

LFD  
COMMENT  
(cont.)

- ◆ DP 66 – Shared Leadership - FSTS Plan - Add One Trainer – This decision package would add \$153,000 general fund in the 2007 biennium for 1.00 FTE Trainer Position at the Fire Service Training School. The position would be designed to train fire fighters in a variety of skilled areas to become better prepared to respond to the growing variety of emergency incidents. The executive budget intends that this proposal will be matched by \$38,259 from non-state funding sources identified by the Board of Regents.
- ◆ DP 67 – Shared Leadership - Integrated Weed Mgmt & Biotechnology – This decision package would add \$320,000 general fund in the 2007 biennium for 2.00 FTE weed science and research positions at the Agriculture Experiment Station, and 1.00 FTE plant or animal biotechnology position. The positions would increase research on integrated weed management practices and the biological control of weeds, as well as genetic research to improve plant and animal production. The executive budget intends that this proposal will be matched by \$159,967 from non-state funding sources identified by the Board of Regents.
- ◆ DP 68 – Shared Leadership - Technical Assistance to Small Oil & Gas Operators – This decision package would add \$147,000 general fund in the 2007 biennium for 1.00 FTE Petroleum Geologist position at the Bureau of Mines located in Butte. The position would be responsible for mapping and other technical assistance to support small oil and gas operators with exploration and development efforts. The executive budget intends that this proposal will be matched by \$36,720 from non-state funding sources identified by the Board of Regents.
- ◆ DP 69 – Shared Leadership - Coal and Coal bed-Methane Technology Program – This decision package would add \$147,000 general fund in the 2007 biennium for 1.00 FTE Coal Geologist position at the Bureau of Mines located in Butte. The position would be responsible for database and information flow as well as other technical assistance to support coal and coal bed-methane development efforts. The executive budget intends that this proposal will be matched by \$36,720 from non-state funding sources identified by the Board of Regents.

In total, these ten Schweitzer budget revisions reduce \$4.3 million general fund from the Martz budget in Program 09 appropriation Distribution for the university educational units and public service/research agencies.

## New Proposals

Program: APPROPRIATION DISTRIBUTION					Reporting Level: 5102-09-00-00-00-00					
Fiscal 2006					Fiscal 2007					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 78 - Equipment - 2 Year Programs - OTO	0.00	2,500,000	0	0	2,500,000	0.00	2,500,000	0	0	2,500,000
DP 200 - Class 8 Threshold (Bus. Tax Exp.) to \$20k	0.00	11,610	(11,610)	0	0	0.00	30,889	(30,889)	0	0
<b>Totals</b>	<b>0.00</b>	<b>\$2,511,610</b>	<b>(\$11,610)</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>0.00</b>	<b>\$2,530,889</b>	<b>(\$30,889)</b>	<b>\$0</b>	<b>\$2,500,000</b>

NP 200 – Class 8 Threshold (Bus. Tax Exempt) From \$20K to \$5K – The revised executive budget (Schweitzer budget) would increase the business equipment property tax exemption from \$5,000 market value to \$20,000 market value. This would reduce property tax revenues in FY 2006 and FY 2007 so that six-mill levy state special revenue to the university educational units would be reduced. Therefore, the revised executive budget would backfill the six-mill revenue reduction with general fund, total of \$42,499 in the 2007 biennium.

LFD  
ISSUE

The proposal to increase the business equipment property tax exemption will be included in legislation during the 2005 session. At the time of this analysis, that legislation had not yet been drafted so there is no bill or bill draft number to use for reference. However, when the legislation is drafted and considered, if the legislature does not pass the bill, then there will be no change to the property tax revenue, including the six-mill levy revenue.

Therefore, should the legislature decide to approve NP 200, the legislature may want to make this general fund appropriation of \$42,400 contingent upon passage of the legislation to increase the business equipment property tax exemption. If that legislation does not pass, this NP would then be excluded from HB2 appropriations.