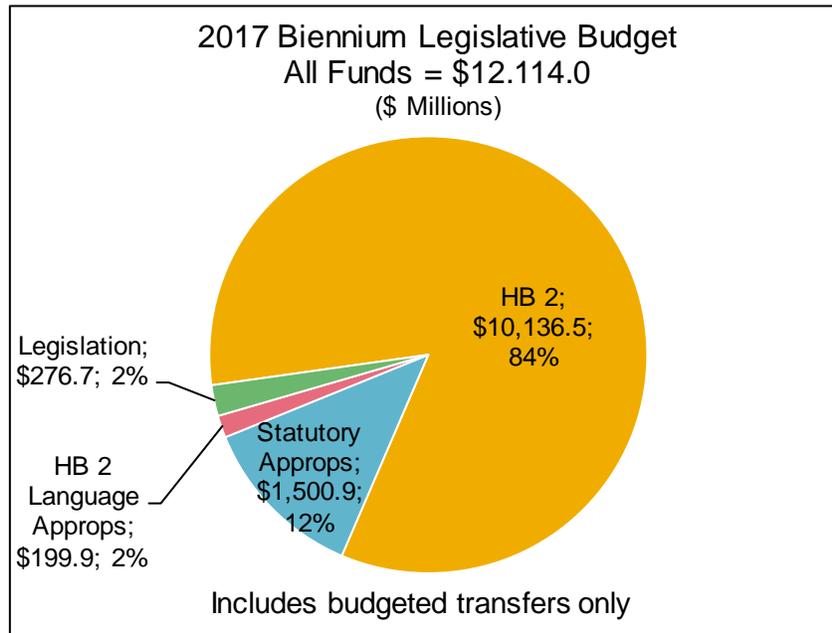


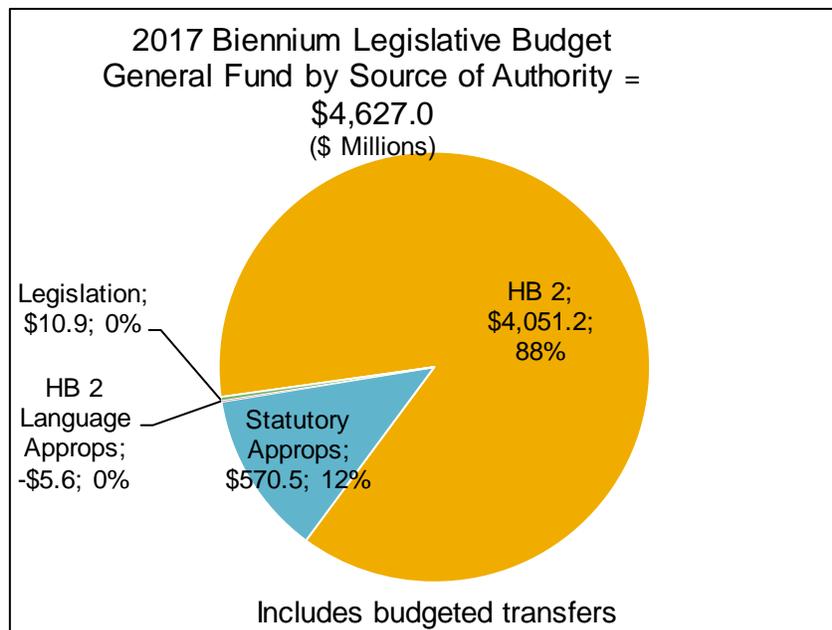
STATE EXPENDITURES

SPENDING BY SOURCE OF AUTHORITY

The chart below shows the legislative budget broken down by appropriation source of authority. HB 2 (including language) dominates the appropriation sources for total funds at 86%.



The figure below shows the general fund budget approved by the legislature by appropriation source of authority. Please note that “Legislation” includes Long Range Planning.



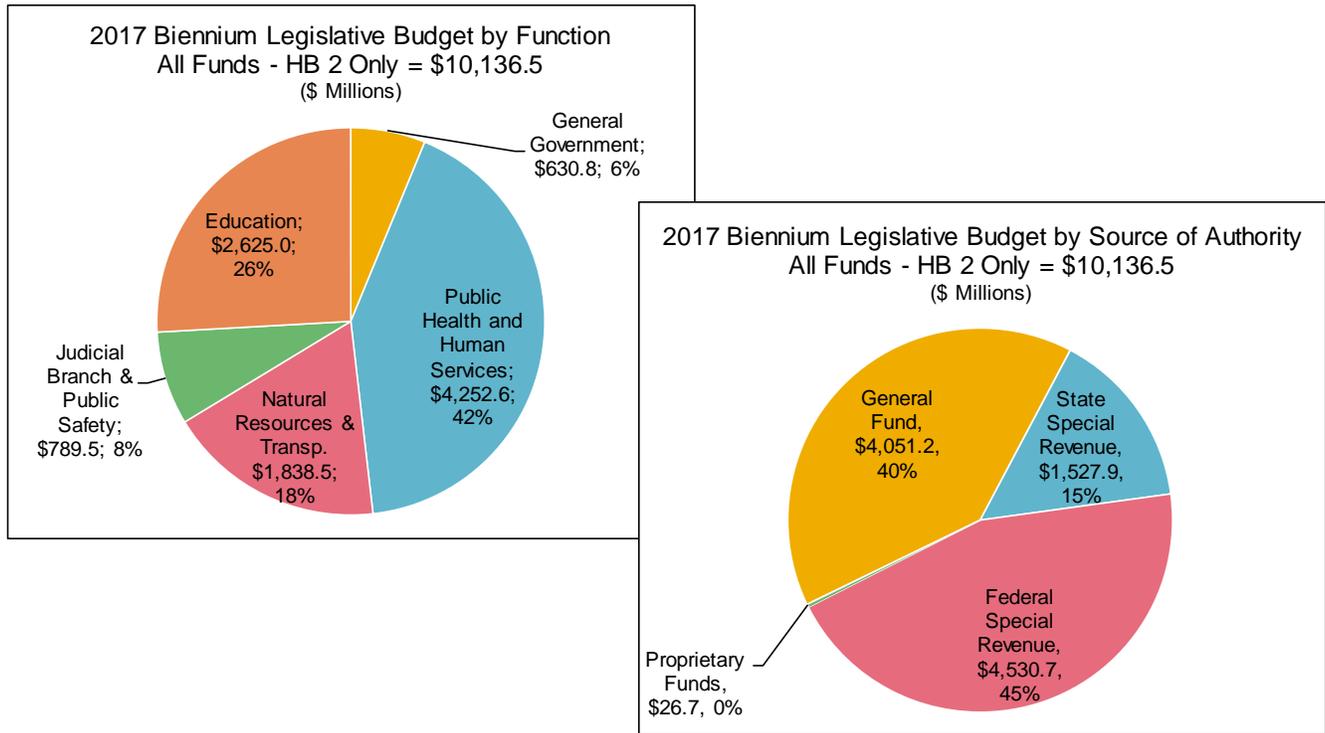
The following sections discuss the various components of state expenditures, beginning with HB 2.

HB 2 FUNDING

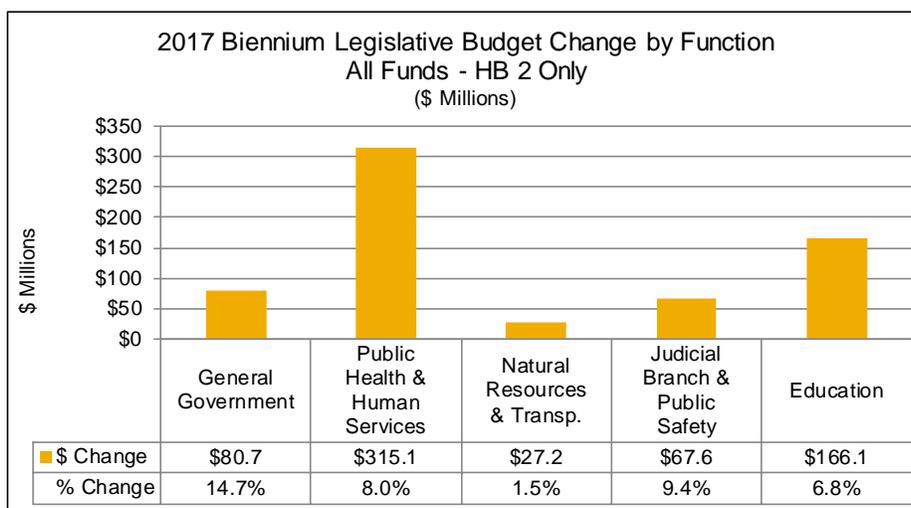
HB 2 is the general appropriations bill, which contains about 40% of general fund and about 85% of total funds appropriated by the legislature for the 2017 biennium.

Funding by Functional Area

The following figures show the allocation of total funds in HB 2 by functional area and by source of funding. Education and human services account for 68% of the total, while federal funds are the largest funding source.



The bar chart shows the changes between the 2015 and 2017 biennia in total funds HB 2 by functional area.



The table on the next page shows total funding in HB 2, by agency, and compares each to the 2015 biennium appropriations. One-time-only (OTO) funds have been segregated from ongoing expenditures and appear shaded in the table. The appropriation percentage change from the 2015 biennium to the 2017 biennium is shown in the "Bi %" column.

ALL FUNDS HB 2 / Comparison of 2015 Biennium Appropriation to 2017 Biennium Appropriation

	FY 2014	FY 2015	2015 Bi	FY 2016	FY 2017	2017 Bi	Bi %	
ONGOING								
General Government								
1104	Legislative Branch	14.481	14.901	29.382	15.393	15.210	30.603	4.2%
1112	Consumer Counsel	1.407	1.454	2.861	1.457	1.483	2.940	2.8%
3101	Governors Office	6.199	6.361	12.560	34.942	61.953	96.895	671.5%
3202	Commissioner of Political Practices	0.497	0.517	1.014	0.569	0.562	1.132	11.6%
3401	State Auditor's Office	9.078	9.310	18.388	8.643	8.171	16.814	-8.6%
5801	Department of Revenue	55.034	56.320	111.354	56.644	56.499	113.143	1.6%
6101	Department of Administration	17.484	17.782	35.266	19.829	18.020	37.849	7.3%
6501	Department of Commerce	27.406	27.350	54.756	26.870	26.809	53.679	-2.0%
6602	Labor & Industry	79.212	81.519	160.731	82.101	80.768	162.869	1.3%
6701	Department of Military Affairs	44.833	43.354	88.188	48.433	48.394	96.828	9.8%
	Subtotal Section A	255.631	258.868	514.499	294.883	317.871	612.753	19.1%
Health and Human Services								
6902	Economic Security Services Branch	443.059	449.095	892.155	434.135	436.463	870.598	-2.4%
6904	Director's Office	3.887	4.027	7.915	5.579	5.584	11.163	41.0%
6906	Operations Services Branch	52.603	52.329	104.932	50.380	49.830	100.210	-4.5%
6907	Public Health	65.793	66.219	132.012	62.089	62.094	124.182	-5.9%
6911	Medicaid And Health Services Branch	1,355.489	1,431.297	2,786.786	1,528.485	1,614.339	3,142.825	12.8%
	Subtotal Section B	1,920.832	2,002.968	3,923.800	2,080.668	2,168.310	4,248.979	8.3%
Natural Resources and Transportation								
5201	Dept. of Fish, Wildlife, and Parks	76.328	78.385	154.713	79.497	79.485	158.982	2.8%
5301	Department of Environmental Quality	56.959	58.257	115.216	61.508	61.612	123.120	6.9%
5401	Department of Transportation	678.664	679.480	1,358.144	671.035	672.148	1,343.183	-1.1%
5603	Department of Livestock	10.110	10.438	20.548	0.170	0.131	0.302	-98.5%
5706	Dept Nat Resource/Conservation	59.714	59.100	118.814	65.960	64.665	130.625	9.9%
6201	Department of Agriculture	17.407	17.779	35.186	17.495	17.475	34.971	-0.6%
	Subtotal Section C	899.182	903.439	1,802.621	895.666	895.516	1,791.182	-0.6%
Judicial Branch, Law Enforcement and Justice								
2110	Judiciary	40.387	42.034	82.421	50.218	51.056	101.273	22.9%
4107	Crime Control Division	8.594	8.646	17.240	8.128	8.127	16.255	-5.7%
4110	Department of Justice	86.653	89.337	175.990	95.865	96.929	192.794	9.5%
4201	Public Service Commission	3.835	3.869	7.704	3.994	3.972	7.966	3.4%
6108	Office of Public Defender	26.745	27.390	54.134	0.014	0.021	0.035	-99.9%
6401	Department of Corrections	187.228	192.226	379.453	201.113	202.491	403.604	6.4%
	Subtotal Section D	353.442	363.501	716.943	359.332	362.595	721.927	0.7%
Education								
3501	Office of Public Instruction	890.339	921.928	1,812.267	957.965	974.918	1,932.883	6.7%
5101	Board of Public Education	0.388	0.384	0.772	0.332	0.318	0.650	-15.8%
5102	Commissioner of Higher Education	280.481	293.439	573.920	311.641	316.820	628.461	9.5%
5113	School For The Deaf & Blind	6.867	7.093	13.961	7.209	7.179	14.388	3.1%
5114	Montana Arts Council	1.428	1.429	2.857	1.453	1.419	2.871	0.5%
5115	Library Commission	6.362	5.320	11.681	6.451	5.377	11.829	1.3%
5117	Historical Society	5.199	5.292	10.491	5.617	5.573	11.189	6.7%
	Subtotal Section E	1,191.064	1,234.885	2,425.949	1,290.668	1,311.603	2,602.271	7.3%
	Subtotal Ongoing	4,620.151	4,763.662	9,383.812	4,921.217	5,055.895	9,977.112	6.3%
ONE-TIME								
	General Government	18.774	16.911	35.684	12.248	5.841	18.089	-49.3%
	Health and Human Services	6.431	7.179	13.610	1.823	1.755	3.579	-73.7%
	Natural Resources and Transportation	5.248	3.519	8.768	23.672	23.692	47.364	440.2%
	Judicial Branch, Law Enforcement and Justice	3.035	1.973	5.007	33.883	33.737	67.620	1250.5%
	Education	17.153	15.773	32.926	12.160	10.550	22.710	-31.0%
	Subtotal One-time	50.640	45.354	95.994	83.786	75.575	159.361	66.0%
	Grand total	4,670.791	4,809.016	9,479.807	5,005.003	5,131.470	10,136.473	6.9%

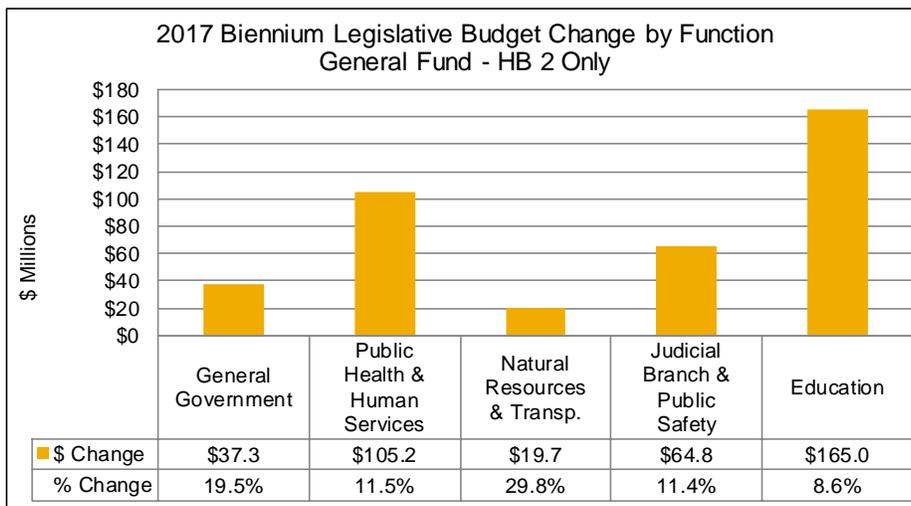
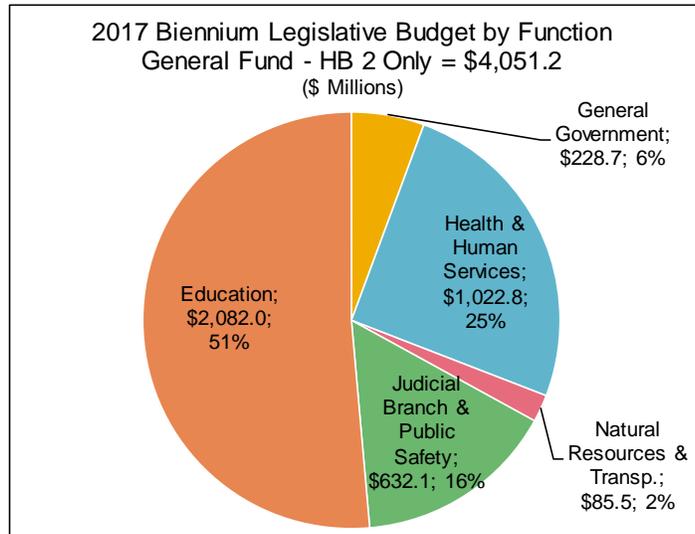
Type of Funding

The largest source of funding for operations of state government is federal funds at about 45% of the total, followed by general fund at about 40%. The four primary funding sources in HB 2—general fund, state special revenue, federal funds, and budgeted proprietary funds—are discussed in the following sections.

General Fund

The adjacent pie chart shows total HB 2 general fund expenditures as adopted by the legislature, by government functional area. Education, human services, and Judicial Branch and public safety are about 92% of the total expenditures.

The chart below shows the total increases from the 2015 biennium by functional area. As shown, the increases are dominated by human services and education.



Ongoing Expenditures

The 64th Legislature increased ongoing general fund expenditures by \$313 million, or 8.7% compared to the 2015 biennium legislative appropriations. Increases for general government, human services, natural resources, K-12 and higher education are nearly 60% of the total increase.

Major increases include:

- Caseload and/or other human population increases in Medicaid and other programs: K-12 education, Health and Human Services, corrections, and Office of Public Defender
- Changes in FMAP (the percent of Medicaid expenses paid by the federal government), which increases state costs
- Increase of \$23.3 million for postsecondary education institutions
- Additional funding for community services for mental health crisis jail diversion, secure detention psychiatric beds, and transitional mental health group homes
- Increase for K-12 education for inflationary increases for BASE Aid components and enrollment growth, \$92.1 million

Significant funding of new proposals:

- Incorporating the executive branch employee pay plan and contingency funding in HB 2 (for more information on this, please refer to the executive branch employee pay plan section)
- A 2% provider rate increase in human services and corrections, as well as a direct care worker wage increase and a per-diem increase for county jails - \$22.6 million general fund
- The “First Step” initiative, autism services and other mental health proposals - \$17.4 million after HELP Act estimated savings
- Funding shifts - \$4.0 million
- Potential increases dependent on Medicaid caseloads, please see the SB 405 section of this report

One-Time-Only

The legislature approved \$124.4 million in one-time-only (OTO) appropriations; this includes budgets for the Office of Public Defender and the Department of Livestock as one-time for the 2017 biennium, which accounts for \$70.2 million in OTO funding. The legislature anticipates these agency budgets will be ongoing, but will use one-time funding as a budgeting tool to closely examine the budgets in the 2017 session.

Other OTO funding:

- Aquatic Invasive Species in natural resource agencies - \$1.9 million
- The Insure Montana program was provided \$4.5 million OTO to phase out the program
- \$3.0 million for the Commissioner of Higher Education to fund the Governor’s Best and Brightest Scholarships and Quality educator Loan Forgiveness Program
- \$2.4 million to the Department of Health and Human Services for Child Care STARS to Quality program
- Office of Public Instruction received \$1.7 million for the Digital Academy

Significant new proposals funded as OTO include:

- Research initiative for Commissioner of Higher Ed - \$15.0 million
- Sage grouse conservation fund - \$10.0 million
- Economic development in Department of Commerce - \$3.0 million
- Native language preservation - \$1.5 million
- Youth recreational facilities - \$1.5 million

General fund new proposals and decision point adjustments, as well as the OTO funding decisions for the Office of Public Defender and the Department of Livestock, are explained more fully in Volumes 3 and 4 of the [2017 Biennium Legislative Fiscal Report](#).

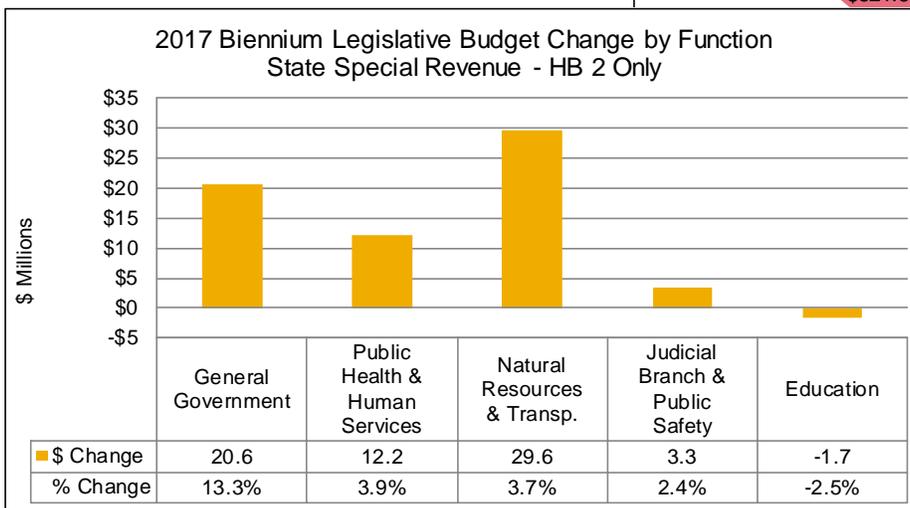
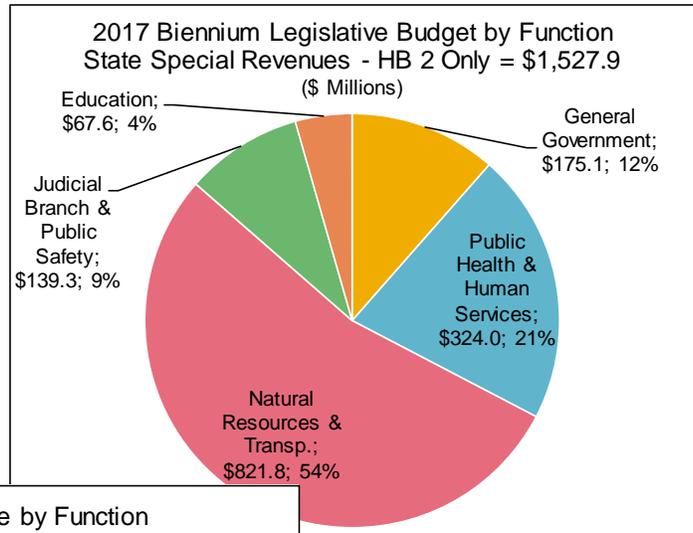
The table below shows general fund by agency compared to the 2015 biennium appropriations. OTO funds have been segregated from ongoing expenditures and appear shaded in the table. The appropriation percentage change from the 2015 biennium to the 2017 biennium is shown in the "Bi %" column.

GENERAL FUND HB 2 / Comparison of 2015 Biennium Appropriation to 2017 Biennium Appropriation*								
		FY 2014	FY 2015	2015 Bi	FY 2016	FY 2017	2017 Bi	Bi %
ONGOING								
General Government								
1104	Legislative Branch	11.907	12.754	24.661	12.794	13.166	25.960	5.3%
3101	Governors Office	6.191	6.353	12.543	18.551	28.703	47.254	276.7%
3202	Commissioner of Political Practices	0.497	0.517	1.014	0.569	0.562	1.132	11.6%
5801	Department of Revenue	50.126	51.523	101.649	52.324	52.188	104.512	2.8%
6101	Department of Administration	5.232	5.341	10.573	5.866	5.703	11.569	9.4%
6501	Department of Commerce	3.085	3.162	6.247	3.511	3.497	7.008	12.2%
6602	Labor & Industry	1.351	1.446	2.797	1.851	1.866	3.717	32.9%
6701	Department of Military Affairs	5.967	6.087	12.054	6.458	6.459	12.917	7.2%
	Subtotal Section A	84.355	87.182	171.537	101.924	112.145	214.070	24.8%
Health and Human Services								
6902	Economic Security Services Branch	76.851	79.934	156.785	81.797	83.550	165.347	5.5%
6904	Director's Office	1.704	1.764	3.468	2.510	2.514	5.024	44.9%
6906	Operations Services Branch	18.305	18.075	36.380	18.526	19.013	37.540	3.2%
6907	Public Health	3.896	3.971	7.867	3.857	3.857	7.714	-1.9%
6911	Medicaid And Health Services Branch	345.781	365.174	710.955	395.530	408.625	804.155	13.1%
	Subtotal Section B	446.536	468.918	915.454	502.221	517.559	1,019.780	11.4%
Natural Resources and Transportation								
5301	Department of Environmental Quality	5.361	5.508	10.870	5.296	5.290	10.586	-2.6%
5603	Department of Livestock	0.995	1.029	2.024	0.079	0.079	0.157	-92.2%
5706	Dept Nat Resource/Conservation	24.128	24.793	48.921	27.627	27.604	55.231	12.9%
6201	Department of Agriculture	0.998	0.986	1.983	0.972	0.929	1.901	-4.1%
	Subtotal Section C	31.481	32.317	63.798	33.973	33.902	67.875	6.4%
Judicial Branch, Law Enforcement and Justice								
2110	Judiciary	37.702	39.259	76.960	48.325	49.107	97.433	26.6%
4107	Crime Control Division	2.377	2.411	4.788	2.466	2.466	4.932	3.0%
4110	Department of Justice	29.498	30.305	59.804	34.247	34.744	68.990	15.4%
6108	Office of Public Defender	26.463	27.116	53.579	0.014	0.021	0.035	-99.9%
6401	Department of Corrections	181.220	186.186	367.406	196.189	197.561	393.750	7.2%
	Subtotal Section D	277.260	285.277	562.537	281.241	283.899	565.140	0.5%
Education								
3501	Office of Public Instruction	713.180	743.170	1,456.350	780.848	796.457	1,577.305	8.3%
5101	Board of Public Education	0.216	0.207	0.422	0.154	0.139	0.293	-30.7%
5102	Commissioner of Higher Education	202.503	214.727	417.230	224.847	229.830	454.677	9.0%
5113	School For The Deaf & Blind	6.532	6.759	13.291	6.881	6.850	13.731	3.3%
5114	Montana Arts Council	0.494	0.493	0.988	0.523	0.503	1.026	3.9%
5115	Library Commission	2.895	2.954	5.848	3.033	3.017	6.051	3.5%
5117	Historical Society	3.137	3.189	6.326	3.429	3.385	6.814	7.7%
	Subtotal Section E	928.957	971.498	1,900.455	1,019.715	1,040.181	2,059.896	8.4%
	Subtotal Ongoing	1,768.590	1,845.192	3,613.782	1,939.074	1,987.686	3,926.760	8.7%
ONE-TIME								
	General Government	7.837	11.988	19.825	10.242	4.367	14.608	-26.3%
	Health and Human Services	0.890	1.263	2.152	1.551	1.484	3.035	41.0%
	Natural Resources and Transportation	1.050	1.039	2.089	8.807	8.860	17.666	745.8%
	Judicial Branch, Law Enforcement and Justice	2.758	1.973	4.731	33.510	33.463	66.972	1315.7%
	Education	8.984	7.603	16.587	11.860	10.250	22.110	33.3%
	Subtotal One-time	21.518	23.866	45.384	65.969	58.422	124.392	174.1%
	Grand total	1,790.108	1,869.058	3,659.166	2,005.044	2,046.108	4,051.151	10.7%

State Special Revenue

State special revenue is designated for specific purposes and totals \$1,527.9 million or 15% of total proposed HB 2 expenditures in the 2017 biennium. The pie chart to the right shows total state special revenues by function for HB 2 only.

The chart below shows the change from the previous biennium, by function of state government. The legislature adopted a 4.4% increase compared to the 2015 biennium appropriations. The following table provides a further breakout by section.



Ongoing Expenditures

The legislature increased ongoing expenditures by \$58.0 million or 4.0% compared to the 2015 biennium through recommended adjustments in a number of agencies.

The major adjustment incorporated the executive branch employee pay plan and contingency funding into HB 2. This increased ongoing state special revenue expenditures by about \$28.7 million (please refer to the employee pay plan section for additional information).

One-Time-Only

The legislature adopted \$28.7 million in OTO appropriations. Significant OTO expenditures included designating the Department of Livestock as OTO for the 2017 biennium, which accounted for \$15.8 million of the total OTO and expanding the usage of the orphan share account in the Department of Environmental Quality by \$7.0 million OTO.

New proposals funded as OTO expenditures included the following:

- Shooting Range Grants - \$0.7 million
- Jefferson Slough Bypass Channel - \$1.0 million

State special revenue new proposals, present law adjustments and one-time-only appropriations are discussed in more detail in Volume 3 and 4 of the [2017 Biennium Legislative Fiscal Report](#).

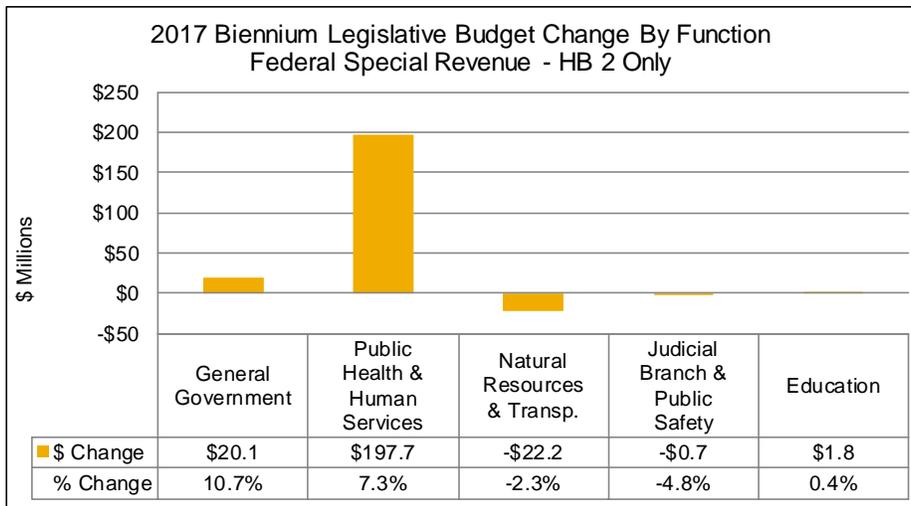
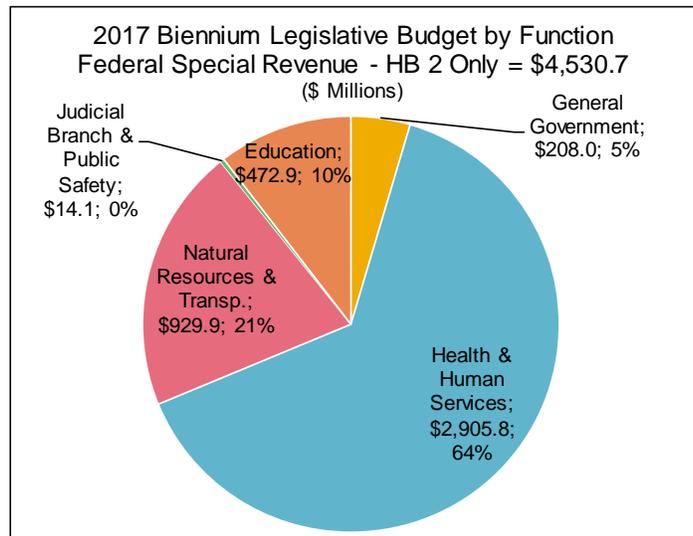
The following table shows state special appropriations compared to the 2015 biennium appropriations.

STATE SPECIAL / Comparison of 2015 Biennium Appropriation to 2017 Biennium Appropriation								
		FY 2014	FY 2015	2015 Bi	FY 2016	FY 2017	2017 Bi	Bi %
ONGOING								
General Government								
1104	Legislative Branch	2.574	2.148	4.721	2.599	2.044	4.643	-1.7%
1112	Consumer Counsel	1.407	1.454	2.861	1.457	1.483	2.940	2.8%
3101	Governors Office	0.008	0.008	0.017	10.242	19.097	29.340	175009.0%
3401	State Auditor's Office	9.078	9.310	18.388	8.643	8.171	16.814	-8.6%
5801	Department of Revenue	1.548	1.564	3.113	1.016	1.018	2.034	-34.7%
6101	Department of Administration	6.143	6.326	12.469	6.867	6.807	13.675	9.7%
6501	Department of Commerce	6.706	6.307	13.012	4.671	4.632	9.303	-28.5%
6602	Labor & Industry	40.801	41.848	82.649	47.306	45.863	93.170	12.7%
6701	Department of Military Affairs	1.120	1.043	2.164	0.733	0.730	1.463	-32.4%
	Subtotal Section A	69.386	70.008	139.394	83.536	89.844	173.380	24.4%
Health and Human Services								
6902	Economic Security Services Branch	6.911	7.032	13.942	5.800	5.801	11.600	-16.8%
6904	Director's Office	0.415	0.426	0.840	0.610	0.611	1.221	45.3%
6906	Operations Services Branch	2.485	2.505	4.989	2.915	2.331	5.246	5.1%
6907	Public Health	16.715	16.858	33.573	18.076	18.080	36.156	7.7%
6911	Medicaid And Health Services Branch	127.416	130.725	258.142	133.273	136.445	269.718	4.5%
	Subtotal Section B	153.941	157.546	311.487	160.674	163.267	323.941	4.0%
Natural Resources and Transportation								
5201	Dept. of Fish, Wildlife, and Parks	56.803	58.323	115.126	59.778	59.813	119.591	3.9%
5301	Department of Environmental Quality	31.260	31.821	63.082	32.875	32.993	65.868	4.4%
5401	Department of Transportation	249.546	248.745	498.291	254.424	255.715	510.140	2.4%
5603	Department of Livestock	7.716	7.962	15.678	0.092	0.053	0.144	-99.1%
5706	Dept Nat Resource/Conservation	33.598	32.307	65.905	36.222	34.955	71.178	8.0%
6201	Department of Agriculture	13.713	14.041	27.755	14.603	14.621	29.224	5.3%
	Subtotal Section C	392.638	393.199	785.837	397.994	398.150	796.144	1.3%
Judicial Branch, Law Enforcement and Justice								
2110	Judiciary	2.563	2.649	5.212	1.765	1.820	3.585	-31.2%
4107	Crime Control Division	0.152	0.153	0.305	0.122	0.122	0.244	-20.1%
4110	Department of Justice	54.227	56.032	110.259	58.422	58.981	117.403	6.5%
4201	Public Service Commission	3.761	3.786	7.547	3.920	3.899	7.819	3.6%
6108	Office of Public Defender	0.282	0.274	0.555	-	-	-	-100.0%
6401	Department of Corrections	5.926	5.960	11.886	4.821	4.822	9.644	-18.9%
	Subtotal Section D	66.911	68.854	135.765	69.051	69.644	138.695	2.2%
Education								
3501	Office of Public Instruction	10.599	10.305	20.904	9.655	9.654	19.309	-7.6%
5101	Board of Public Education	0.172	0.177	0.349	0.178	0.179	0.357	2.3%
5102	Commissioner of Higher Education	20.493	21.006	41.499	20.711	20.710	41.421	-0.2%
5113	School For The Deaf & Blind	0.263	0.263	0.526	0.258	0.258	0.516	-1.9%
5114	Montana Arts Council	0.224	0.223	0.447	0.222	0.223	0.445	-0.3%
5115	Library Commission	1.802	1.801	3.603	1.746	1.743	3.489	-3.2%
5117	Historical Society	0.713	0.714	1.427	0.749	0.748	1.497	4.9%
	Subtotal Section E	34.265	34.491	68.756	33.518	33.516	67.034	-2.5%
	Subtotal Ongoing	717.141	724.098	1,441.238	744.772	754.422	1,499.194	4.0%
ONE-TIME								
	General Government	10.559	4.569	15.128	0.860	0.860	1.721	-88.6%
	Health and Human Services	0.141	0.151	0.292	0.020	0.020	0.040	-86.1%
	Natural Resources and Transportation	3.943	2.433	6.377	12.847	12.832	25.679	302.7%
	Judicial Branch, Law Enforcement and Justice	0.277	-	0.277	0.374	0.274	0.648	134.1%
	Education	0.300	0.300	0.600	0.300	0.300	0.600	0.0%
	Subtotal One-time	15.220	7.454	22.673	14.401	14.287	28.688	26.5%
	Grand total	732.360	731.551	1,463.911	759.173	768.709	1,527.882	4.4%

Federal Funds

Federal funds are received from various federal funding sources. The federal government provides targeted funding that cannot be used except for the general and/or specific purposes intended. It totals \$4,530.7 million or about 45% of total proposed HB 2 expenditures in the 2017 biennium.

The chart below shows the change in funding compared to the 2015 biennium. The table includes both ongoing and one-time-only changes.



Ongoing Expenditures

The 64th Legislature adopted a 5.1% increase in ongoing expenditures over the 2015 legislative appropriations.

Major increases include the following:

- Including the executive branch employee pay plan and contingency funding in HB 2. This increased federal funding in HB 2 by \$19.8 million (please refer to the executive branch employee pay plan section for additional information)
- Provider rate increases in human services, and caseload increases in Medicaid and other human services programs such as foster care and disability services
- Federal grant and administrative cost adjustments in various agencies
- Various increases for the Guaranteed Student Loan Program in the Commissioner of Higher Education – about \$16.0 million
- Supplemental Nutrition Assistance Program - \$363.9 million

New proposals:

- Unexploded ordnance in the Department of Military Affairs - \$8.0 million
- A taxiway for the Yellowstone airport - \$6.4 million

The state did not receive federal funding provided by MAP 21 (a federal highway program formally called Moving Ahead for Progress in the 21st Century) at the level anticipated in the 2015 biennium

due to congressional changes. The 2017 biennium budget is based on the lower amounts received in the 2015 biennium.

One-Time-Only

The federally funded OTO appropriations primarily are in the Department of Livestock, as the legislature designated most of that agency's budget OTO.

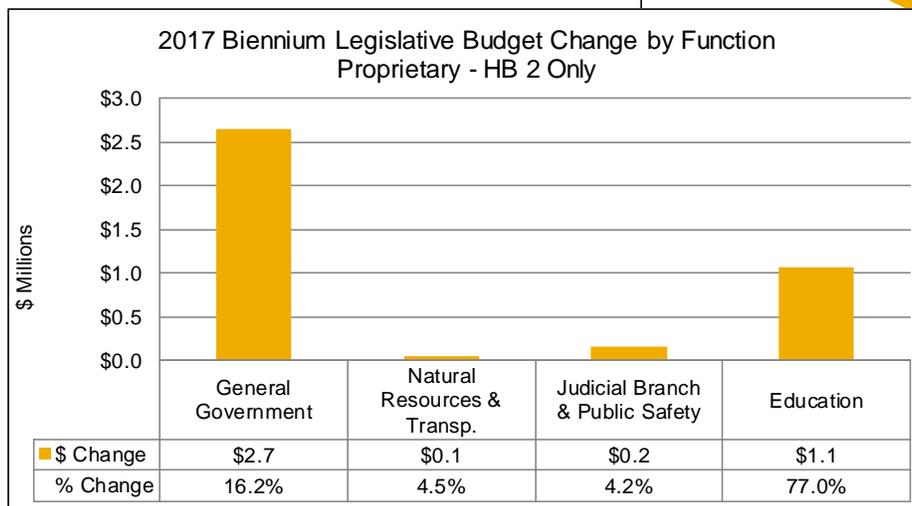
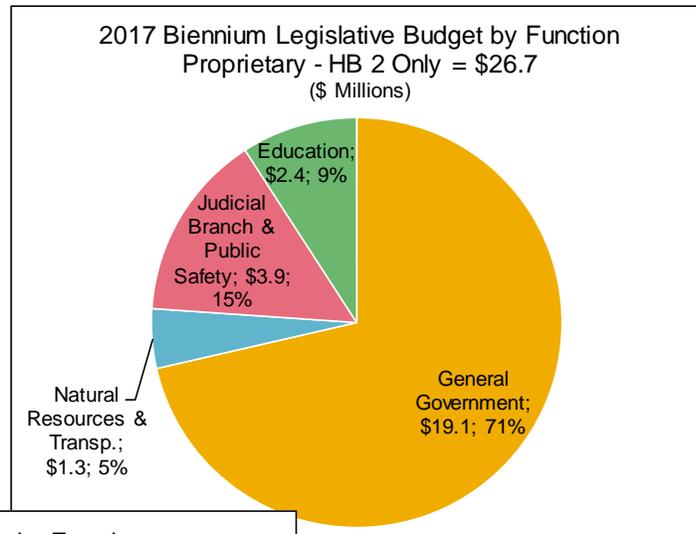
Federally funded new proposals and decision point adjustments are discussed in more detail in Volumes 3 and 4 of the [2017 Biennium Legislative Fiscal Report](#).

This table compares the legislative appropriations adopted for the 2017 biennium to the 2015 biennium appropriations.

FEDERAL FUNDS / Comparison of 2015 Biennium Appropriation to 2017 Biennium Appropriation								
		FY 2014	FY 2015	2015 Bi	FY 2016	FY 2017	2017 Bi	Bi %
ONGOING								
General Government								
3101	Governor's Office	-	-	-	5.984	13.818	19.801	100.0%
5801	Department of Revenue	0.257	0.268	0.526	0.273	0.272	0.546	3.8%
6101	Department of Administration	0.948	0.947	1.895	1.555	0.099	1.654	-12.7%
6501	Department of Commerce	17.615	17.881	35.497	18.689	18.680	37.369	5.3%
6602	Labor & Industry	37.060	38.225	75.285	32.944	33.039	65.983	-12.4%
6701	Department of Military Affairs	37.746	36.224	73.970	41.242	41.205	82.448	11.5%
	Subtotal Section A	93.626	93.546	187.172	100.687	107.113	207.800	11.0%
Health and Human Services								
6902	Economic Security Services Branch	359.298	362.129	721.427	346.539	347.112	693.651	-3.9%
6904	Director's Office	1.769	1.838	3.607	2.458	2.460	4.918	36.4%
6906	Operations Services Branch	31.814	31.749	63.563	28.939	28.486	57.424	-9.7%
6907	Public Health	45.183	45.390	90.573	40.156	40.157	80.313	-11.3%
6911	Medicaid And Health Services Branch	882.292	935.398	1,817.690	999.682	1,069.269	2,068.952	13.8%
	Subtotal Section B	1,320.356	1,376.504	2,696.859	1,417.774	1,487.484	2,905.258	7.7%
Natural Resources and Transportation								
5201	Dept. of Fish, Wildlife, and Parks	19.525	20.062	39.587	19.719	19.672	39.390	-0.5%
5301	Department of Environmental Quality	20.338	20.927	41.265	23.338	23.329	46.667	13.1%
5401	Department of Transportation	429.118	430.735	859.852	416.611	416.432	833.044	-3.1%
5603	Department of Livestock	1.399	1.447	2.846	-	-	-	-100.0%
5706	Dept Nat Resource/Conservation	1.987	2.000	3.987	2.111	2.106	4.217	5.8%
6201	Department of Agriculture	2.105	2.143	4.247	1.294	1.297	2.591	-39.0%
	Subtotal Section C	474.472	477.314	951.785	463.072	462.836	925.909	-2.7%
Judicial Branch, Law Enforcement and Justice								
2110	Judiciary	0.123	0.126	0.249	0.127	0.128	0.255	2.5%
4107	Crime Control Division	6.065	6.082	12.147	5.540	5.540	11.079	-8.8%
4110	Department of Justice	1.122	1.149	2.271	1.334	1.334	2.668	17.5%
4201	Public Service Commission	0.073	0.083	0.156	0.073	0.073	0.147	-6.2%
6401	Department of Corrections	0.016	0.016	0.032	-	-	-	-100.0%
	Subtotal Section D	7.399	7.456	14.855	7.075	7.075	14.150	-4.8%
Education								
3501	Office of Public Instruction	166.561	168.453	335.013	167.463	168.806	336.269	0.4%
5102	Commissioner of Higher Education	57.407	57.625	115.032	65.541	65.739	131.280	14.1%
5113	School For The Deaf & Blind	0.072	0.072	0.144	0.070	0.070	0.141	-1.9%
5114	Montana Arts Council	0.710	0.713	1.423	0.708	0.692	1.400	-1.6%
5115	Library Commission	1.665	0.565	2.230	1.672	0.617	2.289	2.7%
5117	Historical Society	0.744	0.775	1.518	0.761	0.761	1.522	0.3%
	Subtotal Section E	227.158	228.201	455.359	236.215	236.686	472.901	3.9%
	Subtotal Ongoing	2,123.010	2,183.021	4,306.031	2,224.822	2,301.195	4,526.018	5.1%
ONE-TIME								
	General Government	0.378	0.353	0.731	0.105	0.105	0.210	-71.3%
	Health and Human Services	5.401	5.765	11.166	0.252	0.251	0.503	-95.5%
	Natural Resources and Transportation	0.255	0.047	0.302	2.018	2.000	4.019	1230.5%
	Judicial Branch, Law Enforcement and Justice	-	-	-	-	-	-	-
	Education	7.869	7.869	15.738	-	-	-	-100.0%
	Subtotal One-time	13.903	14.035	27.937	2.375	2.357	4.732	-83.1%
	Grand total	2,136.913	2,197.056	4,333.969	2,227.198	2,303.552	4,530.749	4.5%

Proprietary

Proprietary funds are designated as either enterprise or internal service funds (see [17-2-102, MCA](#)). Statute does not require that most proprietary funds be appropriated. Therefore, any increases in the programs supported with these proprietary funds, which is the great majority, are not reflected in any of the figures. Rather, only those proprietary funds that are appropriated in HB 2 are reflected.



The most significant policy adjustments are in the Lottery Division in the Department of Administration for operating costs related to increased sales, and expenses related to gaming systems and terminals. The proprietary amounts for the Governor's Office reflect the addition of the executive pay plan.

The following table shows proprietary funds by section compared to the 2015 biennium appropriations.

Proprietary Funds Comparison of 2015 Biennium Appropriation to 2017 Biennium Appropriation (\$ Millions)							
Function	FY 2014	FY 2015	2015 Bi	FY 2016	FY 2017	2017 Bi	Bi %
General Government	\$8.263	\$8.132	\$16.396	\$9.776	\$9.277	\$19.053	16.2%
Natural Resources & Transp.	0.591	0.610	1.201	0.627	0.628	1.255	4.5%
Judicial Branch & Public Safety	1.872	1.914	3.785	1.965	1.977	3.942	4.2%
Education	0.683	0.695	1.379	1.220	1.220	2.440	77.0%
Grand Total	\$11.410	\$11.351	\$22.761	\$13.589	\$13.101	\$26.690	17.3%

Language Appropriations in HB 2 – General Fund

Generally, language appropriations are made when it is not known whether and/or to what degree the funds will be spent. The language specifies the maximum amount that can be spent from the appropriation. The 64th Legislature adopted supplemental appropriations in HB 2, rather than passing the traditional supplemental bill, HB 3. This change is discussed below along with the other language appropriations that impact the general fund:

- Supplemental appropriations - \$21.2 million general fund for appropriations in FY 2015 for the following agencies: Commissioner of Political Practices, Office of Public Instruction, Department of Administration, Department of Corrections, Office of Public Defender
- The legislature provided language stipulations (triggers) that allow the Department of Health and Human Services additional appropriation authority if non-restricted general fund Medicaid benefit expenditures exceed a certain threshold. This potential authority is \$21.8 million general fund
- Guaranteed tax base (GTB) was reduced by \$2.2 million general fund contingent on the passage of [SB 157](#). [SB 157](#) passed the legislature and was signed into law by the Governor. For further information, please see the revenue section, property reappraisal in this volume
- Classroom and technology collaboration of \$1.6 million general fund was contingent on the passage of SB 416. As SB 416 did not pass, the appropriation was reduced
- Department of Health and Human Services – HB 305 directed the department to improve services to protect children from abuse and neglect. As HB 305 failed to pass the legislature, \$1 million general fund was provided in HB 2 for the purpose of HB 305
- Department of Health and Human Services – \$2.8 million general fund reduction to align with [SB 411](#), legislation that authorized the closure of the Montana Developmental Center in Boulder
- Board of Crime Control – The board is given authority to spend any remaining pass-through grant appropriations from the 2015 biennium up to \$100,000 general fund

LONG RANGE PLANNING

The Long Range Planning (LRP) subcommittee analyzes and recommends appropriations and grant authorizations for capital projects to the legislature. The capital project budgets include investment in various forms of infrastructure including: the acquisition of lands, construction and major maintenance of lands and buildings, maintenance and development of water related infrastructure, reclamation activities, and information technology. For more information on all the LRP programs and projects, refer to Section F of the [2017 Biennium Legislative Fiscal Report](#).

LRP Budgets

The 64th Legislature approved total funds spending of \$232.7 million for the LRP budgets. For the 2017 biennium, the legislature appropriated funds for eight out of nine programs. The LRP programs include:

- Long Range Building Program (LRBP) – acquisition, construction, and major maintenance of state owned lands and buildings
- State Building Energy Conservation Program (SBECP) – energy efficiency improvements to state owned buildings
- Long Range Information Technology Program (LRITP) – major information technology build out and upgrades
- Treasure State Endowment Program (TSEP) – water infrastructure grants to local governments
- Treasure State Endowment Regional Water Program (TSEPRW) – matching funds for major regional water projects
- Renewable Resource Grant and Loan Program (RRGL) – water conservation grants and loans to local governments
- Reclamation and Development Grant Program (RDGP) – grants for the reclamation of lands degraded by severance activities
- Cultural and Aesthetic Grant Program (C&S) – arts and historical grants
- Quality School Facility Grants Program (Quality Schools) – grants for major maintenance of K-12 school facilities

Long-Range Planning Budgets - 2017 Biennium (\$ Millions)									
Program / Bill	Appropriations					Non-Approp		% Total	General Fund Transfers
	Capital Projects	General Funds	State Special	Federal Special	Bonds & Loans	Authoriz.	Total		
LRBP (HB 403)	\$16.9	\$0.0	\$31.2	\$13.4	\$0.0	\$71.5	\$132.8	57.1%	\$1.0
SBECP (HB 403)			2.5				2.5	1.1%	
LRITP (HB 10)	9.3	0.0	3.7	22.4			35.4	15.2%	10.3
TSEP (HB 11)			18.9				18.9	8.1%	
TSEPRW (HB 11)			4.3				4.3	1.8%	
RRGL (HB 6 & 8)			5.6		27.5		33.1	14.2%	
RDGP (HB 7)			5.3				5.3	2.3%	
C&A (HB 9)			0.4				0.4	0.2%	
Quality Schools (HB 15)			0.0				0.0	0.0%	
Grand Total	\$26.2	\$0.0	\$71.8	\$35.7	\$27.5	\$71.5	\$232.7	100.0%	\$11.3

As noted on the table above, expenditures from the column titled Authoriz. (authorizations), representing 31% of the total LRP funding, are not technically appropriations. Authorizations refer to non-state funds, typically university funds and donations. These items are included in the table because statute requires that capital building projects with costs in excess of \$150,000 must be authorized by the legislature.

Legislative Action

Total legislative appropriations and authorizations for the LRP budgets are \$232.7 million. This amount is a 29% reduction from the LRP budgets in the 2015 biennium and 46% lower than the executive budget proposal. The main difference between the executive proposal and the approved budget is that the legislature did not pass the executive proposal to fund and expand LRP programs through the sale of bonds, instead choosing to fund LRP projects with existing program dedicated revenues.

One of the LRP bills, HB 10, included one general fund appropriation of \$7,500 in the LRITP. In addition, the legislature transferred \$11.3 million from the general fund into LRP capital projects funds. The purposes and associated amounts of the general fund transfers include:

- Funding for one additional state building construction project - \$1.0 million
- Funding state information technology projects - \$10.3 million
 - Typically transfers to the LRITP program cover the full costs of IT projects to general fund supported agencies. While the legislature included \$10.3 million of appropriations for LRITP projects, the executive line-item vetoed one project with a cost of \$1.0 million. As a result, the LRITP will have \$1.0 million of available funds for appropriation in the 2017 session

The LRP budgets contain several significant appropriations, including:

- Two new university system building projects funded through donations, one in Bozeman and one in Hamilton (LRBP [HB 403](#))
- An appropriation of \$20 million to enhance federal participation for DPHHS information technology projects (LRITP [HB 10](#))

Due to a shortfall of program-dedicated revenues in the Quality Schools facility account there were no appropriations for the 2017 biennium in the Quality Schools program.

STATUTORY APPROPRIATIONS

Statutory appropriations are in statute and are not part of the biennial budgeting process. As such, they are not automatically reviewed by the legislature and are not subject to the priority setting process like temporary appropriations (such as that in HB 2). Since the appropriations are in statute, they remain in place until removed or changed by legislation. However, all statutory appropriations are available for the legislature to review and change if desired.

Valid statutory appropriations are contained in a list in [17-7-502, MCA](#). The list provides statutory citations for each statutory appropriation. Statutory appropriations are intended for limited situations, and guidelines for the appropriateness for establishing them are specified in [17-1-508, MCA](#). The 64th Legislature adopted [HJ 27](#), a resolution to conduct an interim study on statutory appropriations and report the findings when the next legislature convenes.

Legislative Action

The 2015 Legislature made a number of changes to statutory appropriations. These changes spanned general fund, state special revenue, federal special revenue, and proprietary funds. In total, the Legislative Fiscal Division estimates legislative action increased statutory appropriations by \$370.7 million for the 2017 biennium.

General Fund

The table on page 38 shows each general fund statutory appropriations as estimated by LFD after session:

General Fund Statutory Appropriation LFD Estimates					
(\$ Millions)					
MCA Cite	Purpose	FY 2014 (Actual)	FY 2015 (Estimate)	FY 2016 (Estimate)	FY 2017 (Estimate)
<u>Retirement</u>					
15-35-108(9)(a)	Coal Severance to PERS*	\$14.745	\$15.873	\$16.201	\$16.605
15-35-108(9)(b)(v)	Coal Severance to PERS (Interest)	21.000	17.373	16.749	19.391
19-3-319	Local Government Retirement Contribution	0.952	0.990	1.030	1.071
19-6-404	MHP Retirement Transfer	1.357	1.411	1.467	1.526
19-6-410	MHP Supplemental Benefit Retirement Transfer	0.262	0.272	0.283	0.295
19-9-702	Police Retirement Contribution	13.049	13.571	14.114	14.678
19-13-604	Firefighters' Association Contribution	13.007	13.527	14.069	14.631
19-17-301	Volunteer Firefighter Fund Contribution	1.818	1.891	1.967	2.045
19-18-512	Fire Department Relief Association Contribution	0.368	0.383	0.399	0.414
19-19-305	Police (Non-PERS) Retirement Contribution	0.205	0.213	0.221	0.230
19-19-506	Police Officer Pension Supplement Contribution	-	-	-	-
19-20-604	Teacher's Retirement Supplemental Contribution	0.821	0.854	0.888	0.923
19-20-607	Teachers' Retirement System Contribution	42.035	42.716	43.425	44.162
19-21-203	MUS Retirement Contribution	1.534	1.577	1.655	1.725
Subtotal		111.152	110.651	112.466	117.698
<u>Economic Development</u>					
15-35-108(9)(b)(i)	Coal Severance to Cooperative Develop Center	0.065	0.065	0.065	0.065
15-35-108(9)(b)(ii)	Coal Severance to Growth Through Ag	0.587	0.625	0.625	0.625
15-35-108(9)(b)(iii)	Coal Severance to Research and Commerc.	1.275	1.275	1.275	1.275
15-35-108(9)(b)(iv)	Coal Severance to Department of Commerce	1.097	1.100	1.100	1.100
15-70-369	Biodiesel Tax Refunds	-	-	-	-
15-70-601	Biodiesel Tax Incentives	-	-	-	-
Subtotal		3.024	3.065	3.065	3.065
<u>Local Assistance</u>					
7-4-2502	Payment of County Attorneys	2.954	2.998	2.954	2.954
15-1-121	Local Government Combined Distribution	118.433	126.583	130.639	134.829
22-1-327	State Aid to Public Libraries	-	-	0.396	0.396
Subtotal		121.387	129.581	133.989	138.178
<u>Other</u>					
10-1-1202	National Guard Death Benefit	-	-	-	-
10-3-310	Incident Response Appropriation	-	-	-	-
10-3-312	Emergency & Disaster Appropriation	0.527	15.973	8.250	8.250
15-1-218	Out of State Collections	0.150	0.170	0.186	0.175
16-11-509	Tobacco Enforcement	-	-	-	-
17-3-106	Return of Federal Grant Interest	0.001	0.001	0.001	0.001
17-3-106	Return of Federal Grant Money (GSD Only)	0.064	0.064	0.064	0.064
17-3-106	Return of Federal Grant Money	0.089	0.100	0.100	0.100
17-6-101	Banking Charges	2.160	2.160	2.160	2.160
17-7-502(4)	Bond Fees & Costs	16.071	14.113	12.353	12.395
Subtotal		19.061	32.581	23.113	23.145
<u>Legislation Impacting Statutory Appropriations</u>					
HB 33	Mental Health Crisis Intervention (Ent. Share Reduce)	-	-	(1.000)	(1.000)
HB 180	Impact to PERS of extension of TSEP	-	-	-	(2.270)
HB 228	Increase Coal Board Funding (*Reduces PERS)	-	-	(1.730)	(1.784)
SB 367	Research and Commercialization Clarification	-	-	(1.275)	(1.275)
SB 405	Healthy Montana Act	-	-	8.359	17.741
Subtotal		-	-	4.353	11.412
Total		\$254.624	\$275.878	\$276.987	\$293.498

New Statutory Appropriations

- [SB 405](#) HELP Act – The legislature created a statutory appropriation to support the Healthy Montana Act. Further information can be found in the section of this volume on SB 405 HELP Act

Existing Statutory Appropriation Changes

- [HB 33](#) Mental Health Crisis Intervention – This modification reduced the amount paid to local governments through the entitlement share by \$1.0 million per year for the 2017 biennium
- [HB 180](#) Regional Water – As part of extending the Treasure State Endowment Program Regional Water program, the statutory distribution to the Public Employee’s Retirement Program from the Coal Tax Trust is reduced
- [HB 228](#) Coal Board Funding – The legislature extended the coal board grants through 2017
- [SB 367](#) Research and Commercialization Account – The legislature changed the distribution of the general fund for research and commercialization from a general fund statutory appropriation to a non-budgeted transfer from the general fund to the research and commercialization state special revenue account. The total amount of money involved did not change, only the manner in which it left the general fund.

State Special Revenue

The following table shows state special revenue statutory appropriations as estimated by LFD:

State Special Revenue Statutory Appropriations					
(\$ Millions)					
Bill	Purpose	FY 2014 (Actual)	FY 2015 (Estimate)	FY 2016 (Estimate)	FY 2017 (Estimate)
<u>Existing Statutory Appropriations</u>					
Multiple	Various Dedicated Sources	\$269.613	\$266.526	\$220.850	\$234.325
<u>Revised Statutory Appropriations</u>					
SB 68	Crime victims compensation account	-	-	0.253	0.253
<u>New Statutory Appropriations</u>					
HB 487	Montana Historical Society Membership	-	-	0.076	0.076
HB 487	Old Governor's Mansion Admission	-	-	0.003	0.003
HB 617	Higher Education Scholarships	-	-	0.400	1.262
SB 252	State School Oil and Natural Gas Impact	-	-	-	-
SB 260	Education funding related to oil and gas production	-	-	-	0.060
SB 410	Tax credits for contributions to schools	-	-	-	1.500
Subtotal		-	-	0.479	2.901
Total		\$269.613	\$266.526	\$221.582	\$237.479

New Statutory Appropriations

- [HB 487](#) Old Governor's Mansion and MHS Fees – The legislature created a statutory appropriation for admission fees for the old governor’s mansion and the Montana Historical Society membership fees
- [HB 617](#) STEM Scholarships – The legislature created a statutory appropriation for a new science, technology, engineering, and math (STEM) scholarship program

- [SB 260](#) Education Funding – The legislature approved a statutory appropriation as part of revisions to the oil and gas inputs for school funding. For further information, see the revenue section of this volume
- [SB 410](#) Tax Credits for Contributions to Schools – The legislature created a statutorily-appropriated educational improvement account to received taxpayer-directed donations

Existing Statutory Appropriation Changes

- [SB 68](#) Crime Victims Compensation – The legislature extended the crime victims compensation account appropriation through 2021

Federal Special Revenue

The following table shows federal special revenue statutory appropriations as estimated by LFD:

Federal Special Revenue Statutory Appropriations					
(\$ Millions)					
Bill	Purpose	FY 2014 (Actual)	FY 2015 (Estimate)	FY 2016 (Estimate)	FY 2017 (Estimate)
<u>Existing Statutory Appropriations</u>					
Multiple	Various Dedicated Sources	\$34.599	\$37.606	\$15.835	\$15.498
<u>New Statutory Appropriations</u>					
HB 606	Title X funding	-	-	1.923	1.923
SB 405	Healthy Montana Act	-	-	99.013	237.672
Subtotal		-	-	100.936	239.594
Total		\$34.599	\$37.606	\$116.771	\$255.092

New Statutory Appropriations

- [HB 606](#) Title X Funding – The legislature switched Title X family planning services from a temporary appropriation to a statutory appropriation
- [SB 405](#) HELP Act – The legislature created a statutory appropriation to support the Healthy Montana Act. Further information can be found in the section of this volume on SB 405 HELP Act

Proprietary

The following table shows proprietary fund statutory appropriations as estimated by LFD:

Proprietary Statutory Appropriations					
(\$ Millions)					
Bill	Purpose	FY 2014 (Actual)	FY 2015 (Estimate)	FY 2016 (Estimate)	FY 2017 (Estimate)
<u>Existing Statutory Appropriations</u>					
Multiple	Various Dedicated Sources	\$52.420	\$43.823	\$48.181	\$50.614
<u>New Statutory Appropriations</u>					
HB560	Board of accountants	-	-	0.371	0.371
Total		\$52.420	\$43.823	\$48.552	\$50.986

New Statutory Appropriations

- [HB 560](#) Board of Accountants – The legislature created a statutory appropriation for board of public accountants fees

GENERAL FUND TRANSFERS

The Montana Constitution requires that all money paid out of the state treasury, except interest paid on the public debt, be done with an appropriation. However, the state treasury consists of numerous accounts and with proper legislative authorization money may be transferred from one account to another without an appropriation. Like statutory appropriations, these transfers and authorizations are existing law and are not part of the biennial budgeting process. However, transfers impact the amount of money available for the legislature to appropriate for specific programs. The following table shows each individual general fund transfer estimated by LFD:

General Fund Non-Budgeted Transfer LFD Estimates					
(\$ Millions)					
MCA Cite	Purpose	FY 2014 (Actual)	FY 2015 (Estimate)	FY 2016 (Estimate)	FY 2017 (Estimate)
<u>Vehicle</u>					
15-1-122(1)	Adoption services	\$0.059	\$0.065	\$0.072	\$0.079
15-1-122(2)(a)	Junk vehicles	1.494	1.514	1.533	1.551
15-1-122(2)(b)	Noxious weeds	1.514	1.534	1.553	1.572
15-1-122(2)(c)(i)	Boat facilities & enforcement, OHV, Parks	0.464	0.471	0.476	0.482
15-1-122(2)(c)(ii)	Snowmobiles	0.101	0.102	0.104	0.105
15-1-122(2)(c)(iii)	Motorboats	0.162	0.164	0.166	0.168
15-1-122(2)(d)	Veterans' Services	0.617	0.625	0.633	0.640
15-1-122(2)(d)	Veterans' Cemetery	0.201	0.203	0.206	0.208
15-1-122(2)(e)	Senior and people with disabilities transportation	0.303	0.307	0.311	0.314
15-1-122(2)(f)	Search & rescue	0.040	0.041	0.041	0.042
Subtotal		4.956	5.026	5.095	5.160
<u>Other Transfers</u>					
15-1-122(3)	Livestock loss reduction and mitigation	0.200	0.200	0.200	0.200
15-1-123 (5)(b)	Lower business equipment tax (MUS SB96)	0.450	0.141	-	-
15-1-123 (5)(b)	Lower business equipment tax (MUS)	0.171	0.375	-	-
17-1-511(2)	Incentives for rural physicians	0.227	0.227	0.227	0.227
39-71-2352(6)	Old state fund shortfall	8.575	8.319	7.466	6.130
76-13-105	Wildfire suppression fund	51.691	-	-	-
77-1-108(5a)	Trust land administration	0.080	0.080	0.080	-
87-2-801(6)	Purple heart free hunting license	0.000	0.040	0.040	0.040
87-2-803(12d)	Military free hunting license	0.061	incl. above	-	-
Subtotal		61.456	9.382	8.013	6.597
<u>Non-Budgeted Activity</u>					
NA	DPHHS Non-budgeted	0.066	-	-	-
NA	Other Non-budgeted	(0.027)	-	-	-
Subtotal		0.039	-	-	-
<u>Legislation Impacting Non-Budgeted Transfers</u>					
HB 5	Long-range building appropriations	49.550	-	-	-
HB 6	Renewable resource grants	20.474	-	-	-
HB 10	Long-range information technology appropriations	11.792	-	10.300	-
HB 11	Treasure State Endowment Program	-	21.700	-	-
HB 403	Long-range building appropriations	-	-	1.000	-
SB 57	Revise water adjudication funding and benchmarks	-	-	0.868	3.375
SB 367	Research and Commercialization Clarification	-	-	1.275	1.275
SB 259	Workers' compensation assessments	-	-	(0.001)	0.005
Subtotal		81.816	21.700	13.442	4.654
Total		\$148.268	\$36.108	\$26.550	\$16.412

Legislative Action

- [HB 10](#) Long Range Information Technology – The legislature authorized a transfer to support the long range information technology program
- [HB 403](#) Long Range Building – The legislature authorized a transfer to support the long range building appropriations
- [SB 57](#) Water Adjudication – The legislature authorized an ongoing, general fund transfer to the water adjudication account in order to support water adjudication. The total yearly transfer equals the difference between the water adjudication appropriation in the general appropriations act and the unencumbered fund balance in the water adjudication account
- [SB 259](#) Workers' Compensation – As part of a change to funding of workers' compensation, the legislature made a modification that will decrease general fund transfers to the old state fund in 2016 and increase them in 2017
- [SB 367](#) Research and Commercialization Account – The legislature changed the distribution of the general fund for research and commercialization from a general fund statutory appropriation to a non-budgeted transfer from the general fund to the research and commercialization state special revenue account. The total amount of money involved did not change, only the manner in which it left the general fund

OTHER LEGISLATION

Other than HB 2, Long Range Building, statutory authority, and non-budgeted changes described previously, the legislature adopted legislation that would increase general fund by an additional \$16.5 million. The following figure summarizes the other appropriation legislation for the general fund:

Other Appropriation Legislation (\$ Millions)		
	General Fund	All Funds
HB 1 - Feed Bill	\$10.1	\$10.1
Infrastructure bills (appropriations only)	-	161.2
HB 4 - Continuing Appropriations	-	104.5
HB 356 - Expand and Enhance Secondary K-12 Career and Voc/Tech Ed	2.0	2.0
All Other	4.4	4.4
Grand Total	\$16.5	\$282.2

Legislative Action

- [HB 1](#) Feed bill – The legislature adopted \$10.1 million in the feed bill used to fund the operations of the legislature during the biennium
- [HB 4](#) – Continuing appropriation authority that extends past September 30 following each biennium that must be approved by the legislature
- [HB 356](#) – The legislature adopted \$2 million general fund for the biennium to fund career and vocational/technical education

References

HB 1: <http://leg.mt.gov/bills/2015/billpdf/HB0001.pdf>

HB 4: <http://leg.mt.gov/bills/2015/billpdf/HB0004.pdf>

HB 356: <http://leg.mt.gov/bills/2015/billpdf/HB0356.pdf>

Please note:

- HB 3 Supplemental Bill – the legislature did not adopt HB 3 as legislation, however the legislature appropriated \$25.8 million in general fund appropriations in HB 2 for FY 2015 to the agencies that requested supplemental appropriations.
- HB 13 Pay plan and contingency funding – The legislature did not adopt HB 13, instead funding was appropriated to the Governor’s Office in HB 2. The employee pay plan is further discussed in the state employee pay plan portion of this volume, however in summary it provided
 - \$0.50 increase to the base salary of each employee per year
 - 10% increase in health benefit contribution beginning on January 1, 2016 and an 8% increase on January 1, 2017
 - Contingency fund of \$4.1 million general fund (\$4.8 million total funds) for distribution to agencies that cannot meet their vacancy savings targets and provides \$75,000 for training