

HB 652 INTRODUCED BY HARP
CREATE THE GOVERNOR'S REVENUE ESTIMATING COUNCIL;
REQUIRING GOVERNOR TO USE COUNCIL'S ESTIMATE
IN BUDGET PREPARATION; PROVIDING CODIFICATION
INSTRUCTION
BY REQUEST OF GOVERNOR

2/07 INTRODUCED
2/07 REFERRED TO TAXATION
2/19 HEARING
2/23 COMMITTEE REPORT--BILL PASSED AS AMENDED
2/23 FISCAL NOTE REQUESTED
3/02 2ND READING NOT PASSED AS AMENDED 77 15
3/03 FISCAL NOTE RECEIVED

1 House BILL NO. 652
 2 INTRODUCED BY HARP
 3 BY REQUEST OF THE GOVERNOR

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE GOVERNOR'S
 6 REVENUE ESTIMATING COUNCIL; REQUIRING THE GOVERNOR TO USE
 7 THE COUNCIL'S ESTIMATE IN BUDGET PREPARATION; AND AMENDING
 8 SECTIONS 5-12-302, 17-7-121, AND 17-7-122, MCA."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. Section 1. Governor's revenue estimating
 12 council -- creation -- duties. (1) There is a governor's
 13 revenue estimating council.

14 (2) The council consists of five members appointed by
 15 the governor in the manner provided in 2-15-124.

16 (3) During each even-numbered year, the council shall
 17 prepare and submit to the governor an estimate of the
 18 revenue to the general fund and school foundation program
 19 during each of the fiscal years in the next biennium. The
 20 council shall submit its estimates early enough for the
 21 governor to use them in his budget preparation. In proposing
 22 its estimates, the council shall hold public hearings to
 23 receive comments on the economic assumptions necessary to
 24 estimate revenues. The council shall also consider the
 25 recommendations of the budget director and the legislative

1 fiscal analyst.

2 (4) Each member of the council is entitled to receive
 3 compensation and reimbursement in the manner provided in
 4 2-15-122.

5 (5) The council is attached to the office of the
 6 budget director for administrative purposes.

7 NEW SECTION. Section 2. Budget director to submit
 8 recommendation. In each even-numbered year, the budget
 9 director shall in a timely fashion submit to the governor's
 10 revenue estimating council his recommendations on the
 11 economic assumptions necessary to estimate general fund and
 12 school foundation revenues for the next biennium.

13 Section 3. Section 5-12-302, MCA, is amended to read:

14 "5-12-302. Fiscal analyst's duties. The legislative
 15 fiscal analyst shall:

16 (1) provide for fiscal analysis of state government
 17 and accumulate, compile, analyze, and furnish such
 18 information bearing upon the financial matters of the state
 19 that is relevant to issues of policy and questions of
 20 statewide importance, including but not limited to
 21 investigation and study of the possibilities of effecting
 22 economy and efficiency in state government;

23 (2) estimate revenue from existing and proposed taxes;

24 (3) during each even-numbered year, submit to the
 25 governor's revenue estimating council in a timely fashion



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1 his recommendations on the economic assumptions necessary to
 2 estimate general fund and school foundation revenues;

3 ~~†3†~~(4) analyze the executive budget and budget
 4 requests of selected state agencies and institutions,
 5 including proposals for the construction of capital
 6 improvements;

7 ~~†4†~~(5) make the reports and recommendations he deems
 8 desirable to the legislature and make reports and
 9 recommendations as requested by the legislative finance
 10 committee and the legislature; and

11 ~~†5†~~(6) assist committees of the legislature and
 12 individual legislators in compiling and analyzing financial
 13 information."

14 Section 4. Section 17-7-121, MCA, is amended to read:

15 "17-7-121. Preliminary budget preparation and
 16 submission to governor and governor-elect. (1) Upon receipt
 17 of the completed forms and other available data and
 18 information, the budget director shall examine the same for
 19 the purpose of determining the necessity of the
 20 disbursements and funds requested and shall, on or before
 21 December 15 in the year preceding the convening of the
 22 legislature, submit in writing to the governor and to the
 23 governor-elect, if one there be, a preliminary budget for
 24 the ensuing biennium containing the detailed information
 25 hereinafter required to be set forth in the budget to be

1 submitted by the governor to the legislature. The proposed
 2 general fund and school foundation budgets must incorporate
 3 and be based on the revenue estimates of the governor's
 4 revenue estimating council.

5 (2) If so requested by the governor-elect, the
 6 governor shall incorporate in the budget, as a separate
 7 section, such estimates, comments, and recommendations as
 8 the governor-elect may wish to make, and this section of the
 9 budget shall be transmitted to the legislature without
 10 change. It is the duty of the governor-elect in recommending
 11 changes to show a balance between proposed disbursements and
 12 anticipated receipts."

13 Section 5. Section 17-7-122, MCA, is amended to read:

14 "17-7-122. Submission of budget to legislature. (1)

15 The governor shall, following the receipt of the preliminary
 16 budget from the budget director, have prepared a budget for
 17 the ensuing biennium and shall submit said budget to each
 18 member of the legislature at the time of the convening of
 19 the legislature. The proposed general fund and school
 20 foundation budgets must incorporate and be based on the
 21 revenue estimates of the governor's revenue estimating
 22 council.

23 (2) Legislative branch requests shall be included in
 24 the budget submitted by the governor without changes."

25 NEW SECTION. Section 6. Codification instruction.

LC 1761/01

1 Sections 1 and 2 are intended to be codified as an integral
2 part of Title 17, chapter 7, part 1, and the provisions of
3 Title 17, chapter 7, part 1, apply to sections 1 and 2.

-End-

APPROVED BY COMMITTEE
ON TAXATION

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6 REVENUE ESTIMATING COUNCIL; REQUIRING THE GOVERNOR TO USE
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17 prepare and submit to the governor an estimate of the
18 revenue to the general fund and school foundation program
19 during each of the fiscal years in the next biennium. The
20 council shall submit its estimates early enough for the
21 governor to use them in his budget preparation. In proposing
22 its estimates, the council shall hold public hearings to
23 receive comments on the economic assumptions necessary to
24 estimate revenues. The council shall also consider the
25 recommendations of the budget director and the legislative

1 fiscal analyst. THE COUNCIL SHALL PREPARE AND SUBMIT ANY
2 REVISIONS TO ITS ESTIMATES AS IT CONSIDERS NECESSARY UNTIL
3 THE LEGISLATURE ADOPTS A BUDGET FOR THE FOLLOWING BIENNIUM.

4 (4) Each member of the council is entitled to receive
5 compensation and reimbursement in the manner provided in
6 2-15-122.

7 (5) The council is attached to the office of the
8 budget director for administrative purposes.

9 NEW SECTION. Section 2. Budget director to submit
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17 fiscal analyst shall:

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1 (3) during each even-numbered year, submit to the
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 5 and be based on the revenue estimates of the governor's
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 17 The governor shall, following the receipt of the preliminary
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