

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	47.00	47.00	45.99	45.98	47.00	45.98	(1.02)	(2.17)%
Personal Services	3,088,610	3,319,318	3,451,154	3,451,149	6,407,928	6,902,303	494,375	7.72 %
Operating Expenses	694,791	750,036	813,666	843,767	1,444,827	1,657,433	212,606	14.71 %
Equipment & Intangible Assets	80,500	82,860	82,860	82,860	163,360	165,720	2,360	1.44 %
Transfers	53,508	0	0	0	53,508	0	(53,508)	(100.00)%
Total Costs	\$3,917,409	\$4,152,214	\$4,347,680	\$4,377,776	\$8,069,623	\$8,725,456	\$655,833	8.13 %
State/Other Special Rev. Funds	2,769,245	2,934,118	3,120,915	3,144,581	5,703,363	6,265,496	562,133	9.86 %
Proprietary Funds	1,148,164	1,218,096	1,226,765	1,233,195	2,366,260	2,459,960	93,700	3.96 %
Total Funds	\$3,917,409	\$4,152,214	\$4,347,680	\$4,377,776	\$8,069,623	\$8,725,456	\$655,833	8.13 %

Program Description

The Gambling Control Division (GCD) was established by the 1989 Legislature to regulate the gambling industry in Montana. The division has criminal justice authority and conducts routine field inspections, audits, and investigations related to gambling activities. In addition to collecting and distributing licensing fees for gambling machines and activities, the division collects the gambling tax assessed on the net proceeds of gambling activities.

The division conducts investigations related to alcoholic beverage licensing and tobacco enforcement. An appointed Gaming Advisory Council of nine members advises the Attorney General to ensure uniform statewide regulation of gambling activities. The Gambling Control Program is mandated by state law.

Program Highlights

Gambling Control Division Major Budget Highlights
<ul style="list-style-type: none"> • The budget adjustments approved by the legislature include: <ul style="list-style-type: none"> ◦ Funding to annualize the 2013 legislative pay plan except for the 2% amount of the executive implementation ◦ Funding to move operating costs to the FY 2015 legislative budget ◦ Funding to restore 1.00 FTE removed by the 2013 as part of the permanent vacancy savings reduction

Funding

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

Department of Justice, 07-Gambling Control Division 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 %	
02074 Gambling License Fee Account	6,007,710	0	9,508,232	15,515,942	98.37 %	
02120 Video Gaming Local Dist.	0	0	0	0	0.00 %	
02790 6901-Statewide Tobacco Sttlmnt	257,786	0	0	257,786	1.63 %	
State Special Total	\$6,265,496	\$0	\$9,508,232	\$15,773,728	86.51 %	
Federal Special Total	\$0	\$0	\$0	\$0	0.00 %	
06005 Liquor Division	2,459,960	0	0	2,459,960	100.00 %	
Proprietary Total	\$2,459,960	\$0	\$0	\$2,459,960	13.49 %	
Total All Funds	\$8,725,456	\$0	\$9,508,232	\$18,233,688		

Gambling control activities are supported primarily by state special revenue generated from gambling licensing fees. Liquor licensing fees (a proprietary fund) support division functions related to liquor licensing. A small amount of funds from the tobacco settlement state special revenue account support activities related to enforcement of settlement provisions.

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 %	4,152,214	4,152,214	8,304,428	95.17 %
PL Adjustments	0	0	0	0.00 %	130,466	160,562	291,028	3.34 %
New Proposals	0	0	0	0.00 %	65,000	65,000	130,000	1.49 %
Total Budget	\$0	\$0	\$0		\$4,347,680	\$4,377,776	\$8,725,456	

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	0	15,525	0	15,525	0.00	0	15,522	0	15,522
DP 516 - Correct State Share Health Insurance	0.00	0	0	0	6,340	0.00	0	0	0	6,338
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	0	44,971	0	44,971	0.00	0	44,971	0	44,971
DP 525 - Fixed Cost Adjustment	0.00	0	64,098	0	67,570	0.00	0	83,946	0	92,289
DP 527 - Inflation/Deflation Adjustment	0.00	0	(3,327)	0	(4,686)	0.00	0	(220)	0	(310)
DP 550 - Motor Pool Rate Adjustment	0.00	0	(200)	0	(282)	0.00	0	(199)	0	(281)
DP 700444 - Statewide 4% FTE Reduction - Program 07	(2.01)	0	0	0	0	(2.02)	0	0	0	0
DP 700701 - GCD Base Adjustments	0.00	0	730	0	1,028	0.00	0	1,443	0	2,033
Grand Total All Present Law Adjustments	(2.01)	\$0	\$121,797	\$0	\$130,466	(2.02)	\$0	\$145,463	\$0	\$160,562

***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 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 700444 - Statewide 4% FTE Reduction - Program 07 -

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 700444 includes a reduction of 2.01 FTE.

DP 700701 - GCD Base Adjustments -

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

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 700445 - Restore FTE - Gambling Control Division	1.00	0	65,000	0	65,000	1.00	0	65,000	0	65,000
Total	1.00	\$0	\$65,000	\$0	\$65,000	1.00	\$0	\$65,000	\$0	\$65,000

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

DP 700445 - Restore FTE - Gambling Control Division -

The legislature approved funding to restore 1.00 FTE removed by the 2013 Legislature in association with the 4% vacancy savings reduction.