY WHICH THE STATE MIGHT ROUTINELY MONITOR
13 THE FISCAL CONDITION OF LOCAL GOVERNMENTS AND ADJUST REVENUE
14 SOURCES AND EXPENDITURE REQUIREMENTS.
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16 WHEREAS, inflation continues to contribute to a rapid
17 escalation in the cost of local government services; and
18 WHEREAS, local governments are by legislative actions
19 overly dependent on the property tax and other revenue
20 sources that IN MANY CASES fail to keep pace with inflation;
21 and
22 WHEREAS, the Legislature has repeatedly enacted
23 legislation that reclassifies certain properties into lower
24 property tax classifications or removes properties from
25 property taxation altogether, resulting in sizable decreases

1 in revenue-available THE TAX BASE for local government
2 operations; and
3 WHEREAS, once the statutorily-based mill levy
4 limitations are reached, local governments are usually
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16 (1) that ~~an-interim-committee-be~~ THE REVENUE OVERSIGHT
17 COMMITTEE IS assigned to study the current and projected
18 fiscal condition of local governments in Montana;
19 (2) that the study include an examination of revenue
20 and expenditure trends, the immediate effects of inflation
21 and legislative actions on local governments' ability to
22 finance the delivery of services, and possible alternative
23 revenue sources that might be made available to local
24 governments to relieve fiscal pressures;
25 (3) that the study review information currently

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1 available that can be used to assess the fiscal conditions
2 of local governments, as well as to determine the adverse or
3 favorable impact of proposed legislation;

4 (4) that the interim-committee REVENUE OVERSIGHT
5 COMMITTEE review possible methods by which the state might
6 routinely monitor the fiscal condition of local governments
7 and make reports and recommendations to the legislative and
8 executive branches of state government; and

9 (5) that the interim-committee REVENUE OVERSIGHT
10 COMMITTEE submit to the 48th Legislature a report of its
11 findings and recommendations for legislation, if any, to
12 implement the findings.

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