

HOUSE JOINT RESOLUTION NO. 33

Introduced: 03/07/83

Referred to Committee on Taxation: 03/07/83

Hearing: 3/16/83

Report: 03/22/83, Do Pass, As Amended

2nd Reading: 03/24/83, Do Pass, As Amended

3rd Reading: 03/25/83, Do Pass

Transmitted to Senate: 3/25/83

Referred to Committee on Taxation: 3/26/83

Hearing: 4/8/83

Report: 04/20/83, Be Concurred In, As Amended

2nd Reading: 04/21/83

Bill Killed

1 ~~House~~ JOINT RESOLUTION NO. 33
2 INTRODUCED BY Ramirez, Ramona Marie Vincent
3
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
5 REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING THE
6 STATE'S ANTICIPATED REVENUE FOR EACH YEAR OF THE SUCCEEDING
7 BIENNIUM FOR PURPOSES OF ACHIEVING THE BALANCED BUDGET
8 MANDATED BY ARTICLE VIII, SECTION 9, OF THE MONTANA
9 CONSTITUTION.
10
11 WHEREAS, Article VI, section 9, of the Montana
12 Constitution requires the Governor to submit to the
13 Legislature a budget for the ensuing fiscal period,
14 including in that budget the estimated revenue of the State;
15 and
16 WHEREAS, Article VIII, section 9, of the Montana
17 Constitution requires that the Legislature may not
18 appropriate money exceeding anticipated revenue; and
19 WHEREAS, 5-12-302(2) requires the Legislative Fiscal
20 Analyst to estimate revenue and 17-7-123(1) requires the
21 Governor to submit a budget summary with a balance between
22 total disbursements and total anticipated receipts; and
23 WHEREAS, due to today's fluctuating worldwide economy,
24 changing economic conditions, and the diverse sources of
25 state revenues, it has become increasingly difficult to

1 project revenues to prepare a balanced budget for the
2 ensuing biennium; and
3 WHEREAS, past Legislatures have not agreed on revenue
4 projections until the last days of a session when there is
5 very little time for analysis or reasoned criticism; and
6 WHEREAS, the State's revenue projections have previously
7 been arrived at by a process in which only a few Legislators
8 and individuals in government were involved; and
9 WHEREAS, Article II, section 8, of the Montana
10 Constitution guarantees to the people the right to
11 participate in governmental decisions, and Article II,
12 section 9, of the Montana Constitution guarantees to the
13 people the right to observe all deliberations; and
14 WHEREAS, it is in the best interests of all the people
15 that all aspects of government be open and public, thereby
16 encouraging public scrutiny and participation in the
17 process; and
18 WHEREAS, it is in the best interests of the State that
19 revenue forecasts be arrived at in public hearings wherein
20 all may attend and participate.
21
22 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
23 OF REPRESENTATIVES OF THE STATE OF MONTANA:
24 That the State's special revenue for fiscal years 1984
25 and 1985 is estimated to be:

STATE SPECIAL REVENUE

| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|----------------|---|-----------------------------|------------------------|------------------------|-------------|
| 02047 | Commissioner of Political Practices Photocopy Fees | \$ -0- | \$ 750 | \$ 750 | \$ 1,500 |
| 02800 | Legislative Council Sales of Montana Code Annotated | 593,590 | 436,989 | 436,989 | 873,978 |
| 20801 | Consumer Counsel Consumer Counsel Tax | 220,649 | 561,081 | 561,081 | 1,122,162 |
| 02401 | State Auditor's Office Portion of Insurance Taxes to Pensions | 725,000 | 3,610,000 | 3,837,000 | 7,447,000 |
| 02802 | Tax on Fire Insurance Premiums | 1,924,378 | 800,000 | 800,000 | 1,600,000 |
| 02803 | Central Payroll Operating | 28,161 | 200,000 | 200,000 | 400,000 |
| 02001 | Office of Public Instruction School Lunch Program Reimbursements | 31,024 | 47,475 | 47,475 | 94,950 |
| 02002 | Traffic Ed. Mobile Simulator Fees | 10,939 | 7,276 | 7,276 | 14,552 |
| 02003 | Billings Vo-Tech-Millage | 105,752 | 301,540 | 301,540 | 603,080 |
| 02004 | Butte Vo-Tech-Millage | 199 | 78,355 | 78,355 | 156,710 |
| 02005 | Great Falls Vo-Tech-Millage | 16,925 | 146,522 | 146,522 | 293,044 |
| 02006 | Helena Vo-Tech-Millage | 24,848 | 90,324 | 90,324 | 180,648 |
| 02007 | Missoula Vo-Tech-Millage | 20,027 | 205,724 | 205,724 | 411,448 |
| 02037 | Billings Vo-Tech-Tuition | 67,079 | 264,353 | 264,353 | 528,706 |
| 02038 | Butte Vo-Tech-Tuition | 31,344 | 155,364 | 155,364 | 310,728 |
| 02039 | Great Falls Vo-Tech-Tuition | 45,840 | 198,109 | 198,109 | 396,218 |
| 02040 | Helena Vo-Tech-Tuition | 94,559 | 278,937 | 278,937 | 557,874 |
| 02041 | Missoula Vo-Tech-Tuition | 55,760 | 277,315 | 277,315 | 554,630 |
| 02402 | Fines & Fees for Traffic Education | 1,600,262 | 1,580,000 | 1,580,000 | 3,160,000 |
| 02403 | Public School Equalization Revenue | 3,780,000 | 112,190,000 | 121,820,000 | 234,010,000 |
| 02456 | Rentals from Audiovisual Materials | 27,426 | 160,000 | 160,000 | 320,000 |
| 02457 | Sales of Resources/Assessment Materials | (7,917) | 10,000 | 10,000 | 20,000 |

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| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|----------------|---|-----------------------------|------------------------|------------------------|------------|
| 02013 | Department of Justice Law Enforcement Academy Fees | 10,541 | 65,154 | 67,530 | 132,684 |
| 02014 | Casualty Insurance Proceeds | 2,657 | 25,000 | 25,000 | 50,000 |
| 02015 | Criminal Lab Sales Revenue | 3,390 | 1,500 | 1,500 | 3,000 |
| 02016 | A. G. Teletype Sys. User Fees | 23,711 | 171,688 | 188,857 | 360,545 |
| 02017 | Drivers License Collections | (3,410) | 46,000 | 46,000 | 92,000 |
| 02018 | Driver Rehabilitation Program Fees | 35,316 | 36,500 | 36,500 | 73,000 |
| 02019 | Montana Highway Patrol ID Card | (264) | 2,000 | 2,000 | 4,000 |
| 02404 | Motor Vehicle Registration Fees | 1,292,279 | 3,059,750 | 3,084,750 | 6,144,500 |
| 02804 | Escheated Estates | 443 | 19,500 | 19,500 | 39,000 |
| 02805 | Montana Arts Council Montana Folklife Project - Coal Tax | 27,337 | 24,512 | 24,512 | 49,024 |
| 02405 | Library Commission State Library - Coal Tax | (137,958) | 454,000 | 594,000 | 1,048,000 |
| 02020 | Historical Society Merchandise Profits | 4,748 | -0- | -0- | -0- |
| 02406 | Cultural & Aesthetic Projects - Coal Tax | 329,075 | 276,184 | 276,184 | 552,368 |
| 02022 | Board of Regents Regents Coal Tax Fund Interest | 700,333 | 1,290,624 | 1,699,145 | 2,989,769 |
| 02023 | Dept. of Fish, Wildlife, & Parks Casualty Insurance Proceeds | 4,650 | -0- | -0- | -0- |
| 02407 | Snowmobile Fuel Tax | (2,928) | 200,050 | 200,050 | 400,100 |
| 02408 | Coal Tax Trust Interest | 825,048 | 815,000 | 1,072,000 | 1,887,000 |
| 02409 | FW&P General License Fees | 5,803,382 | 13,056,884 | 15,116,884 | 28,173,768 |
| 02410 | Real Estate Trust Interest | 200 | 10,000 | 20,000 | 30,000 |
| 02411 | State Parks Camping Fees, Etc. | 196,304 | 321,600 | 326,060 | 647,660 |
| 02412 | Motor Fuel Tax for State Parks | (25,552) | 360,091 | 360,091 | 720,182 |
| 02413 | F & G Motorboat ID Fees | 27,031 | 44,385 | 44,385 | 88,770 |
| 02414 | Snowmobile Registration | 38,278 | 35,004 | 35,004 | 70,008 |
| 02415 | License Fees for Site Aquisition | 892,905 | 488,000 | 518,000 | 1,006,000 |
| 02416 | Fines for Wardens' Retirement | 48,270 | 250,000 | 250,000 | 500,000 |

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| | <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|-------|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| | Dept. Health & Environmental Science | | | | |
| 02417 | Env. Quality Variance Review Fees | 121,633 | 100,000 | 100,000 | 200,000 |
| 02418 | Subdivision Plat Review Fees | 42,373 | 220,000 | 220,000 | 440,000 |
| 02419 | Birth & Death Certificate Fees | 2,936 | 85,500 | 85,500 | 171,000 |
| 02420 | Water Treatment Certification Fees | 21,756 | 22,700 | 22,700 | 45,400 |
| 02421 | Water Testing Fees | 766 | 61,000 | 61,000 | 122,000 |
| 02806 | Environmental Fees - EIS | (329) | 50,000 | 50,000 | 100,000 |
| 02845 | Junk Vehicle Disposal Fees | 1,670,159 | 990,000 | 990,000 | 1,980,000 |
| | Department of Highways | | | | |
| 02422 | Fuel Tax and GVW Fees | 41,219,000 | 67,200,000 | 66,678,000 | 133,878,000 |
| 02423 | Highway Improvement - Coal Tax | 6,866,276 | -0- | -0- | -0- |
| 02424 | Highway Reconstruction Revenue | 3,461,137 | -0- | -0- | -0- |
| 02459 | Central Stores Sales Revenue | 11,656,647 | 14,346,844 | 14,346,844 | 28,693,688 |
| | Department of State Lands | | | | |
| 02031 | Sale of Nursery Products | (11,570) | 154,000 | 154,000 | 308,000 |
| 02032 | RIT Interest for Forests | 4,450 | 685,929 | 683,370 | 1,369,299 |
| 02033 | RIT Interest for Reclamation | 683,379 | 579,604 | 579,604 | 1,159,208 |
| 02449 | Timber Cutting Charge | 48,902 | 304,000 | 304,000 | 608,000 |
| 02450 | Earnings fm State Lands for Res. Dev. | 1,231,945 | 240,000 | 240,000 | 480,000 |
| 02451 | Hardrock Mining Fees | 46,915 | 5,000 | 5,000 | 10,000 |
| 02837 | Slash & Brush Disposal Charges | 124,621 | 308,549 | 308,549 | 617,098 |
| 02838 | Env. Impact Statement Fees | 2,195,596 | 1,000,000 | 1,000,000 | 2,000,000 |
| | Department of Livestock | | | | |
| 02425 | Inspection & Control Fees & Licenses | 1,589,203 | 1,897,713 | 1,872,713 | 3,770,426 |
| 02426 | Emergency Transfers from 02427 | 108,188 | 12,000 | 12,000 | 24,000 |
| 02427 | Livestock Taxes & Fees | 649,253 | 918,732 | 918,732 | 1,837,464 |
| | Dept. of Natural Resources & Conser. | | | | |
| 02024 | DNR Resource Indemnity Trust Interest | 363,705 | 1,228,940 | 2,286,394 | 3,515,334 |
| 02428 | Major Facility Siting Fees | 157,814 | 1,000,224 | 1,000,224 | 2,000,448 |
| 02429 | Weather Modification Permit Fees | 4,339 | -0- | -0- | -0- |
| 02430 | Water Right Appropriation Fees | 360,413 | 90,000 | 90,000 | 180,000 |
| 02431 | Water Adjudication Fees | 1,320 | 1,907,806 | 2,106,284 | 4,014,090 |
| 02432 | Oil & Gas Conservation Tax | 535,749 | 792,241 | 858,241 | 1,650,482 |
| 02433 | Grazing District Fees | 81 | 10,003 | 10,003 | 20,006 |
| 02434 | Conservation Districts - Coal Tax | (83,629) | 227,000 | 297,000 | 524,000 |

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| | <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|-------|---|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| | Dept. of Natural Resources & Conser. | | | | |
| 02435 | Water Project Revenue & RIT Interest | 1,731,036 | 1,528,088 | 1,753,303 | 3,281,391 |
| 02436 | Renewable Resources - Coal Tax | 2,277,919 | 568,000 | 741,000 | 1,309,000 |
| 02437 | Alt. Energy Dev. - Coal Tax | 1,883,543 | 2,182,000 | 2,671,000 | 4,853,000 |
| | Department of Revenue | | | | |
| 02025 | Unclaimed Property Sales | 238 | 48,502 | 49,313 | 97,815 |
| 02027 | RIT Fund Interest | 408,476 | 2,294,265 | 2,294,265 | 4,588,530 |
| 02046 | Corp. Tax for Counties | 3,621,705 | 3,639,179 | 3,639,179 | 7,278,358 |
| 02441 | Cigarette Licenses | (2,795) | 17,000 | 17,000 | 34,000 |
| 02442 | Beer Tax to Cities & Towns | 2,861,004 | 2,966,000 | 3,075,000 | 6,041,000 |
| 02443 | University Millage | (476,693) | 13,520,758 | 14,118,758 | 27,639,516 |
| 02807 | Public Campaign Fund | 8,837 | 4,111 | 4,111 | 8,222 |
| | Department of Administration | | | | |
| 02030 | Architecture & Engineering Fees | 64,232 | 473,932 | 473,911 | 947,843 |
| 02043 | Merit System Council Revenue | 13,084 | -0- | -0- | -0- |
| 02447 | Worker's Comp. Trust Earnings | 1,949 | 305,705 | 293,661 | 599,366 |
| 02448 | Construction Regulation Fees | 274,563 | 965,970 | 923,796 | 1,889,766 |
| | Department of Agriculture | | | | |
| 02452 | Commercial Fertilizer Assessment & Fees | 113,965 | 127,500 | 127,500 | 255,000 |
| 02453 | Grain Inspection & Testing Fees | 14,553 | 439,000 | 439,000 | 878,000 |
| 02454 | Commercial Feed Registration & Insp. Fees | 45,506 | 93,600 | 93,600 | 187,200 |
| 02461 | Alfalfa Seed Assessment | 14,000 | 37,000 | 40,000 | 77,000 |
| | Department of Institutions | | | | |
| 02034 | Liquor Taxes for Alcoholism Treatment | 1,646,467 | 3,869,000 | 4,057,000 | 7,926,000 |
| 02839 | Casualty Insurance Proceeds | 155,191 | -0- | -0- | -0- |
| 02846 | Dept. of Inst. Canteens | 223,482 | 568,159 | 620,157 | 1,188,316 |
| | Mountain View School | | | | |
| 02045 | Staff Development Program Revenue | 1,260 | -0- | -0- | -0- |

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| <u>Administrative Agency</u> | | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|-----------------------------------|--|---|--------------------------------------|--------------------------------------|-----------------|
| Department of Commerce | | | | | |
| 02029 | Board of Horse Racing Fees | 123,698 | 220,000 | 220,000 | 440,000 |
| 02444 | County Land Planning - Coal Tax | 412,000 | 454,000 | 594,000 | 1,048,000 |
| 02445 | Local Impact - Coal Tax | 8,208,150 | 7,442,000 | 10,386,000 | 18,328,000 |
| 02446 | Board of Psychologists Fees | 3,916 | 12,500 | 12,900 | 25,400 |
| 02808 | Board of Landscape Architects Fees | 5,391 | 6,060 | 6,060 | 12,120 |
| 02809 | Board of Speech Pathologists Fees | 9,937 | 9,000 | 7,000 | 16,000 |
| 02810 | Board of Radiologic Technologists Fees | 5,963 | 4,550 | 11,250 | 15,800 |
| 02812 | Physical Therapists Fees | 6,716 | 9,500 | 9,500 | 19,000 |
| 02813 | Board of Nursing Home Admin. Fees | 19,395 | 18,800 | 18,800 | 37,600 |
| 02814 | Board of Hearing Aid Dispensers Fees | 8,127 | 5,100 | 5,200 | 10,300 |
| 02815 | Board of Public Accountants Fees | 93,584 | 110,000 | 110,000 | 220,000 |
| 02816 | Board of Sanitarians Fees | 7,665 | 4,650 | 4,700 | 9,350 |
| 02817 | Milk Control Board Fees | 127,987 | 237,000 | 237,000 | 474,000 |
| 02818 | Electrical Board Fees | 111,570 | 31,625 | 31,625 | 63,250 |
| 02819 | Real Estate Fees | 75,837 | 220,600 | 220,600 | 441,200 |
| 02820 | Board of Architects Fees | 43,329 | 35,535 | 35,535 | 71,070 |
| 02821 | Board of Morticians Fees | 17,089 | 14,800 | 14,800 | 29,600 |
| 02822 | Board of Chiropractors Fees | (531) | 13,000 | 13,000 | 26,000 |
| 02823 | Professional Engineers Fees | 74,645 | 108,160 | 108,160 | 216,320 |
| 02824 | Board of Medical Examiners Fees | 220,729 | 95,350 | 95,350 | 190,700 |
| 02825 | Water Well Contractors Fees | 7,533 | 24,000 | 24,000 | 48,000 |
| 02826 | Cosmetology Board Fees | 29,829 | 100,025 | 100,025 | 200,050 |
| 02827 | Aeronautics Division Fees | 463,654 | 686,681 | 686,681 | 1,373,362 |
| 02828 | Board of Plumbers Fees | 23,907 | 68,200 | 68,200 | 136,400 |
| 02829 | Private Investigators Fees | 5,809 | 4,200 | 4,200 | 8,400 |
| 02830 | Board of Dentists Fees | 13,296 | 35,100 | 35,100 | 70,200 |
| 02831 | Board of Optometrists Fees | 25,948 | 13,400 | 13,400 | 26,800 |
| 02832 | Board of Pharmacy Fees | 35,318 | 84,300 | 84,300 | 168,600 |
| 02833 | Board of Nursing Fees | 191,529 | 141,800 | 141,800 | 283,600 |
| 02834 | Board of Veterinarians Fees | 20,458 | 18,900 | 18,900 | 37,800 |
| 02835 | Board of Barbers Fees | 21,885 | 23,200 | 23,200 | 46,400 |
| Dept. of Labor & Industry | | | | | |
| 02036 | Private Employment Agency License Fees | 254 | 2,800 | 2,800 | 5,600 |
| Labor & Industry - Worker's Comp. | | | | | |
| 02455 | Worker's Comp. Assessments and Fines | 778,259 | 6,480,263 | 6,780,263 | 13,260,526 |

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| <u>Administrative Agency</u> | | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|---|--|---|--------------------------------------|--------------------------------------|-----------------|
| Subtotals | | \$118,639,057 | \$287,974,193 | \$306,301,127 | \$594,275,320 |
| The following accounts receive revenues from transfers within state government: | | | | | |
| Legislative Auditor | | | | | |
| 02042 | Legislative Audit Fees | 147,373 | 858,913 | 830,565 | 1,689,478 |
| Secretary of State's Office | | | | | |
| 02400 | Administrative Rules | 21,462 | 108,640 | 114,072 | 222,712 |
| Department of Commerce | | | | | |
| 02028 | Charges to Licens. Bds. for Adm. Serv. | 511 | 246,000 | 246,000 | 492,000 |
| Dept. of Social & Rehabilitation Services | | | | | |
| 02440 | Transfer from Workers' Comp. | 428,590 | 359,200 | 387,900 | 747,100 |
| Subtotals | | 597,936 | 1,572,753 | 1,578,537 | 3,151,290 |
| Total State Special Revenue | | \$119,236,993 | \$289,546,946 | \$307,879,664 | \$597,426,610 |

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BE IT FURTHER RESOLVED, that the State's general fund revenue for fiscal years 1984 and 1985 is estimated to total \$693,222,000. This total is based upon the assumptions and projections set forth below. Projections are made by category and by year.

GENERAL FUND REVENUE

The projection of total general fund revenue reflects the slowing of economic growth, particularly in the area of natural resource development, forecast for the next biennium. In projecting revenues, a modest economic recovery is assumed to begin in 1983, causing increases in personal and corporate income. Little growth will be recorded in statewide employment, and inflation will average 6% annually during the biennium.

General Fund Revenue

| Category | Fiscal 1984 | Fiscal 1985 | Biennium |
|-----------------------|---------------|---------------|---------------|
| Individual Income Tax | \$110,474,000 | \$117,075,000 | \$227,549,000 |

This category contains 64% of total projected individual income tax collections.

Long-range Bond Excess

| | | | |
|--|------------|------------|------------|
| | 25,496,000 | 27,351,000 | 52,847,000 |
|--|------------|------------|------------|

The long-range bond sinking account receives 11% of individual and corporation taxes, 73% of cigarette taxes, the tobacco products tax, and interest on the fund balance.

After payments and reserve requirements are met, the excess remaining is transferred to the general fund.

Corporation Tax

| | | | |
|--|------------|------------|------------|
| | 24,999,000 | 27,429,000 | 52,428,000 |
|--|------------|------------|------------|

This category contains 64% of total projected corporation license tax collections.

Coal Severance Tax

| | | | |
|--|------------|------------|------------|
| | 17,245,000 | 22,548,000 | 39,793,000 |
|--|------------|------------|------------|

Nineteen percent of total coal severance tax revenues is deposited in the general fund.

Assumptions: From the 26 million ton level of fiscal 1983, taxable coal production rises to 27 million tons in fiscal 1984 and 31 million tons in fiscal 1985. Average price escalates at the rate of approximately 13% annually due partially to higher royalty rates.

Interest on Investments

| | | | |
|--|------------|------------|------------|
| | 27,488,000 | 25,135,000 | 52,623,000 |
|--|------------|------------|------------|

The general fund receives all income earned by the treasurer's fund.

Assumptions: Balances available for investment (excluding proceeds from tax anticipation notes) will decline gradually over the biennium. Interest earned on the treasurer's fund averages 10% in fiscal 1984 and 9.5% in fiscal 1985. On September 1 of each year, \$47 million of tax anticipation notes will be sold.

1 Coal Trust Interest

| | | | |
|---|------------|------------|------------|
| 2 | 18,426,000 | 24,175,000 | 42,601,000 |
|---|------------|------------|------------|

3 Assumptions: The constitutional trust fund continues to
4 receive 50% of coal severance tax revenues. After depositing
5 15% of interest income in the trust, the remaining 85% will
6 be transferred to the general fund.

7 Insurance Premium Tax

| | | | |
|---|------------|------------|------------|
| 8 | 14,591,000 | 15,292,000 | 29,883,000 |
|---|------------|------------|------------|

9 Insurance companies are required to pay a tax equal to
10 2.75% of net premiums on policies sold in Montana.

11 Assumption: The State Auditor's Office will alter its
12 accounting methods for deposits of insurance premium taxes
13 to conform to generally accepted accounting principles.

14 Liquor Profits

| | | | |
|----|-----------|-----------|------------|
| 15 | 5,800,000 | 6,085,000 | 11,885,000 |
|----|-----------|-----------|------------|

16 Assumption: The Liquor Division makes no change in its
17 markup formula.

18 Oil Severance Tax

| | | | |
|----|------------|------------|------------|
| 19 | 41,344,000 | 39,202,000 | 80,546,000 |
|----|------------|------------|------------|

20 Crude oil production is taxed at the rate of 6% on total
21 gross value. The tax paid on increased production in a
22 county during a fiscal year is remitted to that county; the
23 remainder of the tax is deposited in the state's general
24 fund.

25 Assumptions: With average price constant at \$25.00 per

1 barrel, taxable production declines at a 5% annual rate from
2 the 30 million level projected for fiscal 1983.

3 Inheritance Taxes

| | | | |
|---|-----------|-----------|------------|
| 4 | 6,444,000 | 6,831,000 | 13,275,000 |
|---|-----------|-----------|------------|

5 Institution Reimbursement

| | | | |
|---|------------|------------|------------|
| 6 | 11,994,000 | 13,675,000 | 25,669,000 |
|---|------------|------------|------------|

7 State institutions providing patient care receive partial
8 reimbursement for costs associated with that care from
9 patients' private resources, insurance companies, and
10 Medicaid.

11 Assumption: Medicaid reimbursement rates equal those
12 projected by the Department of Social and Rehabilitation
13 Services.

14 Liquor Excise Tax

| | | | |
|----|-----------|-----------|------------|
| 15 | 7,087,000 | 7,546,000 | 14,633,000 |
|----|-----------|-----------|------------|

16 Wine Tax

| | | | |
|----|---------|---------|-----------|
| 17 | 845,000 | 845,000 | 1,690,000 |
|----|---------|---------|-----------|

18 Metal Mines Tax

| | | | |
|----|-----------|---------|-----------|
| 19 | 1,112,000 | 850,000 | 1,962,000 |
|----|-----------|---------|-----------|

20 Electrical Energy Tax

| | | | |
|----|-----------|-----------|-----------|
| 21 | 1,542,000 | 2,081,000 | 3,623,000 |
|----|-----------|-----------|-----------|

22 Drivers' License Fees

| | | | |
|----|---------|---------|-----------|
| 23 | 846,000 | 863,000 | 1,709,000 |
|----|---------|---------|-----------|

24 Telephone Tax

| | | | |
|----|-----------|-----------|-----------|
| 25 | 2,400,000 | 2,161,000 | 4,561,000 |
|----|-----------|-----------|-----------|

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| | | | | |
|----|--------------------|---------------|---------------|---------------|
| 1 | Beer License Tax | | | |
| 2 | | 1,239,000 | 1,245,000 | 2,484,000 |
| 3 | Natural Gas Tax | | | |
| 4 | | 3,299,000 | 4,017,000 | 7,316,000 |
| 5 | Freight Line Tax | | | |
| 6 | | 1,627,000 | 1,790,000 | 3,417,000 |
| 7 | Other Revenues | | | |
| 8 | | 10,892,000 | 11,836,000 | 22,728,000 |
| 9 | | | | |
| 10 | General Fund Total | | | |
| 11 | | \$335,190,000 | \$358,032,000 | \$693,222,000 |

12 BE IT FURTHER RESOLVED, that a general fund balance of
13 \$56,300,000 is anticipated at the beginning of fiscal 1984.
14 This includes an expected \$32 million reversion to the
15 general fund from the school foundation account.

-End-

Approved by committee
on Taxation

HOUSE JOINT RESOLUTION NO. 33

INTRODUCED BY RAMIREZ, KEMMIS, MARKS, VINCENT

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA, ESTABLISHING THE
STATE'S ANTICIPATED REVENUE FOR EACH YEAR OF THE SUCCEEDING
BIENNIUM FOR PURPOSES OF ACHIEVING THE BALANCED BUDGET
MANDATED BY ARTICLE VIII, SECTION 9, OF THE MONTANA
CONSTITUTION.

WHEREAS, Article VI, section 9, of the Montana
Constitution requires the Governor to submit to the
Legislature a budget for the ensuing fiscal period,
including in that budget the estimated revenue of the State;
and

WHEREAS, Article VIII, section 9, of the Montana
Constitution requires that the Legislature may not
appropriate money exceeding anticipated revenue; and

WHEREAS, 5-12-302(2) requires the Legislative Fiscal
Analyst to estimate revenue and 17-7-123(1) requires the
Governor to submit a budget summary with a balance between
total disbursements and total anticipated receipts; and

WHEREAS, due to today's fluctuating worldwide economy,
changing economic conditions, and the diverse sources of
state revenues, it has become increasingly difficult to

project revenues to prepare a balanced budget for the
ensuing biennium; and

WHEREAS, past Legislatures have not agreed on revenue
projections until the last days of a session when there is
very little time for analysis or reasoned criticism; and

WHEREAS, the State's revenue projections have
previously been arrived at by a process in which only a few
Legislators and individuals in government were involved; and

WHEREAS, Article II, section 8, of the Montana
Constitution guarantees to the people the right to
participate in governmental decisions, and Article II,
section 9, of the Montana Constitution guarantees to the
people the right to observe all deliberations; and

WHEREAS, it is in the best interests of all the people
that all aspects of government be open and public, thereby
encouraging public scrutiny and participation in the
process; and

WHEREAS, it is in the best interests of the State that
revenue forecasts be arrived at in public hearings wherein
all may attend and participate.

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

That the State's special revenue for fiscal years 1984
and 1985 is estimated to be:

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| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|----------------------------------|--|-----------------------------|------------------------|------------------------|------------|
| Department of Justice | | | | | |
| 02013 | Law Enforcement Academy Fees | 10,541 | 65,154 | 67,530 | 132,684 |
| 02014 | Casualty Insurance Proceeds | 2,657 | 25,000 | 25,000 | 50,000 |
| 02015 | Criminal Lab Sales Revenue | 3,390 | 1,500 | 1,500 | 3,000 |
| 02016 | A. G. Teletype Sys. User Fees | 23,711 | 171,688 | 188,857 | 360,545 |
| 02017 | Drivers License Collections | (3,410) | 46,000 | 46,000 | 92,000 |
| 02018 | Driver Rehabilitation Program Fees | 35,316 | 36,500 | 36,500 | 73,000 |
| 02019 | Montana Highway Patrol ID Card | (264) | 2,000 | 2,000 | 4,000 |
| 02404 | Motor Vehicle Registration Fees | 1,292,279 | 3,059,750 | 3,084,750 | 6,144,500 |
| 02804 | Escheated Estates | 443 | 19,500 | 19,500 | 39,000 |
| Montana Arts Council | | | | | |
| 02805 | Montana Folklife Project - Coal Tax | 27,337 | 24,512 | 24,512 | 49,024 |
| Library Commission | | | | | |
| 02405 | State Library - Coal Tax | (137,958) | 502,000 | 620,000 | 1,122,000 |
| Historical Society | | | | | |
| 02020 | Merchandise Profits | 4,748 | -0- | -0- | -0- |
| 02406 | Cultural & Aesthetic Projects - Coal Tax | 329,075 | 276,184 | 276,184 | 552,368 |
| Board of Regents | | | | | |
| 02022 | Regents Coal Tax Fund Interest | 700,333 | 1,290,624 | 1,699,145 | 2,989,769 |
| Dept. of Fish, Wildlife, & Parks | | | | | |
| 02023 | Casualty Insurance Proceeds | 4,650 | -0- | -0- | -0- |
| 02407 | Snowmobile Fuel Tax | (2,928) | 200,050 | 200,050 | 400,100 |
| 02408 | Coal Tax Trust Interest | 825,048 | 815,000 | 1,072,000 | 1,887,000 |
| 02409 | FW&P General License Fees | 5,803,382 | 13,056,884 | 15,116,884 | 28,173,768 |
| 02410 | Real Estate Trust Interest | 200 | 10,000 | 20,000 | 30,000 |
| 02411 | State Parks Camping Fees, Etc. | 196,304 | 321,600 | 326,060 | 647,660 |
| 02412 | Motor Fuel Tax for State Parks | (25,552) | 360,091 | 360,091 | 720,182 |
| 02413 | F & G Motorboat ID Fees | 27,031 | 44,385 | 44,385 | 88,770 |
| 02414 | Snowmobile Registration | 38,278 | 35,004 | 35,004 | 70,008 |
| 02415 | License Fees for Site Acquisition | 892,905 | 488,000 | 518,000 | 1,006,000 |
| 02416 | Fines for Wardens' Retirement | 48,270 | 250,000 | 250,000 | 500,000 |

STATE SPECIAL REVENUE

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| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|------------------------------|---|-----------------------------|------------------------|------------------------|-------------|
| 02047 | Commissioner of Political Practices Photocopy Fees | \$ -0- | \$ 750 | \$ 750 | \$ 1,500 |
| Legislative Council | | | | | |
| 02800 | Sales of Montana Code Annotated | 593,590 | 436,989 | 436,989 | 873,978 |
| Consumer Counsel | | | | | |
| 20801 | Consumer Counsel Tax | 220,649 | 561,081 | 561,081 | 1,122,162 |
| State Auditor's Office | | | | | |
| 02401 | Portion of Insurance Taxes to Pensions | 725,000 | 3,610,000 | 3,837,000 | 7,447,000 |
| 02802 | Tax on Fire Insurance Premiums | 1,924,378 | 800,000 | 800,000 | 1,600,000 |
| 02803 | Central Payroll Operating | 28,161 | 200,000 | 200,000 | 400,000 |
| Office of Public Instruction | | | | | |
| 02001 | School Lunch Program Reimbursements | 31,024 | 47,475 | 47,475 | 94,950 |
| 02002 | Traffic Ed. Mobile Simulator Fees | 10,939 | 7,276 | 7,276 | 14,552 |
| 02003 | Billings Vo-Tech-Millage | 105,752 | 301,540 | 301,540 | 603,080 |
| 02004 | Butte Vo-Tech-Millage | 199 | 78,355 | 78,355 | 156,710 |
| 02005 | Great Falls Vo-Tech-Millage | 16,925 | 146,522 | 146,522 | 293,044 |
| 02006 | Helena Vo-Tech-Millage | 24,848 | 90,324 | 90,324 | 180,648 |
| 02007 | Missoula Vo-Tech-Millage | 20,027 | 205,724 | 205,724 | 411,448 |
| 02037 | Billings Vo-Tech-Tuition | 67,079 | 264,353 | 264,353 | 528,706 |
| 02038 | Butte Vo-Tech-Tuition | 31,344 | 155,364 | 155,364 | 310,728 |
| 02039 | Great Falls Vo-Tech-Tuition | 45,840 | 198,109 | 198,109 | 396,218 |
| 02040 | Helena Vo-Tech-Tuition | 94,559 | 278,937 | 278,937 | 557,874 |
| 02041 | Missoula Vo-Tech-Tuition | 55,760 | 277,315 | 277,315 | 554,630 |
| 02402 | Fines & Fees for Traffic Education | 1,600,262 | 1,580,000 | 1,580,000 | 3,160,000 |
| 02403 | Public School Equalization Revenue | 6,350,000 | 114,060,000 | 122,510,000 | 236,570,000 |
| 02456 | Rentals from Audiovisual Materials | 27,426 | 160,000 | 160,000 | 320,000 |
| 02457 | Sales of Resources/Assessment Materials | (7,917) | 10,000 | 10,000 | 20,000 |

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| <u>Administrative Agency</u> | | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|------------------------------|---|---|--------------------------------------|--------------------------------------|-----------------|
| Department of Revenue | | | | | |
| 02025 | Unclaimed Property Sales | 238 | 48,502 | 49,313 | 97,815 |
| 02027 | RIT Fund Interest | 408,476 | 2,294,265 | 2,294,265 | 4,588,530 |
| 02046 | Corp. Tax for Counties | 3,621,705 | 3,639,179 | 3,639,179 | 7,278,358 |
| 02441 | Cigarette Licenses | (2,795) | 17,000 | 17,000 | 34,000 |
| 02442 | Beer Tax to Cities & Towns | 2,861,004 | 2,966,000 | 3,075,000 | 6,041,000 |
| 02443 | University Millage | (476,693) | 13,520,758 | 14,118,758 | 27,639,516 |
| 02807 | Public Campaign Fund | 8,837 | 4,111 | 4,111 | 8,222 |
| Department of Administration | | | | | |
| 02030 | Architecture & Engineering Fees | 64,232 | 473,932 | 473,911 | 947,843 |
| 02043 | Merit System Council Revenue | 13,084 | -0- | -0- | -0- |
| 02447 | Worker's Comp. Trust Earnings | 1,949 | 305,705 | 293,661 | 599,366 |
| 02448 | Construction Regulation Fees | 274,563 | 965,970 | 923,796 | 1,889,766 |
| Department of Agriculture | | | | | |
| 02452 | Commercial Fertilizer Assessment & Fees | 113,965 | 127,500 | 127,500 | 255,000 |
| 02453 | Grain Inspection & Testing Fees | 14,553 | 439,000 | 439,000 | 878,000 |
| 02454 | Commercial Feed Registration & Insp. Fees | 45,506 | 93,600 | 93,600 | 187,200 |
| 02461 | Alfalfa Seed Assessment | 14,000 | 37,000 | 40,000 | 77,000 |
| Department of Institutions | | | | | |
| 02034 | Liquor Taxes for Alcoholism Treatment | 1,646,467 | 3,869,000 | 4,057,000 | 7,926,000 |
| 02839 | Casualty Insurance Proceeds | 155,191 | -0- | -0- | -0- |
| 02846 | Dept. of Inst. Canteens | 223,482 | 568,159 | 620,157 | 1,188,316 |
| Mountain View School | | | | | |
| 02045 | Staff Development Program Revenue | 1,260 | -0- | -0- | -0- |

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| <u>Administrative Agency</u> | | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|--------------------------------------|---------------------------------------|---|--------------------------------------|--------------------------------------|-----------------|
| Dept. Health & Environmental Science | | | | | |
| 02417 | Env. Quality Variance Review Fees | 121,633 | 100,000 | 100,000 | 200,000 |
| 02418 | Subdivision Plat Review Fees | 42,373 | 220,000 | 220,000 | 440,000 |
| 02419 | Birth & Death Certificate Fees | 2,936 | 85,500 | 85,500 | 171,000 |
| 02420 | Water Treatment Certification Fees | 21,756 | 22,700 | 22,700 | 45,400 |
| 02421 | Water Testing Fees | 766 | 61,000 | 61,000 | 122,000 |
| 02806 | Environmental Fees - EIS | (329) | 50,000 | 50,000 | 100,000 |
| 02845 | Junk Vehicle Disposal Fees | 1,670,159 | 990,000 | 990,000 | 1,980,000 |
| Department of Highways | | | | | |
| 02422 | Fuel Tax and GVW Fees | 41,219,000 | 67,200,000 | 66,678,000 | 133,878,000 |
| 02423 | Highway Improvement - Coal Tax | 6,866,276 | -0- | -0- | -0- |
| 02424 | Highway Reconstruction Revenue | 3,461,137 | -0- | -0- | -0- |
| 02459 | Central Stores Sales Revenue | 11,656,647 | 14,346,844 | 14,346,844 | 28,693,688 |
| Department of State Lands | | | | | |
| 02031 | Sale of Nursery Products | (11,570) | 154,000 | 154,000 | 308,000 |
| 02032 | RIT Interest for Forests | 4,450 | 685,929 | 683,370 | 1,369,299 |
| 02033 | RIT Interest for Reclamation | 683,379 | 579,604 | 579,604 | 1,159,208 |
| 02449 | Timber Cutting Charge | 48,902 | 304,000 | 304,000 | 608,000 |
| 02450 | Earnings fm State Lands for Res. Dev. | 1,231,945 | 240,000 | 240,000 | 480,000 |
| 02451 | Hardrock Mining Fees | 46,915 | 5,000 | 5,000 | 10,000 |
| 02837 | Slash & Brush Disposal Charges | 124,621 | 308,549 | 308,549 | 617,098 |
| 02838 | Env. Impact Statement Fees | 2,195,596 | 1,000,000 | 1,000,000 | 2,000,000 |
| Department of Livestock | | | | | |
| 02425 | Inspection & Control Fees & Licenses | 1,589,203 | 1,897,713 | 1,872,713 | 3,770,426 |
| 02426 | Emergency Transfers from 02427 | 108,188 | 12,000 | 12,000 | 24,000 |
| 02427 | Livestock Taxes & Fees | 649,253 | 918,732 | 918,732 | 1,837,464 |
| Dept. of Natural Resources & Conser. | | | | | |
| 02024 | DNR Resource Indemnity Trust Interest | 363,705 | 1,228,940 | 2,286,394 | 3,515,334 |
| 02428 | Major Facility Siting Fees | 157,814 | 1,000,224 | 1,000,224 | 2,000,448 |
| 02429 | Weather Modification Permit Fees | 4,339 | -0- | -0- | -0- |
| 02430 | Water Right Appropriation Fees | 360,413 | 90,000 | 90,000 | 180,000 |
| 02431 | Water Adjudication Fees | 1,320 | 1,907,806 | 2,106,284 | 4,014,090 |
| 02432 | Oil & Gas Conservation Tax | 535,749 | 792,241 | 858,241 | 1,650,482 |
| 02433 | Grazing District Fees | 81 | 10,003 | 10,003 | 20,006 |
| 02434 | Conservation Districts - Coal Tax | (83,629) | 251,000 | 310,000 | 561,000 |
| 02435 | Water Project Revenue & RIT Interest | 1,731,036 | 1,528,088 | 1,753,303 | 3,281,391 |
| 02436 | Renewable Resources - Coal Tax | 2,277,919 | 1,000,020 | 1,000,020 | 2,000,040 |
| 02437 | Alt. Energy Dev. - Coal Tax | 1,883,543 | 2,415,000 | 2,788,000 | 5,203,000 |

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| <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|---|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| Subtotals | \$121,209,057 | \$291,475,213 | \$307,887,147 | \$599,362,360 |
| The following accounts receive revenues from transfers within state government: | | | | |
| 02042 Legislative Auditor Legislative Audit Fees | 147,373 | 858,913 | 830,565 | 1,689,478 |
| 02400 Secretary of State's Office Administrative Rules | 21,462 | 108,640 | 114,072 | 222,712 |
| 02028 Department of Commerce Charges to Licens. Bds. for Adm.Serv. | 511 | 246,000 | 246,000 | 492,000 |
| 02440 Dept. of Social & Rehabilitation Services Transfer from Workers' Comp. | 428,590 | 359,200 | 387,900 | 747,100 |
| Subtotals | 597,936 | 1,572,753 | 1,578,537 | 3,151,290 |
| Total State Special Revenue | \$121,806,993 | \$293,047,966 | \$309,465,684 | \$602,513,650 |

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| <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|--|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| Department of Commerce | | | | |
| 02029 Board of Horse Racing Fees | 123,698 | 220,000 | 220,000 | 440,000 |
| 02444 County Land Planning - Coal Tax | 412,000 | 502,000 | 620,000 | 1,122,000 |
| 02445 Local Impact - Coal Tax | 8,208,150 | 8,788,000 | 10,841,000 | 19,629,000 |
| 02446 Board of Psychologists Fees | 3,916 | 12,500 | 12,900 | 25,400 |
| 02808 Board of Landscape Architects Fees | 5,391 | 6,060 | 6,060 | 12,120 |
| 02809 Board of Speech Pathologists Fees | 9,937 | 9,000 | 7,000 | 16,000 |
| 02810 Board of Radiologic Technologists Fees | 5,963 | 4,550 | 11,250 | 15,800 |
| 02812 Physical Therapists Fees | 6,716 | 9,500 | 9,500 | 19,000 |
| 02813 Board of Nursing Home Admin. Fees | 19,395 | 18,800 | 18,800 | 37,600 |
| 02814 Board of Hearing Aid Dispensers Fees | 8,127 | 5,100 | 5,200 | 10,300 |
| 02815 Board of Public Accountants Fees | 93,584 | 110,000 | 110,000 | 220,000 |
| 02816 Board of Sanitarians Fees | 7,665 | 4,650 | 4,700 | 9,350 |
| 02817 Milk Control Board Fees | 127,987 | 237,000 | 237,000 | 474,000 |
| 02818 Electrical Board Fees | 111,570 | 31,625 | 31,625 | 63,250 |
| 02819 Real Estate Fees | 75,837 | 220,600 | 220,600 | 441,200 |
| 02820 Board of Architects Fees | 43,329 | 35,535 | 35,535 | 71,070 |
| 02821 Board of Morticians Fees | 17,089 | 14,800 | 14,800 | 29,600 |
| 02822 Board of Chiropractors Fees | (531) | 13,000 | 13,000 | 26,000 |
| 02823 Professional Engineers Fees | 74,645 | 108,160 | 108,160 | 216,320 |
| 02824 Board of Medical Examiners Fees | 220,729 | 95,350 | 95,350 | 190,700 |
| 02825 Water Well Contractors Fees | 7,533 | 24,000 | 24,000 | 48,000 |
| 02826 Cosmetology Board Fees | 29,829 | 100,025 | 100,025 | 200,050 |
| 02827 Aeronautics Division Fees | 463,654 | 686,681 | 686,681 | 1,373,362 |
| 02828 Board of Plumbers Fees | 23,907 | 68,200 | 68,200 | 136,400 |
| 02829 Private Investigators Fees | 5,809 | 4,200 | 4,200 | 8,400 |
| 02830 Board of Dentists Fees | 13,296 | 35,100 | 35,100 | 70,200 |
| 02831 Board of Optometrists Fees | 25,948 | 13,400 | 13,400 | 26,800 |
| 02832 Board of Pharmacy Fees | 35,318 | 84,300 | 84,300 | 168,600 |
| 02833 Board of Nursing Fees | 191,529 | 141,800 | 141,800 | 283,600 |
| 02834 Board of Veterinarians Fees | 20,458 | 18,900 | 18,900 | 37,800 |
| 02835 Board of Barbers Fees | 21,885 | 23,200 | 23,200 | 46,400 |
| Dept. of Labor & Industry | | | | |
| 02036 Private Employment Agency License Fees | 254 | 2,800 | 2,800 | 5,600 |
| Labor & Industry - Worker's Comp. | | | | |
| 02455 Worker's Comp. Assessments and Fines | 778,259 | 6,480,263 | 6,780,263 | 13,260,526 |

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BE IT FURTHER RESOLVED, that the State's general fund revenue for fiscal years 1984 and 1985 is estimated to total \$693,222,000 \$713,257,000. This total is based upon the assumptions and projections set forth below. Projections are made by category and by year.

GENERAL FUND REVENUE

The projection of total general fund revenue reflects the slowing of economic growth, particularly in the area of natural resource development, forecast for the next biennium. In projecting revenues, a modest economic recovery is assumed to begin in 1983, causing increases in personal and corporate income. Little growth will be recorded in statewide employment, and inflation will average 6% annually during the biennium.

General Fund Revenue

| Category | Fiscal 1984 | Fiscal 1985 | Biennium |
|-----------------------|---------------|---------------|---------------|
| Individual Income Tax | \$110,474,000 | \$117,075,000 | \$227,549,000 |

This category contains 64% of total projected individual income tax collections.

Long-range Bond Excess

| | | |
|------------|------------|------------|
| 25,496,000 | 27,351,000 | 52,847,000 |
| 26,666,000 | 28,856,000 | 55,522,000 |

The long-range bond sinking account receives 11% of individual and corporation taxes, 73% of cigarette taxes,

the tobacco products tax, and interest on the fund balance. After payments and reserve requirements are met, the excess remaining is transferred to the general fund.

Corporation Tax

| | | |
|------------|------------|------------|
| 24,999,000 | 27,429,000 | 52,428,000 |
| 24,834,000 | 29,259,000 | 54,093,000 |

This category contains 64% of total projected corporation license tax collections.

Coal Severance Tax

| | | |
|------------|------------|------------|
| 17,245,000 | 22,548,000 | 39,793,000 |
| 17,994,000 | 22,965,000 | 40,959,000 |

Nineteen percent of total coal severance tax revenues is deposited in the general fund.

Assumptions: From the 26-million-ton level of fiscal 1983, taxable coal production rises to 27-million tons in fiscal 1984 and 31-million tons in fiscal 1985. Average price escalates at the rate of approximately 13% annually due partially to higher royalty rates. THE HOUSE TAXATION COMMITTEE RECOMMENDED AS A REASONABLE REVENUE ESTIMATE IN THIS AREA THAT THE LEGISLATURE ACCEPT A FIGURE THAT SPLITS THE DIFFERENCE BETWEEN ESTIMATES BY THE LEGISLATIVE FISCAL ANALYSIS AND THE OFFICE OF BUDGET AND PROGRAM PLANNING.

Interest on Investments

| | | |
|------------|------------|------------|
| 27,488,000 | 25,135,000 | 52,623,000 |
| 30,567,000 | 30,567,000 | 61,134,000 |

1 The general fund receives all income earned by the
2 treasurer's fund.

3 Assumptions: Balances available for investment (excluding
4 proceeds from tax anticipation notes) will decline gradually
5 REMAIN CONSTANT AT \$264 MILLION over the biennium. Interest
6 earned on the treasurer's fund averages 10% in fiscal 1984
7 and 9.5% 10% in fiscal 1985. On September 1 of each year,
8 \$47.5 million of tax anticipation notes will be sold.

9 Coal Trust Interest

| | | | |
|----|------------|------------|------------|
| 10 | 18,426,000 | 24,175,000 | 42,601,000 |
|----|------------|------------|------------|

11 Assumptions: The constitutional trust fund continues to
12 receive 50% of coal severance tax revenues. After depositing
13 15% of interest income in the trust, the remaining 85% will
14 be transferred to the general fund.

15 Insurance Premium Tax

| | | | |
|----|------------|------------|------------|
| 16 | 14,591,000 | 15,292,000 | 29,883,000 |
|----|------------|------------|------------|

| | | | |
|----|------------|------------|------------|
| 17 | 14,242,000 | 14,887,000 | 29,129,000 |
|----|------------|------------|------------|

18 Insurance companies are required to pay a tax equal to
19 2.75% of net premiums on policies sold in Montana.

20 Assumption: The State Auditor's Office will alter its
21 accounting methods for deposits of insurance premium taxes
22 to conform to generally accepted accounting principles.

23 Liquor Profits

| | | | |
|----|-----------|-----------|------------|
| 24 | 5,800,000 | 6,085,000 | 11,885,000 |
|----|-----------|-----------|------------|

| | | | |
|----|-----------|-----------|------------|
| 25 | 5,707,000 | 5,988,000 | 11,695,000 |
|----|-----------|-----------|------------|

1 Assumption: The Liquor Division makes no change in its
2 markup formula.

3 Oil Severance Tax

| | | | |
|---|------------|------------|------------|
| 4 | 41,344,800 | 39,202,800 | 80,546,800 |
|---|------------|------------|------------|

| | | | |
|---|------------|------------|------------|
| 5 | 42,232,000 | 42,602,000 | 84,834,000 |
|---|------------|------------|------------|

6 Crude oil production is taxed at the rate of 6% on
7 total gross value. The tax paid on increased production in a
8 county during a fiscal year is remitted to that county; the
9 remainder of the tax is deposited in the state's general
10 fund.

11 Assumptions: With average price constant at \$25.00 per
12 barrel, taxable production declines at a 5% annual rate from
13 the 30-million-level projected for fiscal 1983 IS ASSUMED TO
14 BE 29.7 MILLION BARRELS FOR FISCAL 1984 AND 29.9 MILLION
15 BARRELS FOR FISCAL 1985. THIS REPRESENTS A 2% DECLINE OVER
16 THE BIENNIUM FROM THE 1982 LEVELS.

17 Inheritance Taxes

| | | | |
|----|-----------|-----------|------------|
| 18 | 6,444,000 | 6,031,000 | 12,475,000 |
|----|-----------|-----------|------------|

| | | | |
|----|-----------|-----------|------------|
| 19 | 6,137,000 | 7,182,000 | 13,319,000 |
|----|-----------|-----------|------------|

20 Institution Reimbursement

| | | | |
|----|------------|------------|------------|
| 21 | 11,994,000 | 13,675,000 | 25,669,000 |
|----|------------|------------|------------|

| | | | |
|----|------------|------------|------------|
| 22 | 12,451,000 | 14,490,000 | 26,941,000 |
|----|------------|------------|------------|

23 State institutions providing patient care receive
24 partial reimbursement for costs associated with that care
25 from patients' private resources, insurance companies, and

| | | | | |
|----|--|-----------|-----------|------------|
| 1 | Medicaid. | | | |
| 2 | Assumption: Medicaid reimbursement rates equal those | | | |
| 3 | projected by the Department of Social and Rehabilitation | | | |
| 4 | Services. | | | |
| 5 | Liquor Excise Tax | | | |
| 6 | | 7,087,000 | 7,546,000 | 14,633,000 |
| 7 | | 7,205,000 | 7,582,000 | 14,787,000 |
| 8 | Vine Tax | | | |
| 9 | | 845,000 | 845,000 | 1,690,000 |
| 10 | | 926,000 | 942,000 | 1,868,000 |
| 11 | Metal Mines Tax | | | |
| 12 | | 1,112,000 | 850,000 | 1,962,000 |
| 13 | | 1,583,000 | 1,049,000 | 2,532,000 |
| 14 | Electrical Energy Tax | | | |
| 15 | | 1,542,000 | 2,081,000 | 3,623,000 |
| 16 | | 1,824,000 | 1,860,000 | 3,684,000 |
| 17 | Drivers' License Fees | | | |
| 18 | | 846,000 | 863,000 | 1,709,000 |
| 19 | | 919,000 | 937,000 | 1,856,000 |
| 20 | Telephone Tax | | | |
| 21 | | 2,400,000 | 2,161,000 | 4,561,000 |
| 22 | | 2,551,000 | 2,767,000 | 5,318,000 |
| 23 | Beer License Tax | | | |
| 24 | | 1,239,000 | 1,245,000 | 2,484,000 |
| 25 | | 1,255,000 | 1,267,000 | 2,522,000 |

| | | | | |
|----|---|---------------|---------------|---------------|
| 1 | Natural Gas Tax | | | |
| 2 | | 3,299,000 | 4,017,000 | 7,316,000 |
| 3 | | 3,083,000 | 3,442,000 | 6,525,000 |
| 4 | Freight Line Tax | | | |
| 5 | | 1,627,000 | 1,790,000 | 3,417,000 |
| 6 | | 1,642,000 | 1,815,000 | 3,457,000 |
| 7 | Other Revenues | | | |
| 8 | | 10,892,000 | 11,036,000 | 22,728,000 |
| 9 | | 10,745,000 | 11,580,000 | 22,325,000 |
| 10 | | ----- | ----- | ----- |
| 11 | General Fund Total | | | |
| 12 | | \$335,190,000 | \$358,032,000 | \$693,222,000 |
| 13 | | \$341,963,000 | \$371,294,000 | \$713,257,000 |
| 14 | BE IT FURTHER RESOLVED, that a general fund balance of | | | |
| 15 | \$56,300,000 is anticipated at the beginning of | | | |
| 16 | fiscal 1984. This includes an expected \$32 million reversion | | | |
| 17 | to the general fund from the school foundation account. | | | |

-End-

HOUSE JOINT RESOLUTION NO. 33

INTRODUCED BY RAMIREZ, KEMMIS, MARKS, VINCENT

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING ESTIMATING THE STATE'S ANTICIPATED REVENUE FOR EACH YEAR OF THE SUCCEEDING BIENNIUM FOR PURPOSES OF ACHIEVING THE BALANCED BUDGET MANDATED BY ARTICLE VIII, SECTION 9, OF THE MONTANA CONSTITUTION.

WHEREAS, Article VI, section 9, of the Montana Constitution requires the Governor to submit to the Legislature a budget for the ensuing fiscal period, including in that budget the estimated revenue of the State; and

WHEREAS, Article VIII, section 9, of the Montana Constitution requires that the Legislature may not appropriate money exceeding anticipated revenue; and

WHEREAS, 5-12-302(2) requires the Legislative Fiscal Analyst to estimate revenue and 17-7-123(1) requires the Governor to submit a budget summary with a balance between total disbursements and total anticipated receipts; and

WHEREAS, due to today's fluctuating worldwide economy, changing economic conditions, and the diverse sources of state revenues, it has become increasingly difficult to

project revenues to prepare a balanced budget for the ensuing biennium; and

WHEREAS, past Legislatures have not agreed on revenue projections until the last days of a session when there is very little time for analysis or reasoned criticism; and

WHEREAS, the State's revenue projections have previously been arrived at by a process in which only a few Legislators and individuals in government were involved; and

WHEREAS, Article II, section 8, of the Montana Constitution guarantees to the people the right to participate in governmental decisions, and Article II, section 9, of the Montana Constitution guarantees to the people the right to observe all deliberations; and

WHEREAS, it is in the best interests of all the people that all aspects of government be open and public, thereby encouraging public scrutiny and participation in the process; and

WHEREAS, it is in the best interests of the State that revenue forecasts be arrived at in public hearings wherein all may attend and participate.

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

That the State's STATE special revenue for fiscal years 1984 and 1985 is estimated to be:

| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|----------------------------------|--|-----------------------------|------------------------|------------------------|------------|
| Department of Justice | | | | | |
| 02013 | Law Enforcement Academy Fees | 10,541 | 65,154 | 67,530 | 132,684 |
| 02014 | Casualty Insurance Proceeds | 2,657 | 25,000 | 25,000 | 50,000 |
| 02015 | Criminal Lab Sales Revenue | 3,390 | 1,500 | 1,500 | 3,000 |
| 02016 | A. G. Teletype Sys. User Fees | 23,711 | 171,688 | 188,857 | 360,545 |
| 02017 | Drivers License Collections | (3,410) | 46,000 | 46,000 | 92,000 |
| 02018 | Driver Rehabilitation Program Fees | 35,316 | 36,500 | 36,500 | 73,000 |
| 02019 | Montana Highway Patrol ID Card | (264) | 2,000 | 2,000 | 4,000 |
| 02404 | Motor Vehicle Registration Fees | 1,292,279 | 3,059,750 | 3,064,750 | 6,144,500 |
| 02804 | Escheated Estates | 443 | 19,500 | 19,500 | 39,000 |
| Montana Arts Council | | | | | |
| 02805 | Montana Folklife Project - Coal Tax | 27,337 | 24,512 | 24,512 | 49,024 |
| Library Commission | | | | | |
| 02405 | State Library - Coal Tax | (137,958) | 502,000 | 620,000 | 1,122,000 |
| Historical Society | | | | | |
| 02020 | Merchandise Profits | 4,748 | -0- | -0- | -0- |
| 02406 | Cultural & Aesthetic Projects - Coal Tax | 329,075 | 276,184 | 276,184 | 552,368 |
| Board of Regents | | | | | |
| 02022 | Regents Coal Tax Fund Interest | 700,333 | 1,290,624 | 1,699,145 | 2,989,769 |
| Dept. of Fish, Wildlife, & Parks | | | | | |
| 02023 | Casualty Insurance Proceeds | 4,650 | -0- | -0- | -0- |
| 02407 | Snowmobile Fuel Tax | (2,928) | 200,050 | 200,050 | 400,100 |
| 02408 | Coal Tax Trust Interest | 825,048 | 815,000 | 1,072,000 | 1,887,000 |
| 02409 | FW&P General License Fees | 5,803,382 | 13,056,884 | 15,116,884 | 28,173,768 |
| 02410 | Real Estate Trust Interest | 200 | 10,000 | 20,000 | 30,000 |
| 02411 | State Parks Camping Fees, Etc. | 196,304 | 321,600 | 326,060 | 647,660 |
| 02412 | Motor Fuel Tax for State Parks | (25,552) | 360,091 | 360,091 | 720,182 |
| 02413 | F & G Motorboat ID Fees | 27,031 | 44,385 | 44,385 | 88,770 |
| 02414 | Snowmobile Registration | 38,278 | 35,004 | 35,004 | 70,008 |
| 02415 | License Fees for Site Acquisition | 892,905 | 488,000 | 518,000 | 1,006,000 |
| 02416 | Fines for Wardens' Retirement | 48,270 | 250,000 | 250,000 | 500,000 |

STATE SPECIAL REVENUE

| Account Number | Administrative Agency | Fiscal 1983 End. Balance | Fiscal 1984 Revenue | Fiscal 1985 Revenue | Biennium |
|------------------------------|---|-----------------------------|------------------------|------------------------|-------------|
| 02047 | Commissioner of Political Practices Photocopy Fees | \$ -0- | \$ 750 | \$ 750 | \$ 1,500 |
| Legislative Council | | | | | |
| 02800 | Sales of Montana Code Annotated | 593,590 | 436,989 | 436,989 | 873,978 |
| Consumer Counsel | | | | | |
| 20801 | Consumer Counsel Tax | 220,649 | 561,081 | 561,081 | 1,122,162 |
| State Auditor's Office | | | | | |
| 02401 | Portion of Insurance Taxes to Pensions | 725,000 | 3,610,000 | 3,837,000 | 7,447,000 |
| 02802 | Tax on Fire Insurance Premiums | 1,924,378 | 800,000 | 800,000 | 1,600,000 |
| 02803 | Central Payroll Operating | 28,161 | 200,000 | 200,000 | 400,000 |
| Office of Public Instruction | | | | | |
| 02001 | School Lunch Program Reimbursements | 31,024 | 47,475 | 47,475 | 94,950 |
| 02002 | Traffic Ed. Mobile Simulator Fees | 10,839 | 7,276 | 7,276 | 14,552 |
| 02003 | Billings Vo-Tech-Millage | 105,752 | 301,540 | 301,540 | 603,080 |
| 02004 | Butte Vo-Tech-Millage | 199 | 78,355 | 78,355 | 156,710 |
| 02005 | Great Falls Vo-Tech-Millage | 16,925 | 146,522 | 146,522 | 293,044 |
| 02006 | Helena Vo-Tech-Millage | 24,848 | 90,324 | 90,324 | 180,648 |
| 02007 | Missoula Vo-Tech-Millage | 20,027 | 205,724 | 205,724 | 411,448 |
| 02037 | Billings Vo-Tech-Tuition | 67,079 | 264,353 | 264,353 | 528,706 |
| 02038 | Butte Vo-Tech-Tuition | 31,344 | 155,364 | 155,364 | 310,728 |
| 02039 | Great Falls Vo-Tech-Tuition | 45,840 | 198,109 | 198,109 | 396,218 |
| 02040 | Helena Vo-Tech-Tuition | 94,559 | 278,937 | 278,937 | 557,874 |
| 02041 | Missoula Vo-Tech-Tuition | 55,760 | 277,315 | 277,315 | 554,630 |
| 02402 | Fines & Fees for Traffic Education | 1,600,262 | 1,580,000 | 1,580,000 | 3,160,000 |
| 02403 | Public School Equalization Revenue | 6,350,000 | 114,060,000 | 122,510,000 | 236,570,000 |
| 02456 | Rentals from Audiovisual Materials | 27,428 | 160,000 | 160,000 | 320,000 |
| 02457 | Sales of Resources/Assessment Materials | (7,917) | 10,000 | 10,000 | 20,000 |

| | <u>Administrative Agency</u> | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|-------|---|---|--------------------------------------|--------------------------------------|-----------------|
| | Department of Revenue | | | | |
| 02025 | Unclaimed Property Sales | 238 | 48,502 | 49,313 | 97,815 |
| 02027 | RIT Fund Interest | 408,476 | 2,294,265 | 2,294,265 | 4,588,530 |
| 02046 | Corp. Tax for Counties | 3,621,705 | 3,639,179 | 3,639,179 | 7,278,358 |
| 02441 | Cigarette Licenses | (2,795) | 17,000 | 17,000 | 34,000 |
| 02442 | Beer Tax to Cities & Towns | 2,861,004 | 2,966,000 | 3,075,000 | 6,041,000 |
| 02443 | University Millage | (476,693) | 13,520,758 | 14,118,758 | 27,639,516 |
| 02807 | Public Campaign Fund | 8,837 | 4,111 | 4,111 | 8,222 |
| | Department of Administration | | | | |
| 02030 | Architecture & Engineering Fees | 64,232 | 473,932 | 473,911 | 947,843 |
| 02043 | Merit System Council Revenue | 13,084 | -0- | -0- | -0- |
| 02447 | Worker's Comp. Trust Earnings | 1,949 | 305,705 | 293,661 | 599,366 |
| 02448 | Construction Regulation Fees | 274,563 | 965,970 | 923,796 | 1,889,766 |
| | Department of Agriculture | | | | |
| 02452 | Commercial Fertilizer Assessment & Fees | 113,965 | 127,500 | 127,500 | 255,000 |
| 02453 | Grain Inspection & Testing Fees | 14,553 | 439,000 | 439,000 | 878,000 |
| 02454 | Commercial Feed Registration & Insp. Fees | 45,506 | 93,600 | 93,600 | 187,200 |
| 02461 | Alfalfa Seed Assessment | 14,000 | 37,000 | 40,000 | 77,000 |
| | Department of Institutions | | | | |
| 02034 | Liquor Taxes for Alcoholism Treatment | 1,646,467 | 3,869,000 | 4,057,000 | 7,926,000 |
| 02839 | Casualty Insurance Proceeds | 155,191 | -0- | -0- | -0- |
| 02846 | Dept. of Inst. Canteens | 223,482 | 568,159 | 620,157 | 1,188,316 |
| | Mountain View School | | | | |
| 02045 | Staff Development Program Revenue | 1,260 | -0- | -0- | -0- |

| | <u>Administrative Agency</u> | <u>Fiscal 1983</u> <u>End. Balance</u> | <u>Fiscal 1984</u> <u>Revenue</u> | <u>Fiscal 1985</u> <u>Revenue</u> | <u>Biennium</u> |
|-------|---------------------------------------|---|--------------------------------------|--------------------------------------|-----------------|
| | Dept. Health & Environmental Science | | | | |
| 02417 | Env. Quality Variance Review Fees | 121,633 | 100,000 | 100,000 | 200,000 |
| 02418 | Subdivision Plat Review Fees | 42,373 | 220,000 | 220,000 | 440,000 |
| 02419 | Birth & Death Certificate Fees | 2,936 | 85,500 | 85,500 | 171,000 |
| 02420 | Water Treatment Certification Fees | 21,756 | 22,700 | 22,700 | 45,400 |
| 02421 | Water Testing Fees | 766 | 61,000 | 61,000 | 122,000 |
| 02806 | Environmental Fees - EIS | (329) | 50,000 | 50,000 | 100,000 |
| 02845 | Junk Vehicle Disposal Fees | 1,670,159 | 990,000 | 990,000 | 1,980,000 |
| | Department of Highways | | | | |
| 02422 | Fuel Tax and GVW Fees | 41,219,000 | 67,200,000 | 66,678,000 | 133,878,000 |
| 02423 | Highway Improvement - Coal Tax | 6,866,276 | -0- | -0- | -0- |
| 02424 | Highway Reconstruction Revenue | 3,461,137 | -0- | -0- | -0- |
| 02459 | Central Stores Sales Revenue | 11,656,647 | 14,346,844 | 14,346,844 | 28,693,688 |
| | Department of State Lands | | | | |
| 02031 | Sale of Nursery Products | (11,570) | 154,000 | 154,000 | 308,000 |
| 02032 | RIT Interest for Forests | 4,450 | 685,929 | 683,370 | 1,369,299 |
| 02033 | RIT Interest for Reclamation | 683,379 | 579,604 | 579,604 | 1,159,208 |
| 02449 | Timber Cutting Charge | 48,902 | 304,000 | 304,000 | 608,000 |
| 02450 | Earnings fm State Lands for Res. Dev. | 1,231,945 | 240,000 | 240,000 | 480,000 |
| 02451 | Hardrock Mining Fees | 46,915 | 5,000 | 5,000 | 10,000 |
| 02837 | Slash & Brush Disposal Charges | 124,621 | 308,549 | 308,549 | 617,098 |
| 02838 | Env. Impact Statement Fees | 2,195,596 | 1,000,000 | 1,000,000 | 2,000,000 |
| | Department of Livestock | | | | |
| 02425 | Inspection & Control Fees & Licenses | 1,589,203 | 1,897,713 | 1,872,713 | 3,770,426 |
| 02426 | Emergency Transfers from 02427 | 108,188 | 12,000 | 12,000 | 24,000 |
| 02427 | Livestock Taxes & Fees | 649,253 | 918,732 | 918,732 | 1,837,464 |
| | Dept. of Natural Resources & Conser. | | | | |
| 02024 | DNR Resource Indemnity Trust Interest | 363,705 | 1,228,940 | 2,286,394 | 3,515,334 |
| 02428 | Major Facility Siting Fees | 157,814 | 1,000,224 | 1,000,224 | 2,000,448 |
| 02429 | Weather Modification Permit Fees | 4,339 | -0- | -0- | -0- |
| 02430 | Water Right Appropriation Fees | 360,413 | 90,000 | 90,000 | 180,000 |
| 02431 | Water Adjudication Fees | 1,320 | 1,907,806 | 2,106,284 | 4,014,090 |
| 02432 | Oil & Gas Conservation Tax | 535,749 | 792,241 | 858,241 | 1,650,482 |
| 02433 | Grazing District Fees | 81 | 10,003 | 10,003 | 20,006 |
| 02434 | Conservation Districts - Coal Tax | (83,629) | 251,000 | 310,000 | 561,000 |
| 02435 | Water Project Revenue & RIT Interest | 1,731,036 | 1,528,088 | 1,753,303 | 3,281,391 |
| 02436 | Renewable Resources - Coal Tax | 2,277,919 | 1,000,020 | 1,000,020 | 2,000,040 |
| 02437 | Alt. Energy Dev. - Coal Tax | 1,883,543 | 2,415,000 | 2,788,000 | 5,203,000 |

| <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|------------------------------|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| Subtotals | \$121,209,057 | \$291,475,213 | \$307,887,147 | \$599,362,360 |

The following accounts receive revenues from transfers within state government:

| | | | | | |
|-------|---|---------------|---------------|---------------|---------------|
| 02042 | Legislative Auditor Legislative Audit Fees | 147,373 | 858,913 | 830,565 | 1,689,478 |
| 02400 | Secretary of State's Office Administrative Rules | 21,462 | 108,640 | 114,072 | 222,712 |
| 02028 | Department of Commerce Charges to Licens. Bds. for Adm. Serv. | 511 | 246,000 | 246,000 | 492,000 |
| 02440 | Dept. of Social & Rehabilitation Services Transfer from Workers' Comp. | 428,590 | 359,200 | 387,900 | 747,100 |
| | Subtotals | 597,936 | 1,572,753 | 1,578,537 | 3,151,290 |
| | Total State Special Revenue | \$121,806,993 | \$293,047,966 | \$309,465,684 | \$602,513,650 |

JR:rc:o(1-6)

| <u>Administrative Agency</u> | <u>Fiscal 1983 End. Balance</u> | <u>Fiscal 1984 Revenue</u> | <u>Fiscal 1985 Revenue</u> | <u>Biennium</u> |
|--|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| Department of Commerce | | | | |
| Board of Horse Racing Fees | 123,698 | 220,000 | 220,000 | 440,000 |
| County Land Planning - Coal Tax | 412,000 | 502,000 | 620,000 | 1,122,000 |
| Local Impact - Coal Tax | 8,208,150 | 8,788,000 | 10,841,000 | 19,629,000 |
| Board of Psychologists Fees | 3,916 | 12,500 | 12,900 | 25,400 |
| Board of Landscape Architects Fees | 5,391 | 6,060 | 6,060 | 12,120 |
| Board of Speech Pathologists Fees | 9,937 | 9,000 | 7,000 | 16,000 |
| Board of Radiologic Technologists Fees | 5,963 | 4,580 | 11,250 | 15,800 |
| Physical Therapists Fees | 6,716 | 9,500 | 9,500 | 18,000 |
| Board of Nursing Home Admin. Fees | 19,395 | 18,800 | 18,800 | 37,600 |
| Board of Hearing Aid Dispensers Fees | 8,127 | 5,100 | 5,200 | 10,300 |
| Board of Public Accountants Fees | 93,584 | 110,000 | 110,000 | 220,000 |
| Board of Sanitarians Fees | 7,665 | 4,650 | 4,700 | 9,350 |
| Milk Control Board Fees | 127,987 | 237,000 | 237,000 | 474,000 |
| Electrical Board Fees | 111,570 | 31,625 | 31,625 | 63,250 |
| Real Estate Fees | 75,837 | 220,600 | 220,600 | 441,200 |
| Board of Architects Fees | 43,329 | 35,535 | 35,535 | 71,070 |
| Board of Morticians Fees | 17,089 | 14,800 | 14,800 | 29,600 |
| Board of Chiropractors Fees | (531) | 13,000 | 13,000 | 26,000 |
| Professional Engineers Fees | 74,645 | 108,160 | 108,160 | 216,320 |
| Board of Medical Examiners Fees | 220,729 | 95,350 | 95,350 | 190,700 |
| Water Well Contractors Fees | 7,533 | 24,000 | 24,000 | 48,000 |
| Cosmetology Board Fees | 29,829 | 100,025 | 100,025 | 200,050 |
| Aeronautics Division Fees | 463,654 | 686,681 | 686,681 | 1,373,362 |
| Board of Plumbers Fees | 23,907 | 68,200 | 68,200 | 136,400 |
| Private Investigators Fees | 5,809 | 4,200 | 4,200 | 8,400 |
| Board of Dentists Fees | 13,296 | 35,100 | 35,100 | 70,200 |
| Board of Optometrists Fees | 25,948 | 13,400 | 13,400 | 26,800 |
| Board of Pharmacy Fees | 35,318 | 84,300 | 84,300 | 168,600 |
| Board of Nursing Fees | 191,529 | 141,800 | 141,800 | 283,600 |
| Board of Veterinarians Fees | 20,458 | 18,900 | 18,900 | 37,800 |
| Board of Barbers Fees | 21,885 | 23,200 | 23,200 | 46,400 |
| Dept. of Labor & Industry | | | | |
| Private Employment Agency License Fees | 254 | 2,800 | 2,800 | 5,600 |
| Labor & Industry - Worker's Comp. | | | | |
| Worker's Comp. Assessments and Fines | 778,259 | 6,480,263 | 6,780,263 | 13,260,526 |

LC 343/01

1 The general fund receives all income earned by the
2 treasurer's fund.

3 Assumptions: Balances available for investment (excluding
4 proceeds from tax anticipation notes) will decline gradually
5 REMAIN CONSTANT AT \$264 MILLION over the biennium. Interest
6 earned on the treasurer's fund averages 10% in fiscal 1984
7 and 9-5% 10% in fiscal 1985. On September 1 of each year,
8 \$47.120 million of tax anticipation notes will be sold.

9 Coal Trust Interest

10 18,426,000 24,175,000 42,601,000

11 Assumptions: The constitutional trust fund continues to
12 receive 50% of coal severance tax revenues. After depositing
13 15% of interest income in the trust, the remaining 85% will
14 be transferred to the general fund.

15 Insurance Premium Tax

16 14,591,000 15,292,000 29,883,000

17 14,242,000 14,887,000 29,129,000

18 Insurance companies are required to pay a tax equal to
19 2.75% of net premiums on policies sold in Montana.

20 Assumption: The State Auditor's Office will alter its
21 accounting methods for deposits of insurance premium taxes
22 to conform to generally accepted accounting principles.

23 Liquor Profits

24 5,800,000 6,085,000 11,885,000

25 5,707,000 5,988,000 11,695,000

1 Assumption: The Liquor Division makes no change in its
2 markup formula.

3 Oil Severance Tax

4 41,344,000 39,282,000 60,546,000

5 42,232,000 42,609,000 84,841,000

6 Crude oil production is taxed at the rate of 6% on
7 total gross value. The tax paid on increased production in a
8 county during a fiscal year is remitted to that county; the
9 remainder of the tax is deposited in the state's general
10 fund.

11 Assumptions: With average price constant at \$25.00 per
12 barrel, taxable production declines at a 5% annual rate from
13 the 30-million level projected for fiscal 1983. IS ASSUMED TO
14 BE 29.7 MILLION BARRELS FOR FISCAL 1984 AND 29.9 MILLION
15 BARRELS FOR FISCAL 1985. THIS REPRESENTS A 2% DECLINE OVER
16 THE BIENNIUM FROM THE 1982 LEVELS.

17 Inheritance Taxes

18 6,444,000 6,831,000 13,275,000

19 6,737,000 7,182,000 13,919,000

20 Institution Reimbursement

21 11,994,000 13,675,000 25,669,000

22 12,451,000 14,490,000 26,941,000

23 State institutions providing patient care receive
24 partial reimbursement for costs associated with that care
25 from patients' private resources, insurance companies, and

BE IT FURTHER RESOLVED, that the State's general fund revenue for fiscal years 1984 and 1985 is estimated to total \$693,222,000 \$113,257,000. This total is based upon the assumptions and projections set forth below. Projections are made by category and by year.

GENERAL FUND REVENUE

The projection of total general fund revenue reflects the slowing of economic growth, particularly in the area of natural resource development, forecast for the next biennium. In projecting revenues, a modest economic recovery is assumed to begin in 1983, causing increases in personal and corporate income. Little growth will be recorded in statewide employment, and inflation will average 6% annually during the biennium.

General Fund Revenue

| Category | Fiscal 1984 | Fiscal 1985 | Biennium |
|--|---------------|---------------|---------------|
| Individual Income Tax | | | |
| | \$110,474,000 | \$117,075,000 | \$227,549,000 |
| This category contains 64% of total projected individual income tax collections. | | | |
| Long-range Bond Excess | | | |
| | 25,496,000 | 27,351,000 | 52,847,000 |
| | 26,666,000 | 28,856,000 | 55,522,000 |

The long-range bond sinking account receives 11% of individual and corporation taxes, 73% of cigarette taxes,

the tobacco products tax, and interest on the fund balance. After payments and reserve requirements are met, the excess remaining is transferred to the general fund.

Corporation Tax

| | | |
|------------|------------|------------|
| 24,999,000 | 27,429,000 | 52,428,000 |
| 24,834,000 | 29,259,000 | 54,093,000 |

This category contains 64% of total projected corporation license tax collections.

Coal Severance Tax

| | | |
|------------|------------|------------|
| 17,245,000 | 22,548,000 | 39,793,000 |
| 17,924,000 | 22,965,000 | 40,889,000 |

Nineteen percent of total coal severance tax revenues is deposited in the general fund.

Assumptions: From the 26-million-ton level of fiscal 1983, taxable coal production rises to 27-million tons in fiscal 1984 and 31-million tons in fiscal 1985. Average price escalates at the rate of approximately 13% annually due partially to higher royalty rates. THE HOUSE TAXATION COMMITTEE RECOMMENDED AS A REASONABLE REVENUE ESTIMATE IN THIS AREA THAT THE LEGISLATURE ACCEPT A FIGURE THAT SPLITS THE DIFFERENCE BETWEEN ESTIMATES BY THE LEGISLATIVE FISCAL ANALYST AND THE OFFICE OF BUDGET AND PROGRAM PLANNING.

Interest on Investments

| | | |
|------------|------------|------------|
| 27,480,000 | 25,135,000 | 52,615,000 |
| 30,567,000 | 30,567,000 | 61,134,000 |

1 Medicaid.
2 Assumption: Medicaid reimbursement rates equal those
3 projected by the Department of Social and Rehabilitation
4 Services.

5 Liquor Excise Tax
6 7,007,000 7,546,000 14,633,000
7 1,203,000 1,582,000 14,787,000

8 Wine Tax
9 845,000 845,000 1,690,000
10 926,000 942,000 1,868,000

11 Metal Mines Tax
12 1,112,000 850,000 1,962,000
13 1,483,000 1,049,000 2,532,000

14 Electrical Energy Tax
15 1,542,000 2,001,000 3,623,000
16 1,824,000 1,860,000 3,684,000

17 Drivers' License Fees
18 846,000 863,000 1,709,000
19 919,000 937,000 1,856,000

20 Telephone Tax
21 2,400,000 2,161,000 4,561,000
22 2,551,000 2,167,000 5,318,000

23 Beer License Tax
24 1,239,000 1,245,000 2,484,000
25 1,255,000 1,267,000 2,522,000

1 Natural Gas Tax
2 3,299,000 4,817,000 7,316,000
3 3,083,000 3,442,000 6,525,000

4 Freight Line Tax
5 1,627,000 1,790,000 3,417,000
6 1,442,000 1,815,000 3,457,000

7 Other Revenues
8 18,892,000 11,036,000 22,728,000
9 10,145,000 11,580,000 22,325,000

10
11 General Fund Total
12 \$335,190,000 \$358,032,000 \$693,222,000
13 \$341,963,000 \$371,294,000 \$713,257,000

14 BE IT FURTHER RESOLVED, THAT THE FOLLOWING BILLS WITH
15 GENERAL FUND REVENUE IMPACT HAVE BEEN ADOPTED:

SPECIAL REVENUE IMPACT

| BILL NO. | SUBJECT | EY 1984 | EY 1985 | BIENNIAL |
|----------|--|--------------|--------------|--------------|
| HB 65 | WAGE DEDUCTIONS | \$ 1101.0001 | \$ 1111.0001 | \$ 2212.0001 |
| HB 123 | CHILD CARE DEDUCTION | 156.0001 | 156.0001 | 1112.0001 |
| HB 227 | PROPERTY TAX CREDIT | 131.0001 | 137.0001 | 168.0001 |
| HB 419 | SCHOOL TRANSPORT | 1386.0001 | 1386.0001 | 1772.0001 |
| HB 460 | POTABLE WATER EXEMPTION | 12.0001 | 12.0001 | 14.0001 |
| HB 550 | DISALLOW FEDERAL DEDUCTIONS FOR CORPORATIONS | 300.000 | 300.000 | 600.000 |
| HB 631 | STANDARD DEDUCTION | 1169.0001 | 1178.0001 | 1347.0001 |
| HB 739 | INVESTMENT CREDITS FOR CORPORATIONS | 11.556.0001 | 11.622.0001 | 13.178.0001 |
| SB 94 | 45-BILL FUNDING | 4.250.000 | 4.250.000 | 8.500.000 |
| SB 244 | TAX ON LUMP-SUM DISTRIBUTION | 55.000 | 55.000 | 111.000 |
| TOTAL | | \$2.574.000 | \$1.943.000 | \$4.517.000 |

- 1 BE IT FURTHER RESOLVED, that a general fund balance of
 2 \$56,388,888 \$55,000,000 is anticipated at the beginning of
 3 fiscal 1984. This includes an expected \$32 million reversion
 4 to the general fund from the school foundation account.

- 5 BE IT FURTHER RESOLVED, THAT THE FOLLOWING BILLS WILL
 6 HAVE AN EFFECT ON THE REVENUES FARMARKED TO THE FOUNDATION
 7 TRUST FUND:

---GENERAL FUND IMPACT---

| BILL NO. | SUBJECT | EY 1984 | EY 1985 | BIENNIAL |
|--|-------------------------------|---------------|---------------|---------------|
| HB 45 | DECLARATION OF MARRIAGE FEE | \$ 1.000 | \$ 1.000 | \$ 2.000 |
| HB 65 | WAGE DEDUCTIONS | 1259.0001 | 1284.0001 | 1543.0001 |
| HB 123 | CHILD CARE DEDUCTIONS | 144.0001 | 144.0001 | 1288.0001 |
| HB 227 | PROPERTY TAX CREDITS | 1704.0001 | 1704.0001 | 11.408.0001 |
| HB 264 | ALTERNATE ENERGY CREDIT | 179.0001 | 195.0001 | 1174.0001 |
| HB 462 | MARINE INSURANCE | 233.000 | 234.000 | 457.000 |
| HB 479 | AIR AMBULANCE | 145 | 145 | 290 |
| HB 511 | CIGARETTE TAX | 3.007.000 | 3.018.000 | 6.025.000 |
| HB 529 | EXAM. OF LOAN CO. | 11.000 | 11.000 | 22.000 |
| HB 550 | DISALLOW FED. EDUC. FOR CORP. | 768.000 | 768.000 | 1.536.000 |
| HB 631 | STANDARD DEDUCTION | 1431.0001 | 1455.0001 | 1886.0001 |
| HB 670 | WEIGHING DEVICES | 67.000 | 67.000 | 134.000 |
| HB 673 | AG. WAREHOUSING | 30.000 | 25.000 | 55.000 |
| HB 685 | MT CAPITAL COMPANIES | -0- | 1739.0001 | 1739.0001 |
| HB 696 | FEES FOR MEAS. DEVICES | 27.000 | 27.000 | 54.000 |
| HB 701 | BANK EXAM. FEES | 126.000 | 130.000 | 256.000 |
| HB 706 | COAL ROYALTIES | -0- | 1279.0001 | 1279.0001 |
| HB 721 | HEALTH FAC. BONDS | 57.000 | 59.000 | 116.000 |
| HB 739 | INVESTMENT TAX CREDIT | 14.000.0001 | 14.000.0001 | 18.000.0001 |
| SB 53 | LIQUOR SEALS | 75.000 | 75.000 | 150.000 |
| SB 244 | TAX ON LUMP-SUM DIST. | 139.000 | 139.000 | 278.000 |
| SB 325 | INSURANCE TAX | 19.0001 | 110.0001 | 119.0001 |
| SB 378 | CONTRACTOR LIC. | 96.000 | 96.000 | 192.000 |
| TOTAL | | \$1972.0001 | \$12.214.0001 | \$13.186.0001 |
| WITH THE ADOPTION OF THE FOREGOING MEASURES THE GENERAL FUND TOTALS ARE: | | \$340.991.000 | \$362.080.000 | \$710.071.000 |

-End-

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corrected third reading copy, be amended as follows:

1. Page 9, line 3.
Strike: "\$713,257,000"
Insert: "\$722,425,400"
2. Page 9, line 18.
Strike: "\$110,474,000" "\$117,075,000" "\$227,549,000"
Insert: "\$113,099,000" "\$120,450,000" "\$233,549,000"
3. Page 9.
Following: line 20
Insert: "Assumptions: The inflation rates were lowered for FY84 and FY85 to reflect lower inflation rates used in the general appropriation bill, HB 447. Projected increases in collections attributable to an increase in staff for the Department of Revenue will amount to \$3,750,000 over the biennium."
4. Page 10, line 25.
Strike: "30,567,000" "30,567,000" "61,134,000"
Insert: "32,317,000" "32,317,000" "64,634,000"
5. Page 11.
Following: line 8
Insert: "Pursuant to HB 454, interest from the Highway Special Revenue Fund will be credited to the general fund until July 1, 1985."
6. Page 13, line 13.
Strike: "1,483,000" "1,049,000" "2,532,000"
Insert: "2,133,000" "1,699,000" "3,832,000"
7. Page 13.
Following: line 13
Insert: "Assumptions: The anticipated tax revenue from increased production at the ASARCO mine amounts to \$1,300,000 for the biennium."
8. Page 14, line 13.
Strike: "\$341,963,000" "\$371,294,000" "\$713,257,000"
Insert: "\$346,988,000" "\$377,069,000" "\$724,057,000"
9. Page 15, chart.
Strike: "HB 479" and remainder of the line
Strike: "HB 550" and remainder of the line
Strike: "HB 631" and remainder of the line
Strike: "HB 701" and remainder of the line
Strike: "HB 721" and remainder of the line

(Continued on page 3)

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|--|----------------------------|--------------------------------|
| Line HB 45. Strike: "1,000" Insert: "700" | "1,000" "700" | "2,000" "1,400" |
| Line HB 65. Strike: "(259,000)" Insert: "(303,000)" | "(284,000)" "(333,000)" | "(543,000)" "(636,000)" |
| Line HB 125. Strike: "(144,000)" Insert: "(169,000)" | "(144,000)" "(169,000)" | "(288,000)" "(338,000)" |
| Line HB 227. Strike: "(704,000)" Insert: "(825,000)" | "(704,000)" "(825,000)" | "(1,408,000)" "(1,650,000)" |
| Line HB 264. Strike: "(79,000)" Insert: "(93,000)" | "(95,000)" "(111,000)" | "(174,000)" "(204,000)" |
| Line HB 511. Strike: "3,007,000" Insert: "3,500,000" | "3,018,000" "3,500,000" | "6,025,000" "7,000,000" |
| Line SB 244. Strike: "139,000" Insert: "169,000" | "139,000" "163,000" | "278,000" "332,000" |
| Following: line HB 264 Insert: "HB 400 displaced homemakers" "125,000" | "125,000" | "250,000" |
| Following: line HB 673 Insert: "HB 682 ambul. licensing" "34,000" | "36,000" | "70,000" |
| Following: line HB 739 Insert: "HB 747 beneficial use tax" "500,000" | "500,000" | "1,000,000" |
| Following: line SB 53 Insert: "SB 56 waste generator fees" "10,000" | "10,000" | "20,000" |
| "SB 84 move power lines" "2,000" | "-0-" | "2,000" |
| "SB 190 inst. reimbursement" "(203,000)" | "(213,000)" | "(416,000)" |
| "SB 232 cert. copy fee" "(34,000)" | "(34,000)" | "(68,000)" |

(Continued on page 4)

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Following: line SB 244

Insert: "SB 312 increase per diem"
"(16,000)" "(16,000)" "(32,000)"
"SB 316 farm/ranch loans"
"(49,000)" "(49,000)" "(98,000)"

Line HB 465.

Strike: "457,000"
Insert: "467,000"

Line HB 739.

Strike: "[4,000,000]" "(4,000,000)" "(8,000,000)"
Insert: "[2,212,000]" "(2,290,000)" "(4,502,000)"

Line TOTAL

Strike: "\$972,000" "\$2,214,000" "\$3,186,000"
Insert: "\$966,700" "\$198,300" "\$768,400"

Following: line TOTAL

Insert: "Defeat of HB 550 Disallow Fed. Deduc. for Corp."
"(1,200,000)" "(1,200,000)" "(2,400,000)"

10. Page 15.

Following: "WITH THE ADOPTION OF THE FOREGOING MEASURES THE
GENERAL FUND TOTALS ARE:"

Strike: "\$340,991,000" "\$369,080,000" "\$710,071,000"
Insert: "\$346,754,700" "\$375,670,700" "\$722,425,400"

11. Page 16, line 2.

Strike: "\$55,000,000"
Insert: "\$24,000,000"

12. Page 16, line 3.

Following: "This"
Strike: "includes"
Insert: "excludes"

13. Page 16, line 4.

Following: "account"
Insert: "which is reappropriated in HB 919"

14. Page 16, chart.

Strike: "HB 419" and remainder of the line
Strike: "HB 460" and remainder of the line
Strike: "HB 550" and remainder of the line
Strike: "HB 631" and remainder of the line

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Line HB 227.

Strike: "(31,000)" "(37,000)" "(68,000)"
Insert: "(275,000)" "(275,000)" "(550,000)"

Following: line HB 227

Insert:
"HB 264 Alt. energy tax credit"
"(31,000)" "(37,000)" "(68,000)"
"HB 685 Mt capital companies"
"-0-" "(246,000)" "(246,000)"

Line HB 739.

Following: "INVESTMENT"
Strike: "CREDITS FOR CORPORATIONS"
Insert: "Tax credits"

Line SB 94.

Strike: "4,250,000" "4,250,000" "8,500,000"
Insert: "4,600,000" "4,600,000" "9,200,000"

Following: line SB 94.

Insert: "SB 95 forest funds"
"-0-" "(1,499,000)" "(1,499,000)"

Following: line SB 244

Insert: "SB 316 farm/ranch loans"
"(16,000)" "(16,000)" "(32,000)"
"SB 413 windfall profits tax"
"-0-" "7,100,000" "7,100,000"

Line HB 739.

Strike: "(1,556,000)" "(1,622,000)" "(3,178,000)"
Insert: "(737,000)" "(763,000)" "(1,500,000)"

Line SB 244.

Strike: "55,000" "55,000" "111,000"
Insert: "56,000" "54,000" "110,000"

Amend totals to conform

15. Page 16.

Following: chart

Insert: "BE IT FURTHER RESOLVED, that the defeat of HB 550 will
have the effect of decreasing the revenue earmarked to the
foundation trust account by \$800,000 over the biennium.
BE IT FURTHER RESOLVED, that the anticipated ending balance
on June 30, 1985 is expected to be \$15,751,000, taking into
consideration all appropriations, expenditures and reversions."

And, as so amended

BE CONCURRED IN

(Continued on page 5)