

Program Budget Comparison

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

| Program Budget Comparison | | | | | | | | |
|--------------------------------|--------------------|---------------------|-------------------------|-------------------------|-----------------------|-----------------------|--------------------|-------------------|
| Budget Item | Base Fiscal 2014 | Approp. Fiscal 2015 | Legislative Budget 2016 | Legislative Budget 2017 | Biennium Fiscal 14-15 | Biennium Fiscal 16-17 | Biennium Change | Biennium % Change |
| FTE | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 | 0.00 | 0.00 % |
| Personal Services | 4,838,327 | 5,436,212 | 5,473,924 | 5,823,136 | 10,274,539 | 11,297,060 | 1,022,521 | 9.95 % |
| Operating Expenses | 2,085,167 | 2,728,885 | 2,810,795 | 2,478,254 | 4,814,052 | 5,289,049 | 474,997 | 9.87 % |
| Equipment & Intangible Assets | 35,837 | 50,000 | 80,000 | 20,000 | 85,837 | 100,000 | 14,163 | 16.50 % |
| Transfers | 0 | 80,000 | 85,000 | 85,000 | 80,000 | 170,000 | 90,000 | 112.50 % |
| Total Costs | \$6,959,331 | \$8,295,097 | \$8,449,719 | \$8,406,390 | \$15,254,428 | \$16,856,109 | \$1,601,681 | 10.50 % |
| General Fund | 6,169,775 | 7,942,194 | 7,633,329 | 8,143,086 | 14,111,969 | 15,776,415 | 1,664,446 | 11.79 % |
| State/Other Special Rev. Funds | 789,556 | 352,903 | 816,390 | 263,304 | 1,142,459 | 1,079,694 | (62,765) | (5.49)% |
| Total Funds | \$6,959,331 | \$8,295,097 | \$8,449,719 | \$8,406,390 | \$15,254,428 | \$16,856,109 | \$1,601,681 | 10.50 % |

Program Description

The Legislative Services Division provides objective research, reference, legal, technical, information technology, and business services to the House, Senate, and other divisions of the Legislative Branch.

Division services include:

1. Bill and amendment drafting, preparation of bills for introduction, and engrossing and enrolling bills;
2. Publication of legislative documents of record;
3. Preparation, publication, and distribution of the Montana Code Annotated text and annotations;
4. Provision of legislative research and reference services;
5. Legal services and counseling on legislative matters and agency legal support;
6. Review of the text of proposed ballot measures;
7. Personnel and business services;
8. Planning, installation, and maintenance of agency information technology;
9. Broadcasting of state government and public policy events; and
10. Provision of legislative information to the public.

The Legislative Council provides policy guidance to the Legislative Services Division.

Program Highlights

| Legislative Services Division Major Budget Highlights |
|--|
| <ul style="list-style-type: none"> • The majority of the increase for the division is due to funding for the branch pay plan included in the division budget. Language included in HB 2 allows the funding to be transferred among the various divisions as needed. • The legislature provided for increased participation in the capitol complex security plan • Operating cost changes are reflective of the cyclical nature of the legislative process |

Program Narrative

The Legislative Services Division, the largest division of the branch, oversees many of the activities and tasks related to the functions of the branch. Included in the program are facility and maintenance; information technology; finance, payroll, and human services; legal; legislative research; and library functions. The activities of Legislative Services fall under the oversight of the Legislative Council, one of the three administrative committees of the branch.

The budget for this division was approved with an increase of \$1.6 million when compared to the 2015 biennium. Personal services costs in the 2017 biennium were below the level of the 2015 base budget due to staff retirements. New hires replacing retiring staff were hired at a lower salary resulting in personal services reductions of about \$351,000 over the biennium when compared to the base budget. Other changes to personal services included: 1) fully funding approved FTE, and; 2) annualization of the state share of health insurance.

Operating expenses increases included:

- Montana Code Annotated production costs
- Training for professional staff
- Operating cost adjustments including those for fixed costs
- Capitol complex security

Funding

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

| Legislative Branch, 20-Legislative Services Division Funding by Source of Authority | | | | | | |
|--|---------------------|-----------------------------|----------------------------|----------------------|----------------------|--|
| Funds | HB2 | Non-Budgeted Proprietary | Statutory Appropriation | Total All Sources | % Total All Funds | |
| 01100 General Fund | 15,776,415 | 0 | 0 | 15,776,415 | 93.59 % | |
| 02800 Reimbursable Activities | 1,020,162 | 0 | 0 | 1,020,162 | 94.49 % | |
| 02985 State Government Broadcasting | 59,532 | 0 | 0 | 59,532 | 5.51 % | |
| State Special Total | \$1,079,694 | \$0 | \$0 | \$1,079,694 | 6.41 % | |
| Federal Special Total | \$0 | \$0 | \$0 | \$0 | 0.00 % | |
| Proprietary Total | \$0 | \$0 | \$0 | \$0 | 0.00 % | |
| Total All Funds | \$16,856,109 | \$0 | \$0 | \$16,856,109 | | |

The Legislative Services Division is mainly funded by general fund. State special revenue funding is derived from a percentage of lobbyist fees and supported the costs associated with the state broadcasting services (TVMT). Additionally, state special revenues derived from sales of the Montana Code Annotated support the preparation, publications, and distribution of the codes.

Budget Summary by Category

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

| Budget Summary by Category | | | | | | | | |
|----------------------------|-------------------------|-------------------------|----------------------------|-------------------|-------------------------|-------------------------|----------------------------|-------------------|
| 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 | 7,649,694 | 7,649,694 | 15,299,388 | 96.98 % | 8,002,597 | 8,002,597 | 16,005,194 | 94.95 % |
| PL Adjustments | (248,050) | (34,748) | (282,798) | (1.79)% | 215,437 | (124,347) | 91,090 | 0.54 % |
| New Proposals | 231,685 | 528,140 | 759,825 | 4.82 % | 231,685 | 528,140 | 759,825 | 4.51 % |
| Total Budget | \$7,633,329 | \$8,143,086 | \$15,776,415 | | \$8,449,719 | \$8,406,390 | \$16,856,109 | |

Present Law Adjustments

The "Present Law Adjustments" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

| Present Law Adjustments | | | | | | | | | | |
|---|-----------------------|--------------------|------------------|-----------------|-----------------------|-------------|-------------------|-------------------|-----------------|--------------------|
| | -----Fiscal 2016----- | | | | -----Fiscal 2017----- | | | | | |
| | FTE | General Fund | State Special | Federal Special | Total Funds | FTE | General Fund | State Special | Federal Special | Total Funds |
| DP 400 - LSD Personal Services Reductions | 0.00 | (368,422) | 174,679 | 0 | (193,743) | 0.00 | (68,987) | (89,601) | 0 | (158,588) |
| DP 401 - Television Montana (TVMT) | 0.00 | (42,706) | (35,799) | 0 | (78,505) | 0.00 | 47,282 | (11,799) | 0 | 35,483 |
| DP 402 - Information Technology | 0.00 | (13,012) | 26,867 | 0 | 13,855 | 0.00 | (185,267) | 6,111 | 0 | (179,156) |
| DP 403 - Montana Codes Annotated Production | 0.00 | 0 | 296,693 | 0 | 296,693 | 0.00 | 0 | (3,327) | 0 | (3,327) |
| DP 404 - Training, library and other adjustments | 0.00 | 18,000 | 0 | 0 | 18,000 | 0.00 | (4,600) | 0 | 0 | (4,600) |
| DP 515 - State Share Health Insurance | 0.00 | 28,674 | 0 | 0 | 28,674 | 0.00 | 28,674 | 0 | 0 | 28,674 |
| DP 520 - Fully Fund 2015 Legislatively Authorized FTE | 0.00 | 85,168 | 12,390 | 0 | 97,558 | 0.00 | 85,168 | 12,390 | 0 | 97,558 |
| DP 525 - Fixed Cost Adjustment | 0.00 | (79,994) | (11,807) | 0 | (91,801) | 0.00 | (22,562) | (5,499) | 0 | (28,061) |
| DP 527 - Inflation/Deflation Adjustment | 0.00 | 1,036 | 3,002 | 0 | 4,038 | 0.00 | (484) | (1,278) | 0 | (1,762) |
| DP 529 - Longevity and Other Adjustments | 0.00 | (1,526) | (8,454) | 0 | (9,980) | 0.00 | 6,008 | 1,614 | 0 | 7,622 |
| DP 531 - SITSD Rate Adjustment | 0.00 | 43,054 | 6,354 | 0 | 49,408 | 0.00 | 43,191 | 6,374 | 0 | 49,565 |
| DP 532 - General Liability Insurance Rate Adjustment | 0.00 | (2,469) | (364) | 0 | (2,833) | 0.00 | (2,445) | (361) | 0 | (2,806) |
| DP 550 - Motor Pool Rate Adjustment | 0.00 | (17) | 0 | 0 | (17) | 0.00 | (17) | 0 | 0 | (17) |
| DP 560 - Operating Expense Adjustments | 0.00 | 84,164 | (74) | 0 | 84,090 | 0.00 | 39,291 | (4,223) | 0 | 35,068 |
| Grand Total All Present Law Adjustments | 0.00 | (\$248,050) | \$463,487 | \$0 | \$215,437 | 0.00 | (\$34,748) | (\$89,599) | \$0 | (\$124,347) |

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 400 - LSD Personal Services Reductions -

The legislature adopted personal services reductions below the level of the 2015 legislative base budget of \$193,743 in FY 2016 and \$158,588 in FY 2017. General fund supporting personal services was reduced by \$368,422 in FY 2016 and \$68,987 in FY 2017 while state special revenue was increased by \$174,679 in FY 2016 and reduced by \$89,601 in FY 2017.

DP 401 - Television Montana (TVMT) -

The legislature adopted a reduction in funding for TVMT services in FY 2016 of \$42,706 general fund and \$35,799 state special and a reduction in FY 2017 of \$11,799 state special. This reduction is due to the cyclical nature of the legislature.

TVMT associated costs are lower in even years when the legislature is not in session. The legislature adopted an increase in funding for FY 2017 of \$47,282 general fund for TVMT related session costs.

DP 402 - Information Technology -

The legislature adopted a reduction in general fund of \$13,012 in FY 2016 and \$185,267 in FY 2017 for information technology services. An increase was adopted by the legislature of \$26,867 in FY 2016 and \$6,111 in FY 2017 in state special revenue. The increased funding supports the production and publication of the Montana Codes Annotated in the even year of the biennium and session related costs in FY 2017.

DP 403 - Montana Codes Annotated Production -

The legislature approved increases of \$296,693 state special in FY 2016 and a decrease of \$3.327 in FY 2017 to fund the production of the Montana Codes Annotated. The codes are produced and distributed in the even year of the biennium, therefore the amount is increased for FY 2016, but slightly decreased in FY 2017.

DP 404 - Training, library and other adjustments -

The Legislative Services Division provides training for its professional staff to attend conferences provided by organizations like the National Conference of State Legislatures. The legislature adopted an increase of \$18,000 general fund for FY 2016 and a reduction of \$4,600 general fund for FY 2017.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Cost Adjustment -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 531 - SITSD Rate Adjustment -

The legislature approved an increase for fixed cost rates included in state agency budgets for information technology services provided by the State Information Technology Services Division (SITSD).

DP 532 - General Liability Insurance Rate Adjustment -

The legislature reduced the rate assessed to state agencies for general liability insurance provided by the Risk Management and Tort Defense Division.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 560 - Operating Expense Adjustments -

The legislature provided additional funding for operating expense adjustments and aligned general fund and state special revenue funds.

New Proposals

The "New Proposals" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

| New Proposals | -----Fiscal 2016----- | | | | | -----Fiscal 2017----- | | | | |
|--|-----------------------|------------------|---------------|-----------------|------------------|-----------------------|------------------|---------------|-----------------|------------------|
| | FTE | General Fund | State Special | Federal Special | Total Funds | FTE | General Fund | State Special | Federal Special | Total Funds |
| DP 590 - Employee Pay and State Share | 0.00 | 146,685 | 0 | 0 | 146,685 | 0.00 | 443,140 | 0 | 0 | 443,140 |
| DP 2020002 - Participation in Capitol Complex Security | 0.00 | 85,000 | 0 | 0 | 85,000 | 0.00 | 85,000 | 0 | 0 | 85,000 |
| Total | 0.00 | \$231,685 | \$0 | \$0 | \$231,685 | 0.00 | \$528,140 | \$0 | \$0 | \$528,140 |

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 590 - Employee Pay and State Share -

The legislature approved a pay plan for state employees that provides a \$0.50 an hour raise for employees effective on the first day of the first complete pay period that includes January 15, 2016 and 2017. In addition, the legislature increased the state share contribution towards employee insurance by 10% the first year of the biennium and 8% the second. The legislature included the total cost of the pay plan in the Legislative Services Division's budget but included language in HB 2 allowing the branch to allocate the funding among the various programs as needed.

DP 2020002 - Participation in Capitol Complex Security -

The legislature adopted the proposal to provide for Legislative Branch participation in the capitol complex security plan. The funding provides for a portion of the costs of having police officers on the campus. Branch participation is funded with general fund.