May 5, 2015

The Honorable Linda McCulloch
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary McCulloch:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby deliver to you House Bill 2 (HB 2), “AN ACT APPROPRIATING MONEY TO VARIOUS STATE AGENCIES FOR THE BIENNIAIMS ENDING JUNE 30, 2015, AND ENDING JUNE 30, 2017; AND PROVIDING EFFECTIVE DATES” which, except for line-item vetoes, I have signed into law.”

Since the outset of the session, my top priority was to work with the Legislature to pass a budget that maintained the state’s fiscal strength while leaving a healthy rainy day fund and making critical investments that will pay dividends for Montana for generations to come. HB 2, passed by large bipartisan majorities, met these goals and more, including investing into our educational system, improving the physical and mental health of Montanans, and protecting vulnerable children. The items I have line-item vetoed generally reflect technical errors or duplicative funding mechanisms that are not necessary and would ultimately cost the taxpayers of Montana.

Below is a summary of my line-item vetoes with page and line numbers indicated.

**Legislative Branch**

- Page A-1: Striking $5,766 and $3,844 for the ETIC/EQC Carbon Dioxide Study. The Legislature has the resources needed to support the interim study without increased funding. In that same section, $1.3 million is appropriated to support legislative committees and activities during the interim, including studies such as the ETIC/EQC Carbon Dioxide Study.

**Commissioner of Political Practices**

- Page A-5: Striking $85,000 in restricted funding per year for Legal Counsel. Given the specialized and sizeable workload, the Commissioner of Political Practices should have the ability to hire a staff attorney for the same amount or less rather than contract with the Department of Justice for legal services.
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Department of Administration

- Page A-10: Striking $4,530,633 and $4,525,485 from the Health Care and Benefits Division (HCBD). Senate Bill 418, which I have signed into law today, removes the requirement that HCBD administrative costs be appropriated in HB 2.

Department of Commerce

- Page A-12: Striking $1,856,555 and $1,855,349 from Coal Board Grants. Section 2 of House Bill 228, which I will sign today, contains a coordination instruction drafting error. I have instructed the Department of Commerce to work with the Budget Office to ensure that sufficient funds will be available for the grants.

Office of Public Instruction

- Page E-3: Striking the language appropriation reading "$6 million is appropriated from the state school oil and natural gas distribution account for the purposes specified in 20-9-520." This appropriation is duplicative given the passage and approval of Senate Bills 252 and 260, which I have signed into law today.

Rates

- Page R-7: Striking 5.b. for "Flexible spending Account Program," including FSA Account and FSA Debit Card rates. Senate Bill 418, which I have signed into law today, removes the requirement that HCBD administrative costs be appropriated in HB 2.

For these reasons, I sign HB 2 into law with the exception of the foregoing items.

Sincerely,

STEVE BULLOCK
Governor

cc: Legislative Services Division
Austin Knudsen, Speaker of the House
Debby Barrett, President of the Senate