

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	502.31	502.31	507.31	507.31	502.31	507.31	5.00	1.00%
Personal Services	23,552,146	24,668,691	25,459,501	25,474,653	48,220,837	50,934,154	2,713,317	5.63%
Operating Expenses	7,393,796	8,673,138	8,221,678	8,243,489	16,066,934	16,465,167	398,233	2.48%
Equipment & Intangible Assets	0	90,550	28,000	90,000	90,550	118,000	27,450	30.31%
Capital Outlay	0	0	0	0	0	0	0	n/a
Grants	19,428,497	19,044,760	21,236,629	21,186,629	38,473,257	42,423,258	3,950,001	10.27%
Benefits & Claims	272,970,312	377,194,785	89,169,727	90,334,999	650,165,097	179,504,726	(470,660,371)	(72.39%)
Transfers	2,587,919	3,315,289	2,587,919	2,587,919	5,903,208	5,175,838	(727,370)	(12.32%)
Total Costs	\$325,932,670	\$432,987,213	\$146,703,454	\$147,917,689	\$758,919,883	\$294,621,143	(\$464,298,740)	(61.18%)
General Fund	30,728,352	29,012,895	32,887,293	33,645,005	59,741,247	66,532,298	6,791,051	11.37%
State Special	2,679,034	2,864,741	2,867,002	2,866,672	5,543,775	5,733,674	189,899	3.43%
Federal Special	292,525,284	401,109,577	110,949,159	111,406,012	693,634,861	222,355,171	(471,279,690)	(67.94%)
Total Funds	\$325,932,670	\$432,987,213	\$146,703,454	\$147,917,689	\$758,919,883	\$294,621,143	(\$464,298,740)	(61.18%)

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Division Appropriation Highlights

The reduction in benefits reflected in the biennium change column is primarily due to:

- The \$380.9 million reclassification of the Supplemental Nutrition Assistance Program (SNAP) to a statutory appropriation (contingent on legislation); and
- A higher appropriation of benefits for FY 2013 than are estimated to be needed in FY 2014 and FY 2015.

The increase in general fund is primarily due to fully funding personal services costs for FTE in the public assistance offices throughout the state, and the general fund match for benefits.

Funding

The costs of this division are driven by the provision of benefits and the staff and contracted providers that deliver them throughout the state. The majority of funding for HCSD, 75.6%, comes from federal sources and is used for the direct provision of benefits and/or the programs supporting client recipients of the benefits.

General fund provides 22.5% of the division's funding. It represents about 44.0% of the funding for offices of public assistance; supports required TANF and child care maintenance of effort (MOE) requirements; and is used as match for federal programs such as Medicaid and SNAP eligibility determination, and child care benefits.

State special revenue is primarily used in the delivery of childcare and energy and weatherization services, and comprises the preservation and stabilization fund and the universal systems benefits funds.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	30,728,352	30,728,352	61,456,704	92.37%	325,932,670	325,932,670	651,865,340	221.26%
Statewide PL Adjustments	908,658	918,098	1,826,756	2.75%	1,393,085	1,426,058	2,819,143	0.96%
Other PL Adjustments	(37,923)	(31,777)	(69,700)	(0.10%)	2,791,677	3,238,369	6,030,046	2.05%
New Proposals	1,288,206	2,030,332	3,318,538	4.99%	(183,413,978)	(182,679,408)	(366,093,386)	(124.26%)
Total Budget	\$32,887,293	\$33,645,005	\$66,532,298		\$146,703,454	\$147,917,689	\$294,621,143	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the base budget adopted by the legislature.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					2,528,895					2,551,626
Vacancy Savings					(1,043,229)					(1,044,136)
Inflation/Deflation					(7,482)					3,703
Fixed Costs					(85,099)					(85,135)
Total Statewide Present Law Adjustments		\$908,658	\$13,460	\$470,967	\$1,393,085		\$918,098	\$12,361	\$495,599	\$1,426,058
DP 50 - Initial Motion to FY 2012 Base	0.00	(908,658)	(13,460)	(470,967)	(1,393,085)	0.00	(918,098)	(12,361)	(495,599)	(1,426,058)
DP 51 - Adjustment for Statewide Personal Services	0.00	747,652	(80,090)	818,104	1,485,666	0.00	755,532	(78,977)	830,935	1,507,490
DP 52 - Adjustment for Statewide Operations	0.00	(20,130)	(14,751)	(57,700)	(92,581)	0.00	(18,062)	(14,453)	(48,917)	(81,432)
DP 20102 - Family Economic Security and Employment	0.00	0	0	175,146	175,146	0.00	0	0	175,146	175,146
DP 20104 - Child Care for Working Caretaker Relatives	0.00	0	0	163,831	163,831	0.00	0	0	163,831	163,831
DP 20105 - Refugee Program	0.00	0	0	80,986	80,986	0.00	0	0	80,986	80,986
DP 20106 - Weatherization and Other IHSB Increases	0.00	0	100,000	980,000	1,080,000	0.00	0	100,000	992,000	1,092,000
DP 20206 - Child and Adult Care Food Program Caseload	0.00	0	0	600,000	600,000	0.00	0	0	1,016,000	1,016,000
DP 20300 - Required Overtime/Holiday/Differential Pay	0.00	63,323	20,959	99,281	183,563	0.00	63,323	20,959	99,281	183,563
DP 20302 - IHSB Operating Adjustment	0.00	0	0	113,829	113,829	0.00	0	0	114,055	114,055
DP 20303 - ECSB Operating Adjustment	0.00	8,125	0	109,471	117,596	0.00	8,125	0	109,297	117,422
DP 20501 - Private Lease Adjustment	0.00	71,765	42,585	162,376	276,726	0.00	77,403	43,973	173,990	295,366
Total Other Present Law Adjustments	0.00	(\$37,923)	\$55,243	\$2,774,357	\$2,791,677	0.00	(\$31,777)	\$59,141	\$3,211,005	\$3,238,369
Grand Total All Present Law Adjustments	0.00	\$870,735	\$68,703	\$3,245,324	\$4,184,762	0.00	\$886,321	\$71,502	\$3,706,604	\$4,664,427

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment funds the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 20102 - Family Economic Security and Employment - The legislature approved federal TANF funds to maintain the program authority at the level approved in the 2011 legislative session.

DP 20104 - Child Care for Working Caretaker Relatives - The legislature approved federal TANF funds to maintain the authority at the level approved in the 2011 legislative session to provide child care assistance to income limited relatives who have taken over the custody of TANF eligible children and remain employed.

DP 20105 - Refugee Program - The legislature increased federal appropriation authority for additional grant award amounts available under the Refugee Social Services and Refugee Cash and Medical Assistance Programs.

DP 20106 - Weatherization and Other IHSB Increases - The legislature approved increases in several funding sources to:

- Weatherize the maximum number of homes using available universal systems benefits (USB) state special revenue and Department of Energy (DOE) federal funding
- Increase grant authority to the level needed to maintain or replace an existing equipment that is due for replacement using funding associated with the Food Distribution Program on Indian Reservations (FDPIR) federal authority
- Assist individuals who are either homeless or on the verge of becoming homeless with increased Emergency Solutions Grant (ESG) authority

DP 20206 - Child and Adult Care Food Program Caseload - The legislature increased federal funds for the Child and Adult Care Food Program to meet the 2.6% annual increase in USDA meal reimbursement payments and a 0.5% annual increase in the number of meals served.

DP 20300 - Required Overtime/Holiday/Differential Pay - The legislature restored funding for the zero-based overtime, holidays worked, differential pay, and the corresponding benefits, which are zero-based and must be requested in full each biennium.

DP 20302 - IHSB Operating Adjustment - The legislature approved federal funds to meet current and anticipated workloads necessary to provide increased monitoring and oversight of LIEAP and Weatherization programs as requested by the Legislative Audit Division.

DP 20303 - ECSB Operating Adjustment - The legislature increased funding for system enhancements to the Head Start program and the Early Childhood Comprehensive program as required by the Early Childhood Comprehensive Systems (ECCS) grant. The increase is split between the two programs at about \$58,700 each.

DP 20501 - Private Lease Adjustment - The executive requests funding to pay the cost associated with lease adjustments in non-state owned buildings throughout the state.

New Proposals

New Proposals	-----Fiscal 2014-----					-----Fiscal 2015-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 53 - Base Funding Switch											
02	0.00	181,136	108,301	(289,437)	0	0.00	180,628	105,791	(286,419)	0	
DP 20123 - TANF MOST After School Program											
02	0.00	0	0	125,000	125,000	0.00	0	0	125,000	125,000	
DP 20301 - Offices of Public Assistance 5.00 FTE (Rest/OTO)											
02	5.00	117,588	10,964	131,886	260,438	5.00	110,950	10,345	124,441	245,736	
DP 20800 - TANF Payment Standard FPL Adjustment											
02	0.00	0	0	1,732,885	1,732,885	0.00	0	0	1,732,885	1,732,885	
DP 20801 - TANF Eligibility Standard FPL Adjustment											
02	0.00	0	0	2,520,251	2,520,251	0.00	0	0	2,520,251	2,520,251	
DP 20803 - TANF Education Support											
02	0.00	0	0	200,000	200,000	0.00	0	0	200,000	200,000	
DP 20804 - SNAP Benefits Statutory Appropriation (Requires Legislation)											
02	0.00	0	0	(190,942,034)	(190,942,034)	0.00	0	0	(190,942,034)	(190,942,034)	
DP 20901 - PRI Child Care											
02	0.00	489,482	0	0	489,482	0.00	988,754	0	0	988,754	
DP 20905 - TANF Big Brothers Big Sisters Support											
02	0.00	0	0	350,000	350,000	0.00	0	0	350,000	350,000	
DP 20906 - TANF WoRC Contracts 3% Increase											
02	0.00	0	0	0	0	0.00	0	0	0	0	
DP 20907 - Update Child Care Eligibility FPL											
02	0.00	500,000	0	0	500,000	0.00	750,000	0	0	750,000	
DP 20908 - TANF CASA Programs (OTO)											
02	0.00	0	0	150,000	150,000	0.00	0	0	150,000	150,000	
DP 20909 - Best Beginning STARS (Rst/OTO/Biennial)											
02	0.00	0	0	1,200,000	1,200,000	0.00	0	0	1,200,000	1,200,000	
Total	5.00	\$1,288,206	\$119,265	(\$184,821,449)	(\$183,413,978)	5.00	\$2,030,332	\$116,136	(\$184,825,876)	(\$182,679,408)	

DP 53 - Base Funding Switch - The legislature approved a fund switch between fund types to fund base operations.

DP 20123 - TANF MOST After School Program - The legislature approved federal TANF funding for the Montana Out of School Time (MOST) after school program for TANF eligible children in support of after school program grants of \$5,000 for operational expenses.

DP 20301 - Offices of Public Assistance 5.00 FTE (Rest/OTO) - The legislature approved a restricted, one-time-only appropriation support 5.00 FTE and associated funding to maintain the existing level of services in the Offices of Public Assistance (OPA).

DP 20800 - TANF Payment Standard FPL Adjustment - The legislature approved federal TANF funds to adjust the payment standard to 33% of the 2011 federal poverty level (FPL) from the current level of 33% of the 2009 FPL.

DP 20801 - TANF Eligibility Standard FPL Adjustment - The legislature approved federal TANF funds to support increases in benefits associated with an adjustment increasing the eligibility standard to 30% of the 2011 FPL from the current level of 30% of the 2006 FPL.

DP 20803 - TANF Education Support - The legislature approved federal TANF funds to provide increased funding for the TANF Education Support program and related grants to offer adult basic education for TANF-eligible individuals working to improve their educational skills, obtain a high school diploma, or obtain general educational development (GED) certification.

DP 20804 - SNAP Benefits Statutory Appropriation (Requires Legislation) - The legislature approved the removal federal SNAP benefit funding from HB 2 for each year of the biennium pending the passage of a bill for statutory appropriation of SNAP benefits. The legislature also approved language:

“If legislation authorizing a statutory appropriation for SNAP benefits is not passed and approved, the appropriation for the Human and Community Services Division is increased by \$190,942,034 federal funds each year.”

At the time of this writing, the SNAP HB 309 is tabled.

DP 20901 - PRI Child Care - The legislature increased general fund authority for a 2% annual provider rate increase across the biennium for child care providers and included the requirement in LC 1673, the bill to implement HB 2.

DP 20905 - TANF Big Brothers Big Sisters Support - The legislature approved \$350,000 each year of the biennium in TANF federal funds for grants throughout the state to support Big Brothers and Big Sisters programs serving TANF eligible children. The legislature also requested that the Big Brothers Big Sisters grant program be added to Senate Joint Resolution 26 for a report to the Legislative Finance Committee at its autumn meeting in FY 2014.

DP 20906 - TANF WoRC Contracts 3% Increase - The legislature approved a 3.0% increase in TANF WoRC Contracts for each year of the 2015 biennium using TANF maintenance of effort (MOE) general fund with an offset of an equal amount in TANF MOE general fund. Funding is shown as zero in the new proposal table because the estimated increases of \$170,771 in FY 2014 and \$175,849 in 2015 are off set by an equal reduction.

The legislature also approved a "zero impact" adjustment to the federal TANF block grant by correcting an amount allocated to transfers for which there was no authority and taking the line back to the \$7,676,010 base amount.

DP 20907 - Update Child Care Eligibility FPL - The legislature approved nearly \$1.3 million general fund to update the child care eligibility federal poverty level (FPL) from 2009 to the most current FPL possible within the appropriation.

DP 20908 - TANF CASA Programs (OTO) - The legislature provided one-time-only funding of \$150,000 federal TANF funds each year of the biennium to support Court Appointed Special Advocates (CASA) programs to be used for volunteer expenses for TANF eligible children throughout the state.

DP 20909 - Best Beginning STARS (Rst/OTO/Biennial) - The legislature approved \$2,400,000 federal CHIPRA bonus funds that the state will receive, for the Best Beginning STARS program in the Early Childhood Services Bureau. The legislature restricted funding for this purpose and added an order of priority in the event CHIPRA grant funds are insufficient to fund all appropriations. Please see the following language section.

Language and Statutory Authority

The legislature proposes the following language for inclusion in HB 2.

The department of public health and human services must use \$489,482 in fiscal year 2014 and \$988,754 in fiscal year 2015 of funds in the Human and Community Services Division to raise provider rates by 2% in fiscal year 2014 and by an additional 2% in fiscal year 2015.

“If legislation authorizing a statutory appropriation for SNAP benefits is not passed and approved, the appropriation for the Human and Community Services Division is increased by \$190,942,034 federal funds each year.”

Funding for Offices of Public Assistance FTE may be expended only by the Human and Community Services Division

Best Beginnings STARS funding may be used only by the Early Childhood Services Bureau to enhance the Best Beginnings STARS quality incentive programs.

Best Beginnings STARS, Prevent Jail Suicide, and Montana State Hospital Overtime Pay are funded from a federal children's health insurance program reauthorization grant. If grant funds are insufficient to fund all appropriations, the funding shall be allocated in the following order of priority:

- (1) Montana State Hospital Overtime Pay;
- (2) Prevent Jail Suicide; and
- (3) Best Beginnings STARS