

### 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	158.75	158.75	154.25	154.25	158.75	154.25	(4.50)	(2.83)%
Personal Services	6,925,138	7,312,278	7,767,438	7,773,129	14,237,416	15,540,567	1,303,151	9.15 %
Operating Expenses	11,252,333	11,999,828	14,316,242	14,494,808	23,252,161	28,811,050	5,558,889	23.91 %
Equipment & Intangible Assets	96,500	114,028	114,028	114,028	210,528	228,056	17,528	8.33 %
Debt Service	36,298	616,700	616,700	616,700	652,998	1,233,400	580,402	88.88 %
<b>Total Costs</b>	<b>\$18,310,269</b>	<b>\$20,042,834</b>	<b>\$22,814,408</b>	<b>\$22,998,665</b>	<b>\$38,353,103</b>	<b>\$45,813,073</b>	<b>\$7,459,970</b>	<b>19.45 %</b>
General Fund	8,354,831	8,575,280	10,251,248	10,310,391	16,930,111	20,561,639	3,631,528	21.45 %
State/Other Special Rev. Funds	9,368,970	10,876,295	11,971,901	12,097,015	20,245,265	24,068,916	3,823,651	18.89 %
Proprietary Funds	586,468	591,259	591,259	591,259	1,177,727	1,182,518	4,791	0.41 %
<b>Total Funds</b>	<b>\$18,310,269</b>	<b>\$20,042,834</b>	<b>\$22,814,408</b>	<b>\$22,998,665</b>	<b>\$38,353,103</b>	<b>\$45,813,073</b>	<b>\$7,459,970</b>	<b>19.45 %</b>

### Program Description

The Motor Vehicle Division (MVD) under provision of Title 61 and Title 23, MCA and federal statutes (such as the Commercial Motor Vehicle Safety Act of 1986, child support regulations, Anti Car Theft Act of 1992, and Odometer Disclosure Act) is responsible for:

- Examination and licensure of all drivers
- Verification of identification
- Creation and maintenance of permanent driver and motor vehicle records
- Titling and registration of all vehicles including boats, snowmobiles, and ATVs
- Inspection and verification of vehicle identification numbers
- Licensure and compliance control of motor vehicle dealers and manufacturers
- Providing motor voter registration

### Program Highlights

Motor Vehicle Division Major Budget Highlights
<ul style="list-style-type: none"> <li>• The budget adjustments approved by the legislature include: <ul style="list-style-type: none"> <li>◦ Funding to annualize the 2013 legislative pay plan except for the 2% amount of the executive implementation</li> <li>◦ Funding to annualize pay increases given in the 2015 biennium at the agency's discretion</li> <li>◦ Funding to move operating costs to the FY 2015 legislative budget</li> <li>◦ Funding to annualize costs associated with replacement of a contract to provide driver's license processing and production services</li> <li>◦ Contingency funding to support the rolling reissuance of motor vehicle license plates associated with HB 628 that was vetoed by the Governor</li> </ul> </li> </ul>

## Funding

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

Department of Justice, 12-Motor Vehicle Division Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	20,561,639	0	0	20,561,639	44.78 %
02200 Permits and Transfer Plates	0	0	0	0	0.00 %
02225 MVD Inform Tech System HB577	107,616	0	0	107,616	0.45 %
02390 Spec Motorcycle Lic Plates	0	0	107,000	107,000	0.44 %
02422 Highways Special Revenue	14,280,066	0	0	14,280,066	59.07 %
02456 Insurance Verification SB508	8,555,450	0	0	8,555,450	35.39 %
02798 MVD IT System - HB261	1,125,784	0	0	1,125,784	4.66 %
<b>State Special Total</b>	<b>\$24,068,916</b>	<b>\$0</b>	<b>\$107,000</b>	<b>\$24,175,916</b>	<b>52.65 %</b>
03801 Dept Of Justice-Misc Grants	0	0	0	0	0.00 %
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
06080 MVD/State Information Portal	0	0	0	0	0.00 %
06083 MVD ELECTRONIC COMMERCE	1,182,518	0	0	1,182,518	100.00 %
<b>Proprietary Total</b>	<b>\$1,182,518</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,182,518</b>	<b>2.58 %</b>
<b>Total All Funds</b>	<b>\$45,813,073</b>	<b>\$0</b>	<b>\$107,000</b>	<b>\$45,920,073</b>	

In the 2015 biennium, the driver's licensing and vehicle titling and registration functions were supported by the general fund and highways state special revenue fund. The 2015 Legislature approved a funding switch to replace all highways state special revenue in the division with general fund. State special revenues collected for vehicle registration fees support payment of debt that was incurred for the development and implementation of the computer system known as the Montana Enhanced Registration and Licensing Information Network (MERLIN) and the vehicle insurance verification system. Proprietary funds collected from fees charged for e-government services support online web based services that may be used by the public.

## 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	8,575,280	8,575,280	17,150,560	83.41 %	20,042,834	20,042,834	40,085,668	87.50 %
PL Adjustments	1,675,968	1,735,111	3,411,079	16.59 %	2,771,574	2,955,831	5,727,405	12.50 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$10,251,248</b>	<b>\$10,310,391</b>	<b>\$20,561,639</b>		<b>\$22,814,408</b>	<b>\$22,998,665</b>	<b>\$45,813,073</b>	

## 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 515 - State Share Health Insurance	0.00	58,158	16,808	0	74,966	0.00	58,158	16,808	0	74,966
DP 516 - Correct State Share Health Insurance	0.00	(12,012)	13,956	0	1,944	0.00	(10,554)	14,928	0	4,374
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	185,881	102,674	0	288,555	0.00	185,881	102,674	0	288,555
DP 521 - Correct Fully Fund 2015 Authorized FTE	0.00	(12,748)	12,748	0	0	0.00	(12,748)	12,748	0	0
DP 525 - Fixed Cost Adjustment	0.00	172,946	73,381	0	246,327	0.00	169,327	167,106	0	336,433
DP 527 - Inflation/Deflation Adjustment	0.00	(16,610)	(477)	0	(17,087)	0.00	(1,091)	(39)	0	(1,130)
DP 550 - Motor Pool Rate Adjustment	0.00	(27,756)	(8,891)	0	(36,647)	0.00	(26,938)	(8,888)	0	(35,826)
DP 600 - 2015 Biennium Discretionary Pay Adjustments	0.00	137,817	91,878	0	229,695	0.00	139,774	93,182	0	232,956
DP 1200444 - Statewide 4% FTE Reduction - Program 12	(4.50)	0	0	0	0	(4.50)	0	0	0	0
DP 1201201 - MVD Base Adjustments	0.00	75,482	50,322	0	125,804	0.00	97,811	65,207	0	163,018
DP 1201202 - MVD Drivers License Contract	0.00	1,114,810	743,207	0	1,858,017	0.00	1,135,491	756,994	0	1,892,485
<b>Grand Total All Present Law Adjustments</b>	<b>(4.50)</b>	<b>\$1,675,968</b>	<b>\$1,095,606</b>	<b>\$0</b>	<b>\$2,771,574</b>	<b>(4.50)</b>	<b>\$1,735,111</b>	<b>\$1,220,720</b>	<b>\$0</b>	<b>\$2,955,831</b>

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

#### 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 516 - Correct State Share Health Insurance -

The legislature adjusted funding to correct an error in state share for health insurance calculation for present law adjustment PL 515.

#### 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 521 - Correct Fully Fund 2015 Authorized FTE -

The legislature adjusted funding to correct a error in calculating fully fund legislative authorized FTE in present law adjustment PL 520.

#### 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 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 600 - 2015 Biennium Discretionary Pay Adjustments -

The legislature funded discretionary pay adjustments the agency provided in the 2015 biennium.

DP 1200444 - Statewide 4% FTE Reduction - Program 12 -

The 2015 biennium budget included a 4% vacancy savings reduction. Language included in the boilerplate of HB 2 passed by the 2013 Legislature, indicated legislative intent that the 4% vacancy savings be made permanent as an FTE reduction for the 2017 biennium. Change package 1200444 includes a reduction of 4.50 FTE.

DP 1201201 - MVD Base Adjustments -

The legislature approved an adjustment to move operating costs to the 2015 legislative base.

DP 1201202 - MVD Drivers License Contract -

The legislature funded replacement of an expiring vendor contract that provides driver license related services such as driver license image capture and comparison, card production, customer scheduling, automated written and road test tablets. The legislature restricted the funding to be used only to fund costs associated with driver's license contract replacement.