



LEGISLATIVE FINANCE COMMITTEE

65th Montana Legislature

Room 110 Capitol Building * P.O. Box 201711 * Helena, MT 59620-1711 * (406) 444-2986 * FAX (406) 444-3036

SENATE MEMBERS

LLEW JONES
EDIE MCCLAFFERTY
FREDERICK (ERIC) MOORE
RYAN OSMUNDSON
JON SESSO
CYNTHIA WOLKEN

HOUSE MEMBERS

NANCY BALLANCE
KIMBERLY DUDIK
KENNETH HOLMLUND
MIKE HOPKINS
KELLY MCCARTHY
MARILYN RYAN

JULIE JOHNSON, Staff Attorney
vacant, Secretary
AMY CARLSON, Director

October 5, 2017

Governor Steve Bullock
Office of the Governor
P.O. Box 200801
Helena, MT 59620-0801

Governor Bullock,

On October 4 and October 5, 2017, the Legislative Finance Committee met to review the proposed expenditure reductions recommended by the office of budget and program planning pursuant to 17-7-140, MCA. Prior to the meeting, LFC members received the Legislative Fiscal Division's analysis and review of the proposed reductions in spending. At the meeting, the LFC took several hours of public testimony regarding the recommended cuts and members of the committee have received significant constituent input on the proposed cuts as well.

The LFC recognizes that the list of cuts proposed would harm Montana's most vulnerable and potentially shift costs rather than save money. The LFC also recognizes the volatility and uncertainty of estimating revenue given the limited data available this early in the fiscal year. As part of the solution, the following are the Legislative Finance Committee's recommendations for the executive to consider in determining and directing reductions in spending pursuant to 17-7-140, MCA:

In implementing reductions in spending, the Governor should evaluate:

1. Which reductions can be made that will impose the least possible impact on services to Montana's most vulnerable population;
2. Which reductions can be made that will impose the least possible increase to local property taxes;
3. Which reductions can be made that will have the least impact on the safety and security of Montana's citizens; and
4. Which reductions can be made that comport with legislative policies enacted in 2017 that will have a positive long-term fiscal impact.

Sincerely,


Representative Nancy Ballance, Chair


Senator Cynthia Wolken, Vice-Chair