

June 28, 2002

To: Members of the Montana Senate  
Members of the Montana House of Representatives  
Members of the Montana Supreme Court c/o Clerk of the Court Ed Smith  
Secretary of State Bob Brown

## **PROCLAMATION**

### Call to the 57th Legislature for a Special Session

WHEREAS, Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, provide that the Legislature may be convened in special session by the Governor; and

WHEREAS, Article VI, section 11, of the Montana Constitution provides that whenever the Governor considers it in the public interest, the Governor may convene the Legislature; and

WHEREAS, general fund revenues are anticipated to fall short of Legislative projections for FY2003; and

WHEREAS, in an effort to ensure that the expenditure of appropriations do not exceed available revenue, the provisions of section 17-7-140, MCA, were invoked directing agencies to reduce spending in an amount that ensures that the projected ending general fund balance for the biennium will be at least 1% of all general fund appropriations during the biennium ending June 30, 2003; and

WHEREAS, based upon the revenue estimates available at the time that the budget director notified the legislative fiscal analyst, the legislative finance committee, and the revenue and finance committee pursuant to the requirements of section 17-7-140, MCA, the budget director recommended a 3 ½ % reduction in general fund expenditures; and

WHEREAS, a 3 ½ % reduction in general fund expenditures is being implemented based upon the information available at the time of commencing the process required under section 17-7-140, MCA; and

WHEREAS, based upon a continuing review and analysis of declining revenues to the state general fund, the budget director projects a general fund budget deficit that may not be met by a further

directive to reduce spending beyond the current 3 ½ % reduction because of the limitations in section 17-7-140, MCA; and

WHEREAS, it is in the public interest of all Montanans that the programs funded through general fund expenditures by the Fifty-Seventh Legislature be considered at a special session of the Legislature; and

WHEREAS, it is in the public interest of all Montanans that a special session of the Legislature be called for the limited purpose of approving fund balance transfers, reducing general fund expenditures, reducing non-general fund appropriations and nonbudgeted transfers, reducing the general fund shortfall in revenue to meet the declining revenue projections for the 2003 biennium, and providing a guarantee account in the state special revenue fund.

NOW, THEREFORE I, Judy Martz, Governor of the State of Montana, pursuant to the authority vested in me by the Constitution and laws of the state of Montana do hereby call the Fifty-Seventh Legislature into Special Session in Helena, at the Capitol Complex at the hour of 9:00 a.m., the 5<sup>th</sup> day of August, 2002, and hereby direct the Special Session of the Fifty-Seventh Legislature to consider action limited to the following subjects:

1. Legislation approving fund balance transfers as submitted by the Office of Budget and Program Planning.
2. Legislation reducing general fund expenditures, including general fund expenditures exempted by section 17-7-140, MCA, House Bill 2, any other appropriation bill, statutory appropriation, or language appropriation.
3. Legislation reducing non-general fund appropriations and nonbudgeted transfers when the reduction will increase the general fund balance and any necessary statutory amendments to effectuate the legislative reductions.
4. Legislation reducing the general fund shortfall in revenue.
5. Legislation amending House Bill 41 and Senate Bill 495 to provide for a guarantee account in the state special revenue fund.

Dated this 28th day of June, 2002.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Montana to be affixed. DONE at the City of Helena, the Capitol, this 28<sup>th</sup> day of June, in the year of our Lord, two thousand and two.

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JUDY MARTZ, Governor

ATTEST:

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BOB BROWN, Secretary of State