

Program Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	6.10	6.10	5.60	5.60	6.10	5.60	(0.50)	(8.20)%
Personal Services	378,778	389,621	390,456	390,137	768,399	780,593	12,194	1.59 %
Operating Expenses	250,894	258,118	250,887	250,888	509,012	501,775	(7,237)	(1.42)%
Total Costs	\$629,672	\$647,739	\$641,343	\$641,025	\$1,277,411	\$1,282,368	\$4,957	0.39 %
State/Other Special Rev. Funds	629,672	647,739	641,343	641,025	1,277,411	1,282,368	4,957	0.39 %
Total Funds	\$629,672	\$647,739	\$641,343	\$641,025	\$1,277,411	\$1,282,368	\$4,957	0.39 %

Program Description

The Petroleum Tank Release Compensation Board is responsible for administering the petroleum tank release cleanup fund. This includes reimbursement to petroleum storage tank owners and operators for corrective action costs and compensation paid to third parties for bodily injury and property damage resulting from a release of petroleum from a petroleum storage tank. The board is responsible for responding to and working with private individuals, corporations, other state agencies, the Governor’s Office, the legislature, federal agencies, and other interested parties with activities relative to petroleum storage tanks. It is attached to the DEQ for administrative purposes.

Program Highlights

<p>Petro Tank Release Compensation Board Major Budget Highlights</p>
<ul style="list-style-type: none"> • The executive generally requests funding at the 2015 biennium funding

Program Discussion -

Comparison of FY 2015 Legislative Base to FY 2015 Appropriation

No changes were made to the FY 2015 appropriation.

Comparison of FY 2014 Actual Expenditures to FY 2015 Legislative Appropriation

Actual FY 2014 expenditures are \$18,067 below the FY 2015 legislative appropriation, primarily due to lower personal services costs.

Funding

The following table shows proposed program funding by source from all sources of authority.

Department of Environmental Quality, 90-Petro Tank Release Compensation Board Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
02058 Petroleum Storage Tank Cleanup	1,282,368	0	8,451,280	9,733,648	100.00 %	
State Special Total	\$1,282,368	\$0	\$8,451,280	\$9,733,648	100.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$1,282,368	\$0	\$8,451,280	\$9,733,648		

The program is funded entirely through a portion of the \$0.0075 fee on gasoline, diesel, heating oil, and aviation fuel distributed in Montana.

LFD COMMENT	<p><u>Petroleum Storage Tank Cleanup Fund Reduction</u></p> <p>The only funding source for the division – the Petroleum Storage Tank Cleanup state special revenue fund - is projected to have negative fund balance by fiscal year end 2015. While the administrative portion of the division is appropriated through HB 2, reimbursement payments from the Petroleum Tank Release Compensation Board to owners and operators impacted by a release are statutorily appropriated under 75-11-313, MCA. In order to ensure fiscal soundness, the board has reduced the amount of statutory appropriation it anticipates spending by \$2 million dollars in both FY 2016 and FY 2017. This will leave the fund with a projected balance of \$2,071,036 at the end of the 2017 biennium.</p>
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Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	0	0	0	0.00 %	647,739	647,739	1,295,478	0.00 %
PL Adjustments	0	0	0	0.00 %	(6,396)	(6,714)	(13,110)	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$641,343	\$641,025	\$1,282,368	

Present Law Adjustments -

The “Present Law Adjustments” table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	0	835	0	835	0.00	0	516	0	516
DP 99 - LEG. Present Law	0.00	0	(7,231)	0	(7,231)	0.00	0	(7,230)	0	(7,230)
Grand Total All Present Law Adjustments	0.00	\$0	(\$6,396)	\$0	(\$6,396)	0.00	\$0	(\$6,714)	\$0	(\$6,714)

DP 98 - LEG. Personal Services Present Law -

The Personal Services Present Law Adjustments (PSPL) in the table below includes all present law adjustments related to personal services, including statewide present law personal services adjustments. This adjustment has been broken out by some of its component parts for a more detailed understanding of the adjustments. FY 2016 and FY 2017 contain the reductions in FTE made by the executive to implement the boilerplate language in HB 2.

Personal Services Present Law Adjustments					
	FY 2016				
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	5.60	\$0	\$2,722	\$0	\$2,722
Executive Implementation of 2015 Pay Increase		-	6,745	-	6,745
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other		-	(8,631)	-	(8,631)
Personal Services Present Law Adjustments	5.60	\$0	\$835	\$0	\$835
	FY 2017				
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	5.60	\$0	\$2,722	\$0	\$2,722
Executive Implementation of 2015 Pay Increase		-	6,745	-	6,745
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other		-	(8,950)	-	(8,950)
Personal Services Present Law Adjustments	5.60	\$0	\$516	\$0	\$516

The executive proposes to increase overall personal services in both FY 2016 and FY 2017 when compared to the FY 2015 legislative appropriation. As shown in the table, the increase is composed of the implementation of the 2015 pay increase and the state share of the health insurance.

DP 99 - LEG. Present Law -

This adjustment reflects all present law requests by the executive that are unrelated to personal services, including statewide present law adjustments for inflation and fixed costs.

Language and Statutory Authority -

The executive has requested the following language be included in HB 2:

53010 - Department Of Environmental Quality 90-Petro Tank Release Compensation Board

"The department is appropriated up to \$1,000,000 of the funds recovered under the petroleum tank compensation board subrogation program in the 2015 biennium for the purpose of paying contract expenses related to the recovery of funds.