

## Glenda Wiles

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**From:** MACOleg <MACOleg@mtcounties.org>  
**Sent:** Thursday, November 16, 2017 6:16 PM  
**To:** MACOleg  
**Subject:** 2017 November Special Session Wrap-Up  
**Attachments:** Nov 2017 Special Session list.pdf

County Officials,

The November Special Session(s) of the Montana Legislature adjourned shortly after 1:00 Thursday morning after two marathon days that can perhaps best be described as stop and go traffic during rush hour—long periods of waiting interspersed with flurries of activity.

Rather than go into great detail, we are providing a number of links to information. I am sure you have read the newspaper articles leading up to the session that discussed the Governor's proposal of using a balanced approach of splitting the balancing measures. He proposed splitting the budget shortfall into thirds, with \$76 million in cuts to state agencies made by the governor, \$75 million in fund transfers and \$75 million in revenue enhancements/tax increases. It became quickly apparent that the legislature would not take that approach.

The Legislature did not embrace new taxes/fees, choosing instead to find additional existing cash balances in a variety of accounts.

Governor Bullock issued a call for the Special Session on November 6<sup>th</sup> but issued an expanded call on November 13<sup>th</sup>. In what we are told was a historic event, on Tuesday the Legislature called itself into multiple special sessions to run concurrently with the Special Session called by the Governor. All the related documents are located here:

[http://leg.mt.gov/css/Sessions/Special%20Session/nov\\_2017/default.asp](http://leg.mt.gov/css/Sessions/Special%20Session/nov_2017/default.asp)

### Expansion/concurrent calls:

- [Republican Petition](#) (budget, fund transfers, etc.) w/signatures
- [Rep. Usher Petition](#) (furlough) w/signatures
- [Rep. Redfield Petition](#) (tax credits) w/signatures
- Sen. Regier motion: I move that the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation to transfer a portion of the general fund appropriation from the Montana Developmental Center to the state fire fund.
  - [Senate vote](#)
  - [House vote](#)
- Sen. Olszewski motion: I move that the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation revising the vital statistic laws to prohibit the amendment or correction of gender designations in vital records.
  - [Senate vote](#)
  - [House vote](#)

There was a total of 8 House Bills and 1 Resolution along with 12 Senate Bills and 3 resolutions introduced. Of the 20 bills, 11 have been sent to the Governor for his consideration. Click the following link to this list of bills:

[http://laws.leg.mt.gov/legprd/LAW0217W\\$BAIV.return\\_all\\_bills?P\\_SESS=20172](http://laws.leg.mt.gov/legprd/LAW0217W$BAIV.return_all_bills?P_SESS=20172)

Changes that indirectly affect counties:

- \$2 million was swept from the Big Sky Economic Development account which will reduce payments to support local economic development programs in the future.
- \$7.5 Million was swept from the Treasure State Endowment Program account. That means there will be that much less to fund projects in the 2019 session.
- \$14.9 million in payments to school districts and counties for teacher retirement and transportation block grants was eliminated. Schools are being required to transfer reserves from other funds to backfill the loss. For counties, the loss to the county-wide retirement and transportation funds will be backfilled with future local property tax increases.

While we could not support these changes, things could have been much worse. MACo Leadership and staff, along with the League of Cities and Towns, met with the Governor prior to the session to advise him any efforts at cutting direct local government revenues would be met with vigorous opposition. Governor Bullock agreed that he would not introduce legislation that would reduce payments from the state to local governments. I know many of you met with your legislators to convey the same message. With that groundwork laid, MACo did not actively support, nor oppose any legislation. We monitored things very closely but chose to not engage and risk creating any problems that could have blown up on us with dire consequences. Both MACo and the League kept a low profile but legislators certainly felt our presence! We spent a lot of time in the halls providing legislators information and answering questions.

Attached is a list of transfers/legislative cuts/payment delays/payment holidays that the Legislature came up with late Wednesday night. The list is not all-inclusive as other measures were elsewhere in various specific bills. This is what was needed to get to the target of approximately \$230 million.

Below are links to several newspaper articles that cover the conclusion of the session.

[https://www.bozemandailychronicle.com/ap\\_news/montana/the-latest-montana-legislature-ends-special-session/article\\_2d1c9e67-dae5-525c-830a-c4d6d51a9d4f.html#tncms-source=infinity-scroll-summary-siderail-latest](https://www.bozemandailychronicle.com/ap_news/montana/the-latest-montana-legislature-ends-special-session/article_2d1c9e67-dae5-525c-830a-c4d6d51a9d4f.html#tncms-source=infinity-scroll-summary-siderail-latest)

[https://www.bozemandailychronicle.com/ap\\_news/montana/legislature-reaches-budget-fix-without-raising-taxes/article\\_1d50ab0d-4393-5240-85f3-2769df58c0f6.html](https://www.bozemandailychronicle.com/ap_news/montana/legislature-reaches-budget-fix-without-raising-taxes/article_1d50ab0d-4393-5240-85f3-2769df58c0f6.html)

[http://helenair.com/news/politics/state/special-session-adjourns---neither-side-gets-what-it/article\\_41cf3d4a-4865-5c53-b64a-848e76f294a8.html#tracking-source=home-featured](http://helenair.com/news/politics/state/special-session-adjourns---neither-side-gets-what-it/article_41cf3d4a-4865-5c53-b64a-848e76f294a8.html#tracking-source=home-featured)

I am sure there are many others but these three do a good job of conveying what took place.

Thanks,

Harold

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