

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

BRIAN SCHWEITZER  
GOVERNOR



JOHN BOHLINGER  
LT. GOVERNOR

April 22, 2011

The Honorable Mike Milburn  
Speaker of the House  
State Capitol  
Helena, MT 59620

Dear Speaker Milburn:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby return with amendments House Bill No. 2 (HB 2), **"AN ACT APPROPRIATING MONEY TO VARIOUS STATE AGENCIES FOR THE BIENNIUM ENDING JUNE 30, 2013; AND PROVIDING AN EFFECTIVE DATE."**

I have worked closely with you and the Senate President and have reached agreement with both of you as to every line change contained in these amendments. I now await passage of these amendments by the House and Senate in order that a budget for the State of Montana for the 2013 biennium be delivered to me for final signature.

Sincerely,

  
BRIAN SCHWEITZER  
GOVERNOR

cc: Legislative Services Division

STATE OF MONTANA



April 22, 2011

This letter of understanding is to affirm our shared commitment to implementing the 2013 Biennial Budget in a manner which conforms to the attached amendments. By signing below we commit to the following:

1. The Speaker of the House and the President of the Senate agree to pass House Bill 2 and the necessary companion bills in a manner which conform to the attached amendments.
2. The Governor will not utilize the line item veto authority provided for in Article VI, Section 10, Subsection 5 on House Bill 2 on any items which substantially implement the attached amendments.

We further commit to work together on any technical issues which may arise in a manner which substantially conform to the attached amendments.



BRIAN SCHWEITZER  
Governor



JAMES PETERSON  
President of the Senate



MIKE MILBURN  
Speaker of the House

Amendments to House Bill No. 2

Reference Copy

Requested by the Governor

For the House Committee of the Whole

Prepared by Amy Sassano

1. Page A-2, line 7.

**Strike:** "2,406,554                    2,403,155"     [general fund FY 2012 and 2013]

**Insert:** "2,589,554                    2,586,155"     [general fund FY 2012 and 2013]

2. Page A-5, line 6.

**Strike:** "5,197,645                    5,199,561"     [general fund FY 2012 and 2013]

**Insert:** "5,357,049                    5,358,965"     [general fund FY 2012 and 2013]

3. Page A-5, line 12.

**Strike:** "10,553,944    10,560,200"     [general fund FY 2012 and 2013]

**Insert:** "10,858,929    10,865,185"     [general fund FY 2012 and 2013]

4. Page A-5

**Following:** Line 18

**Insert:**            "b. Computer Programming (Restricted/Biennial/OTO)                    500,000"            [general fund FY 2012]

5. Page A-5

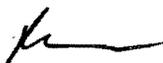
**Following:**     Line 24

**Insert:**            "c. SB 29 – Alcohol Server and Sales Training                    89,004                    85,419"  
[proprietary FY 2012 and 2013]

6. Page A-6, line 1.

**Strike:** "1,824,161    1,826,065"     [general fund FY 2012 and 2013]

**Insert:** "1,876,058    1,877,962"     [general fund FY 2012 and 2013]

  
  
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7. Page A-6, line 4.

**Strike:** “9,775,358 9,786,472” [general fund FY 2012 and 2013]

**Insert:** “10,025,706 10,036,820” [general fund FY 2012 and 2013]

8. Page A-6, line 8.

**Strike:** “18,842,690 18,867,679” [general fund FY 2012 and 2013]

**Insert:** “19,326,056 19,351,045” [general fund FY 2012 and 2013]

9. Page A-6

**Following:** Line 20

**Insert:** “Computer Programming is contingent on passage and approval of House Bill 316 or Senate Bill 329.”

**Insert:** “Information Technology and Processing and Property Assessment Division do not include a present law adjustment for non-Department of Administration rent increases for the Department of Revenue for the 2013 biennium. It is the intent of the Legislature that its rejection of the Governor’s proposed present law adjustment for rent is a reduction in the funds available for the purpose of the Department of Revenue’s lease(s) for office space and that the Department of Revenue either renegotiate the lease due to the reduction in funds or cancel the lease as provided in 2-17-101(6).”

10. Page A-9, line 3.

**Strike:** “425,179 574,821 462,959 537,041” [general fund and state special revenue FY 2012 and 2013]

**Insert:** “1,000,000 0 1,000,000 0” [general fund and state special revenue FY 2012 and 2013]

11. Page A-11

**Following:** Line 10

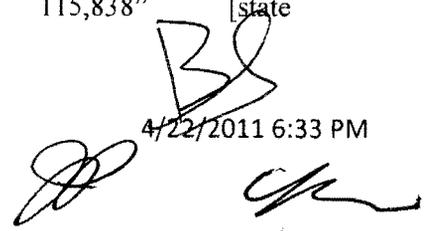
**Insert:** “a. HB 186 – Worksafe Montana 500,000 500,000” [state special revenue FY 2012 and 2013]

“b. HB 334 – Workers’ Compensation Revisions 442,772 408,297”  
[state special revenue FY 2012 and 2013]

12. Page A-11.

**Following:** Line 12

**Insert:** “a. HB 83 – Prescription Drug Registry 145,107 115,838” [state special revenue FY 2012 and FY 2013]

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**Insert:** "b. SB 423 – Medical Marijuana 50,000 50,000" [state special revenue FY 2012 and 2013]

13. Page A-11

**Following:** Line 22

**Insert:** "HB 83 – Prescription Drug Registry is contingent on passage and approval of House Bill No. 83.

HB 186 – Worksafe Montana is contingent on passage and approval of House Bill No. 186.

SB 423 – Medical Marijuana is contingent on passage and approval of Senate Bill No. 423."

14. Page A-12.

**Following:** Line 16

**Insert:** "b. Military Museum – Equipment (Restricted/Biennial/OTO) 100,000"  
[general fund FY 2012]

15. Page B-2.

**Following:** Line 17

**Insert:** "Management and Disability Transitions, Human and Community Services Division, Child and Family Services Division, and Child Support Enforcement Division do not include a present law adjustment for non-Department of Administration rent increases for the Department of Public Health and Human Services for the 2013 biennium. It is the intent of the Legislature that its rejection of the Governor's proposed present law adjustment for rent is a reduction in the funds available for the purpose of the Department of Public Health and Human Services' lease(s) for office space and that the Department of Public Health and Human Services either renegotiate the lease due to the reduction in funds or cancel the lease as provided in 2-17-101(6)."

16. Page B-3

**Following:** Line 9

**Insert:** "c. SB 423 – Medical Marijuana (OTO) 150,000 150,000"  
[state special revenue FY 2012 and 2013]

17. Page B-3.

**Following:** Line 23

**Insert:** "SB 423 – Medical Marijuana (OTO) is contingent on passage and approval of Senate Bill No. 423.

Quality Assurance Division does not include a present law adjustment for non-Department of Administration rent increases for the Department of Public Health and Human Services for the 2013 biennium. It is the intent of the Legislature that its rejection of the Governor's proposed present law adjustment for rent is a reduction

in the funds available for the purpose of the Department of Public Health and Human Services' lease(s) for office space and that the Department of Public Health and Human Services either renegotiate the lease due to the reduction in funds or cancel the lease as provided in 2-17-101(6). ”

18. Page B-4, line 1.

**Strike:** “10,806,920” [state special revenue FY 2012]

**Insert:** “14,806,920” [state special revenue FY 2012]

19. Page B-4, line 3.

**Strike:** “10,804,580” [state special revenue FY 2013]

**Insert:** “14,804,580” [state special revenue FY 2013]

20. Page B-4, line 13

**Strike:** “128,642,182                      129,723,906”                      [federal special revenue FY 2012 and 2013]

**Insert:** “129,478,183                      130,542,467”                      [federal special revenue FY 2012 and 2013]

21. Page B-4, line 14

**Strike:** “73,956,561                      75,408,214”                      [general fund FY 2012 and 2013]

**Insert:** “74,383,149                      75,834,802”                      [general fund FY 2012 and 2013]

22. Page B-4.

**Strike:** Line 15 through 16 in their entirety

23. Page B-4, Line 20.

**Strike:** “105,459,899    111,011,040” [general fund FY 2012 and 2013].

**Insert:** “114,523,581    119,867,693” [general fund FY 2012 and 2013]

24. Page B-4, Line 21.

**Strike:** “67,383,145    68,322,968” [state special revenue FY12 and FY 2013]

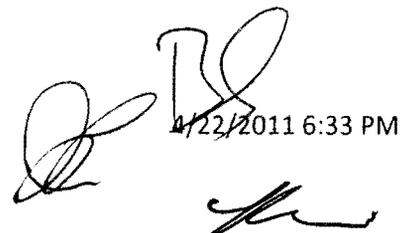
**Insert:** “68,393,078    69,177,133” [state special revenue FY 2012 and FY 2013]

**Strike:** “417,451,121    444,604,720” [federal special revenue FY 2012 and 2013]

**Insert:** “466,795,456    492,995,088” [federal special revenue FY 2012 and 2013]

25. Page B-4

**Strike:** Line 25 through Page B-5 line 3 in their entirety



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26. Page B-5.

**Following:** Line 5

**Insert:** "e. Indian Property Exclusion (OTO) 262,543 513,982 266,037  
510,488" [state special and federal special revenue FY 2012 and 2013]

**Insert:** "f. Re-Establish Hospital Base (OTO) 307,268 261,291" [state special revenue  
FY 2012 and 2013]

27. Page B-5

**Following:** Line 5

**Insert:** "g. Big Sky RX (Biennial) 4,003,825 4,003,223" [state special  
revenue FY 2012 and 2013]

28. Page B-5, line 23.

**Strike:** "2,731,179 2,767,530" [State special revenue FY 2012 and 2013]

**Insert:** "1,638,708 1,711,292" [State special revenue FY 2012 and 2013]

**Strike:** "5,346,843 5,310,492" [Federal special revenue FY 2012 and 2013]

**Insert:** "3,208,106 3,283,723 [Federal special revenue FY 2012 and 2013]

29. Page B-5.

**Following:** Line 23

**Insert:** "e. Restore Personal Assistance (OTO) 251,358 492,085 251,358  
482,320" [state special and federal special revenue FY 2012 and 2013]

30. Page B-5, line 25.

**Strike:** "12,653,778" [state special revenue FY 2013]

**Insert:** "14,801,412" [state special revenue FY 2013]

31. Page B-6.

**Strike:** Line 2 through line 3 in their entirety

**Strike:** Line 11 through line 12 in their entirety

**Strike:** Line 15 in its entirety

**Strike:** Line 20 through line 22 in their entirety

**Strike:** Line 23 through line 24 in their entirety



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32. Page B-7

**Strike:** Line 13 through line 14 in their entirety

33. Page B-7

**Following:** Line 14

**Insert:** "Federal special revenue appropriated to the Department of Public Health and Human Services may be allocated among programs when developing the 2013 biennium operating plans.

Disability Services Division, Senior and Long-Term Care Division, and Addictive and Mental Disorders Division do not include a present law adjustment for non-DOA rent increases for the Department of Public Health and Human Services for the 2013 biennium. It is the intent of the Legislature that its rejection of the Governor's proposed present law adjustment for rent is a reduction in funds available for the purpose of the Department of Public Health and Human Services' lease(s) for office space and that the Department of Public Health and Human Services either renegotiate the lease due to the reduction in funds or cancel the lease as provided in 2-17-101(6).

If the Addictive and Mental Disorders Division is unable to secure a federal grant to support the suicide prevention coordinator position, the division may use other funds available from the appropriations for the Addictive and Mental Disorders Division to fund the position."

34. Page C-4.

**Following:** Line 18

**Insert:** "b. SB 206 – Energy Transmission Siting 613,386 602,386" [state special revenue FY 2012 and 2013]

35. Page C-5.

**Following:** Line 14

**Insert:** "SB 206 – Energy Transmission Siting is contingent on passage and approval of Senate Bill No. 206."

36. Page C-6

**Strike:** Line 15 through line 16 in their entirety

37. Page C-7

**Strike:** Line 12 through line 13 in their entirety

38. Page C-7, line 17

**Strike:** (OTO)



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39. Page C-7, line 19

**Strike:** /OTO

40. Page C-7, line 21

**Strike:** (OTO)

41. Page C-8, line 4

**Strike:** (OTO)

42. Page C-8, line 12

**Strike:** (OTO)

43. Page C-8, line 16

**Strike:** (OTO)

44. Page C-8, line 18

**Strike:** (OTO)

45. Page C-8

**Strike:** Line 25 in its entirety.

46. Page C-10

**Strike:** Line 4 through line 5 in their entirety.

**Renumber:** subsequent subsections

47. Page C-10

**Strike:** Line 11 through line 12 in their entirety.

48. Page C-10

**Strike:** Line 17 through line 20 in their entirety.

**Renumber:** subsequent subsections

49. Page C-12, line 8.

**Strike:** “\$1,543,487”

**Insert:** “\$1,893,487”

**Following:** “\$1,893,487”



**Strike:** "\$1,543,487"

**Insert:** "\$1,893,487"

**Following:** "\$1,893,487"

**Strike:** "\$1,543,487"

**Insert:** "\$1,893,487"

50. Page C-12, line 9.

**Following:** "\$1,893,487"

**Strike:** "\$1,543,487"

**Insert:** "\$1,893,487"

51. Page C-13

**Strike:** Line 1 through line 2 in their entirety

52. Page C-13

**Following:** Line 2

**Insert:** "c. SB 126 – Ag Inspection Fees 84,753 84,753" [state special revenue FY 2012 and 2013]

53. Page C-13

**Strike:** Line 10 in its entirety

54. Page C-13

**Following:** Line 12

**Insert:** "SB 126 – Ag Inspection Fees is contingent on passage and approval of Senate Bill No. 126."

55. Page D-1, line 9.

**Strike:** "200,000 200,000" [general fund FY 2012 and 2013]

**Insert:** "295,927 295,518" [general fund FY 2012 and 2013]

56. Page D-1, line 18.

**Strike:** "327,078 327,265" [state special revenue FY 2012 and 2013]

**Insert:** "227,078 227,265" [state special revenue FY 2012 and 2013]



57. Page D-1, line 19.

**Strike:** “24,913,770    25,002,216” [general fund FY 2012 and 2013]

**Insert:** “25,013,770    25,102,216” [general fund FY 2012 and 2013]

58. Page D-5, line 16

**Following:** “(01)”

**Insert:** “(Biennial)”

59. Page D-5, line 18.    OPD

**Strike:** “19,541,412    19,558,747”    [general fund FY 2012 and 2013]

**Insert:** “21,041,412    21,058,747”    [general fund FY 2012 and 2013]

60. Page D-5.

**Following:** Line 22

**Insert:**            “c. Death Penalty Cases (Restricted/Biennial/OTO)

                  500,000        400,000”        [general fund FY 2012 and 2013]

61. Page D-5.

**Following:** Line 22.

**Insert:**            “d. SB 15 – Misdemeanor Aggravated DUI        85,500            85,500”            [general  
fund FY 2012 and 2013]

62. Page D-5.

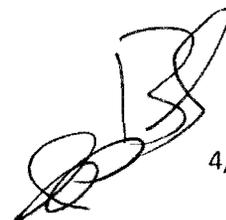
**Following:** Line 22.

**Insert:**            “e. SB 187 – Revise Public Defender Laws                    111,144”            [state special  
revenue FY 2013]

63. Page D-5, line 23.

**Following:** “(02)”

**Insert:** “(Biennial)”



64. Page D-6

**Following:** Line 6

**Insert:** "Death Penalty Cases is restricted for the purpose of death penalty case costs until September 1, 2012. After September 1, 2012, any remaining funds available in the appropriation may be used for any purpose consistent with the mission of the agency.

SB 15 – Misdemeanor Aggravated DUI is contingent on passage and approval of Senate Bill No. 15.

SB 187 – Revise Public Defender Laws is contingent on passage and approval of Senate Bill No. 187."

65. Page D-6, line 16.

**Strike:** "58,313,406 58,554,173" [general fund FY 2012 and 2013]

**Insert:** "60,113,406 60,354,173" [general fund FY 2012 and 2013]

66. Page D-7

**Strike:** Line 19 through line 21 in their entirety

**Strike:** Line 24 through line 25 in their entirety

67. Page D-8

**Strike:** Line 1 through line 3 in their entirety

**Strike:** Line 9 through line 13 in their entirety

68. Page E-1, line 9

**Strike:** "0 0" [general fund FY 2012 and 2013]

**Insert:** "1,168,000 1,168,000" [general fund FY 2012 and 2013]

**Strike:** "1,168,000 1,168,000" [state special revenue FY 2012 and 2013]

**Insert:** "0 0" [state special revenue FY 2012 and 2013]

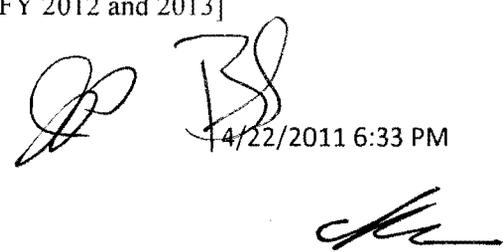
69. Page E-1

**Strike:** Line 10 through line 11 in their entirety

70. Page E-1, line 17

**Strike:** "492,262,212 520,021,232" [general fund FY 2012 and 2013]

**Insert:** "491,094,212 518,853,232" [general fund FY 2012 and 2013]

Handwritten signatures and a date stamp. The date stamp reads "4/22/2011 6:33 PM". There are two distinct signatures above the date and one signature below it.

71. Page E-2, line 6

**Strike:** “52,150,510 52,150,510” [general fund FY 2012 and 2013]

**Insert:** “52,546,854 52,946,210” [general fund FY 2012 and 2013]

72. Page E-2

**Strike:** Line 18 through line 20 in their entirety

73. Page E-3

**Strike:** Line 9 through line 11 in their entirety

74. Page E-3

**Following:** Line 11

**Insert:** “p. Multi-District Cooperatives (restricted/biennial/OTO) 1,000,000” [general fund FY 2012]

75. Page E-3

**Strike:** Line 22 through line 24 in their entirety

**Strike:** Line 25 through page E-4 line 2 in their entirety

76. Page E-4

**Strike:** Line 7 through line 11 in their entirety

77. Page E-5

**Following:** Line 8

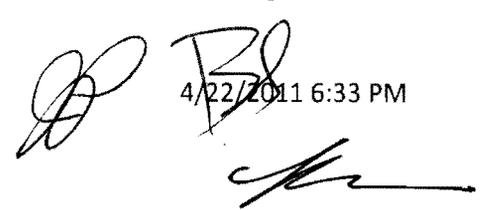
**Insert:** “The general fund appropriation for BASE Aid (Restricted/Biennial) is increased by \$5,522,353 in FY 2012 and \$19,012,456 in FY 2013 if Senate Bill No. 329 is not passed in a form that:

- (1) provides for an inflation factor for basic and total per ANB entitlements of 1.0% in FY 2012 and 2.43% in FY 2013; and
- (2) allocates revenue from school district’s excess oil and natural gas production taxes to the state special revenue guarantee account provided for in 20-9-622. For purposes of this subsection (2), excess oil and natural gas production taxes means 100% of a school district BASE budget, as defined in 20-9-306.

Multi-District Cooperatives is contingent on passage and approval of Senate Bill No. 329.”

78. Page E-5, line 22

**Strike:** “427,117 426,752” [general fund FY 2012 and 2013]

Handwritten signatures and a date stamp. The date stamp reads "4/22/2011 6:33 PM". There are three distinct signatures in black ink.

**Insert:** “444,245 443,981” [general fund FY 2012 and 2013]  
**Strike:** “20,886 21,175” [state special revenue FY 2012 and 2013]  
**Insert:** “3,758 3,946” [state special revenue FY 2012 and 2013]

79. Page E-9, line 9.

**Strike:** “11,901,940 12,149,860” [general fund FY 2012 and 2013]  
“1,066,239 1,066,239” [federal special revenue FY 2012 and 2013]  
**Insert:** “9,901,940 10,149,860” [general fund FY 2012 and 2013]  
“3,066,239 3,066,239” [federal special revenue FY 2012 and 2013]

80. Page E-10, line 4

**Strike:** “11,805,424 11,856,141” [general fund FY 2012 and 2013]  
**Insert:** “12,455,424 12,506,141” [general fund FY 2012 and 2013]

81. Page E-10, line 12

**Strike:** “2,756,185 2,757,538” [general fund FY 2012 and 2013]  
**Insert:** “3,356,185 3,357,538” [general fund FY 2012 and 2013]

82. Page E-10

**Following:** Line 15

**Insert:** “g. Educational Units (Restricted/Biennial/OTO) 4,855,152 4,380,153”  
[general fund FY 2012 and 2013]

**Insert:** “h. MUS Research (Restricted/Biennial/OTO) 1,500,000 2,000,000” [general fund FY 2012 and 2013]

**Insert:** “i.PBS (Restricted) 150,000 150,000” [general fund FY 2012 and 2013]



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