

Other Budget Increases

- \$5.0 million for increased support of community colleges, other two year education, and workforce development
- \$4.9 million for pay raises and increased employer health insurance contributions for MUS research/public service agencies, community colleges, and the Office of the Commissioner of Higher Education
- \$2.3 million to expand medical education opportunities and address medical workforce needs
- \$0.6 million to implement an Energy and Natural Resources Doctoral Program
- \$2.1 million for increased state support of the Agricultural Experiment Station and Extension Service
- \$0.4 million for the Bio-Energy Research Center at MSU-Northern

A further discussion of the agency begins on page E-X of Volume 4 of the 2015 Biennium Legislative Fiscal Report.

Public Health and Human Services (DPHHS)

The DPHHS 2015 biennium budget is \$259.4 million (\$86.2 million general fund) higher than the 2013 biennium. The most significant change is in funding for benefits (direct services to eligible persons) which grows \$177.9 million total funds over the biennium, with major increases including:

- Medicaid service utilization and eligibility increases - \$126.2 million total funds including \$23.2 million general fund
- Temporary Assistance for Needy Families (TANF) benefits, child care, and early childhood services - \$15.3 million including \$2.2 million general fund

The legislature also approved a 2% annual provider rate increase, some of which is allocated to services and adds \$67.6 million total funds including \$21.8 million general fund over the biennium.

A further discussion of the agency begins on page B-1 of Volume 3 of the 2015 Biennium Legislative Fiscal Report.

Corrections

The legislature provided funding for this agency that is \$21.0 million total funds (6.0%) and \$20.0 million general fund (5.9%) higher than the 2013 biennium funding.

A large amount of the biennium funding growth (\$8.7 million) is to annualize funding for all but 12 male pre-release beds at the levels previously authorized and to annualize a contract to house 25 low risk, infirm inmates at the Montana Mental Health Nursing Care Center. The legislature also funded five new pre-release beds for women and five transitional living slots for women (\$288,000).

A further discussion of the agency begins on page D-72 of Volume 4 of the 2015 Biennium Legislative Fiscal Report.

LANGUAGE APPROPRIATIONS IN HB 2

The legislature made several appropriations in language in HB 2. Generally, language appropriations are made when it is not known whether and/or to what degree the funds will be spent. The language specified the maximum amount that can be spent from the appropriation. There are two language appropriations in HB 2 that impact general fund:

- Liquor Control Division (Department of Revenue) - \$154.0 million over the biennium. In addition to direct appropriations authority for staff and related operating expenses, the division is given authority to maintain adequate inventories, pay freight charges, and transfer profits and taxes to appropriate accounts. Because any profits are transferred to the general fund, these expenditures will have a direct impact on general fund
- Board of Crime Control – The board is given authority to spend any remaining pass-through grant appropriations from the 2013 biennium, up to \$100,000

Language appropriations from other sources total \$18.3 million in four agencies: 1) Office of Public Instruction; 2) Commissioner of Higher Education; 3) Natural Resources and Conservation; and 4) DPHHS. Specifics of these language appropriations can be found in the narratives for each agency in Volumes 3 and 4 of the LFD 2015 Biennium Fiscal Report.

APPROPRIATIONS BY SOURCE OF AUTHORITY – LONG RANGE PLANNING

The Long-Range Planning Subcommittee (LRP) 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. More information related to the LRP budgets is found in Volume 4 Section F of the Legislative Fiscal Report.

LRP Budgets

The Sixty-third Legislature approved total funds spending of \$325.5 million for the LRP budgets. For the 2015 biennium, the legislature appropriated funds for 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 upgrade
- 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