

General Fund Status Sheet Rules

Adopted by the Legislative Finance Management Committee

1. What statutory appropriations are to be used?

Recommendation: Use the legislative estimates calculated by the LFD.

2. What reversion estimates are to be used?

Recommendation: Use 0.3% of the total estimated annual general fund appropriation as calculated by the LFD.

3. How should the impact of bills be developed if the LFD disagrees with the fiscal note or if the bill is amended without a new fiscal note?

Recommendation: For discrepancies, authorize the LFD staff to re-compute the anticipated impacts and use the results for the general fund status sheet. If there is major disagreement between the LFD and the executive, the management committee should be convened to resolve the issue.

4. If bills impact the guarantee account or school funding should the general fund impact be shown on the status sheet?

Recommendation: The general fund status sheet should include any impact of those school funding items as anticipated 2017 appropriations, unless an appropriation is accounted for in other legislation and if the impact is less than \$500,000 in the second year of the biennium. Statute (17-7-301, MCA) allows for certain school funding items not to be subject to reductions when fiscal year transfers occur.

5. If revenue bills impact property taxes, should the impact on the 6-mill levy be shown as a general fund impact?

Recommendation: The 6-mill levy impact would be shown as a “potential” impact.

6. When should bills be placed on the status sheet?

Recommendation: After positive executive action in any committee.

7. How should duplicate or similar bills be reflected on the status sheet?

Recommendation: Show the impact of the most significant bill and footnote the duplicate(s) or similar bill(s).

8. How should bills that are **re-referred** to a second committee be reflected on the status?

Recommendation: If re-referred in the first house, do not show the impact of the bill until positive executive action has occurred in the second committee. If a bill has already been transmitted to the second house and a re-referral occurs in the 2nd house, the bill remains on the status sheet.

9. Should the general fund balance sheet show an ending fund reserve?

Recommendation: The statutorily required 1% will only be included in the footnote section on the general fund balance sheet in the event that the ending fund balance nears the statutory minimum.

10. How should bills that have significant “potential” appropriations with similar revenue impacts be shown?

Recommendation: In the past, the balance sheet has reflected both the revenue and “potential” appropriation until such time an appropriation is made in HB 2 or in the bill.

11. Should staff show a reduction in revenue if the Department of Revenue’s budget is reduced?

Recommendation: The department has argued that there is a direct impact on revenues if their budget is reduced. DOR’s recent data uses an agency wide approach resulting in a ratio of 6.3:1. During the 2011 session the value of the range 3:1 to 6:1 was recorded in the tickler section of the GF status sheet.

12. If a fiscal impact is known to be effective through FY 2019 or longer, should it be considered ongoing? For example the general fund savings due to Children’s Health Insurance Program (CHIP) Federal Medical Assistance Percentage (FMAP) could be reflected as ongoing or one-time.

Recommendation: If fiscal impacts continue through FY 2019 consider the impacts ongoing and provide an explanation of risk in the footnoted section of the status sheet.

13. How should the biennial appropriation be shown?

Recommendation: Use the parameters for the biennial appropriations as written in the bill, unless unstated, then the biennial appropriations will be split between the two years of the biennium.

14. How should fiscal impacts of bills that appear to have stalled in the legislative process appear on the status sheet?

Recommendation: Bills that have not had action for 10 legislative days will be footnoted with a comment noting the lack of progress for the bills and that they may be at risk of not making it through the process.