



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: June 1, 2014

TO: Members of the Legislative Finance Committee

FROM: Barbara Smith, Operations Manager

RE: Overview of Budget Recommendations

The purpose of this report is to provide the Legislative Finance Committee (LFC) an introduction to the options available to meet the statutory requirement¹ to provide recommendations to the chairpersons of House Appropriations and Senate Finance and Claims committees on the application of certain budget issues. This background information is being provided to allow the LFC to begin the discussion on the recommendations. The LFC will receive an update in September allowing for adoption of the final recommendations at the December 2014 meeting.

This report includes two tables that summarize recommendations, one related to budget issues that benefit from consistent application such as; budget starting point, personal services, fixed costs, inflation/deflation and implementation of HB 2 related items. The second table is related to current budget issues, such as federal revenues, state special revenue examination, increased coordination between long range budget bills and HB 2 and information technology. These items are similar to those that were examined by the LFC for the 2013 session.

In reviewing these tables, note that the new issues have been identified for the LFC. Those items are presented in bold to address such issues as a change in process or other items that need to be coordinated with these recommendations, such as LFC action on HJ 17, the pay plan summary. These items will be updated as additional information becomes available.

If you are in need of additional information or explanations, please do not hesitate to contact me at basmith@mt.gov or (406)444-5347.

¹ 5-12-205, MCA