

2005 Montana Legislature

UNAPPROVED DRAFT BILL -- Subject to Change Without Notice!

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_____ BILL NO.

INTRODUCED BY _____

(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAWS GOVERNING THE EXPENDITURE OF STATE FUNDS; EXCLUDING MONEY DEDICATED TO A SPECIFIC PURPOSE BY MEANS OF A BALLOT ISSUE FROM STATE EXPENDITURE CALCULATIONS; AMENDING SECTIONS 17-8-105 AND 17-8-106, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
+ provide taxes

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

Section 1. Section 17-8-105, MCA, is amended to read:

"17-8-105. Definitions applicable to expenditure limitation. As used in 17-8-106, the following definitions apply:

(1) "Montana total personal income" means the current income from all sources received during a particular period of time by persons residing within Montana as determined by the United States department of commerce or its successor agency.

(2) (a) "State expenditures" means the general fund appropriations, the state special revenue fund type appropriations other than those excluded under subsection (2)(b), and the cash portion of the appropriations in the capital projects fund type.

(b) excluding The term does not include:

~~(a)~~(i) money received from the federal government;

~~(b)~~(ii) payments of principal and interest on bonded indebtedness;

~~(c)~~(iii) money paid for unemployment or disability insurance benefits;

~~(d)~~(iv) money received from the sale of goods or services provided that the purchase of the goods or services is discretionary;

~~(e)~~(v) money paid from permanent endowments, constitutional trusts, or pension funds;

~~(f)~~(vi) proceeds of gifts or bequests made for purposes specified by the donor;

~~(g)~~(vii) money appropriated for tax relief; ~~and~~

~~(h)~~(viii) funds transferred within state government or used to purchase goods for resale; and

(ix) money dedicated to a specific use or uses by a ballot issue."

I provide taxes as defined by _____

Section 2. Section 17-8-106, MCA, is amended to read:

"17-8-106. Expenditure limitation – exception. (1) Except as provided in subsection (2), the state expenditures for a biennium may not exceed the state expenditures for the preceding biennium plus the product of the state expenditures for the preceding biennium and the growth percentage. The growth percentage is the percentage difference between the average Montana total personal income for the 3 calendar years immediately preceding the next biennium and the average Montana total personal income for the 3 calendar years immediately preceding the current biennium.

(2) The legislature may appropriate funds in excess of this limit ~~from the reserve account~~ if:

(a) the governor declares that an emergency exists; and

(b) two-thirds of the members of each house approve a bill stating the amount to be spent in excess of the expenditures limitation established in subsection (1), the source of the excess revenue to be spent, and an intention to exceed the limitation.

(3) Expenditures may exceed the expenditures limitation only for the year or years for which an emergency has been declared.

(4) The legislature is not required to appropriate the full amount allowed in any year under subsection (1)."

NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.

- END -

Latest Version of LC 2235 (LC2235.01)

Processed for the Web on February 15, 2005 (10:47am)

New language in a bill appears underlined, deleted material appears stricken.

Sponsor names are handwritten on introduced bills, hence do not appear on the bill until it is reprinted.

See the [status of this bill](#) for the bill's primary sponsor.

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Prepared by Montana Legislative Services

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