Sub-Program Details

BUREAU TRANSFERS - SP 12

Sub-Program Proposed Budget

The following table summarizes the executive budget proposal for this subprogram by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Exec. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Exec. Budget Fiscal 2007	Total Exec. Budget Fiscal 06-07
Transfers	2,247,899	39,392	144,000	2,431,291	35,479	149,760	2,433,138	4,864,429
Total Costs	**$2,247,899**	**$39,392**	**$144,000**	**$2,431,291**	**$35,479**	**$149,760**	**$2,433,138**	**$4,864,429**
General Fund	1,581,899	39,392	144,000	1,765,291	35,479	149,760	1,767,138	3,532,429
State/Other Special	666,000	0	0	666,000	0	0	666,000	1,332,000
Total Funds	**$2,247,899**	**$39,392**	**$144,000**	**$2,431,291**	**$35,479**	**$149,760**	**$2,433,138**	**$4,864,429**

Sub-Program Description

The Bureau of Mines and Geology is a public service and research agency located at Montana Tech in Butte. The Bureau disseminates information through publications and conducts field and laboratory studies on all mineral resources, metallic and nonmetallic minerals, fuels, and groundwater.

The groundwater assessment programs at the bureau are funded at 15-38-202, MCA, by the Resource Indemnity Trust Fund, which was created, in part, for the purpose of supporting ground water assessment programs specific to areas that may experience environmental damage caused by mineral extraction.

LFD COMMENT For more detail on the Resource Indemnity Trust accounts, see the overview for the Department of Natural Resources and Conservation that appears in Volume 4, Section C (this volume) of the Budget Analysis.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	Fiscal 2006					Fiscal 2007				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 46 - Statewide - Bureau of Mines	0.00	29,392	0	0	29,392	0.00	25,479	0	0	25,479
DP 66 - Increased Overhead Costs for Campus Support	0.00	10,000	0	0	10,000	0.00	10,000	0	0	10,000
Total Other Present Law Adjustments	**0.00**	**$39,392**	**$0**	**$0**	**$39,392**	**0.00**	**$35,479**	**$0**	**$0**	**$35,479**
Grand Total All Present Law Adjustments					**$39,392**					**$35,479**

DP 46 - Statewide - Bureau of Mines - The executive budget applies statewide present law adjustments for the Bureau in the 2007 biennium, funding the state share of these adjustments at $55,000.

DP 66 - Increased Overhead Costs for Campus Support at Research/Public Service Agencies – The executive budget adds $20,000 general fund in the 2007 biennium to fund the state portion of increased overhead costs that are allocated from the educational units to the research/public service agencies.

LFD ISSUE

The state share calculation for the research/public service agencies remains the ratio between state funding versus other funding sources, which may include federal program funding, fee-for-service funds, interest earnings and other sources.

The state share percentage for the bureau in the 2007 biennium budget is 98 percent.

The executive budget, however, does not distinguish between state general fund and the state special revenue funds (Resource Indemnity Trust [RIT] program) that support the bureau. So the budget allocates the entire 98 percent state share expenditure adjustments to general fund, which actually represents 69 percent while the RIT funds represent 29 percent.

Therefore, the legislature may want to consider reallocating the present law adjustments in DP 46 and DP 66 at the bureau to reflect funding 69 percent from general fund and 29 percent from state special revenue, rather than the entire 98 percent from general fund. This revised allocation would change the present law adjustment allocation as follows:

- General fund share at 69 percent = $27,735
- State special revenue share at 29 percent = $11,657

New Proposals

New Proposals	Fiscal 2006						Fiscal 2007				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 68 - Shared Leadership - Technical Assistance to Small Oil & Gas Operators											
12	0.00	72,000	0	0	72,000		0.00	74,880	0	0	74,880
DP 69 - Shared Leadership - Coal and Coalbed-Methane Technology Program											
12	0.00	72,000	0	0	72,000		0.00	74,880	0	0	74,880
Total	**0.00**	**$144,000**	**$0**	**$0**	**$144,000**		**0.00**	**$149,760**	**$0**	**$0**	**$149,760**

DP 68 – Shared Leadership – Technical Assistance to Small Oil and Gas Operators - The executive budget adds $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 funding sources identified by the Board of Regents.

DP 69 – Shared Leadership – Coal and Coalbed-Methane Technology Program - The executive budget adds $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 funding sources identified by the Board of Regents.

LFD COMMENT

For discussion of the Shared Leadership project initiatives see the LFD Comment and LFD Issue under the Program Highlights section above. For discussion of the non-state match requirement of the Shared Leadership DP's, see the LFD Issue under sub-program 01.