

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

STEVE BULLOCK  
GOVERNOR



MIKE COONEY  
LT. GOVERNOR

November 15, 2020

To the People of Montana and the Honorable Members of the Sixty-Seventh Montana Legislature:

I am pleased to transmit to you my final proposed budget as governor, per 17-7-112, MCA. As with each of my last three budgets, this one focuses on the priorities that have driven decisions throughout my administration: ensuring fiscal responsibility, investing in education, protecting healthcare and our rural communities, and creating jobs and building Montana's infrastructure.

While this isn't the first time that we've faced and dealt with outside forces, the circumstances of the past year have presented challenges unparalleled in our lifetime. The global pandemic of COVID-19 has taken lives, threatened our health, and caused economic hardship.

Individuals, businesses, and organizations across Montana have stepped up to meet the challenges of this pandemic, and your state government is no exception. We have provided clinical expertise and leadership, and we have managed uncertain financial conditions conservatively and deliberately.

While other states have already had to raise revenues and reduce or eliminate services, we're leaving the incoming administration and the 2021 legislature a balanced budget and a full set of tools, including a Budget Stabilization Fund and a wildfire suppression fund with capacity to cover the costs of four average fire seasons, or about one-and-a-half times the record expenses of the catastrophic 2017 fire season.

We're able to do this thanks to the hard work and spending discipline of agency directors and their teams across state government. From the outset of the pandemic to today, I have called for more scrutiny than ever on hiring and other expenditures. Our state agencies responded, helping us achieve the year-end reversions to fill our reserves and attain a healthy ending fund balance.

The budget I propose does not require any new increases in revenue, nor does it necessitate any cuts to the government programs and services relied upon by Montanans. It leaves \$251 million as an ending fund balance on FY 2023 in addition to funds in the Budget Stabilization Reserve and the Fire Suppression Fund.

Absent further intervention and engagement at the federal and state levels, there have been and will continue to be significant economic and public health challenges because of the pandemic. However, Montana entered this challenging year in an incredibly strong fiscal position. I am pleased now to leave it in a similarly strong position, particularly in the face of a global pandemic.

Spend wisely and be safe.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Bullock", written over a horizontal line.

STEVE BULLOCK  
Governor