



SECTION F - LONG-RANGE PLANNING

Figure 1

9999 Summary Agency Legislative Budget Comparison Table							All Programs	
Federal Stimulus Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Operating Expenses	-	-	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	-	-	0.0%
Local Assistance	-	-	438,216	438,216	-	876,432	876,432	0.0%
Transfers	-	-	75,281,603	76,578,031	-	151,859,634	151,859,634	0.0%
Total Costs	-	-	75,719,819	77,016,247	-	152,736,066	152,736,066	0.0%
General Fund	-	-	63,912,603	63,209,031	-	127,121,634	127,121,634	0.0%
Federal Spec. Rev. Funds	-	-	11,807,216	13,807,216	-	25,614,432	25,614,432	0.0%
Total Funds	-	-	75,719,819	77,016,247	-	152,736,066	152,736,066	0.0%

Agency Narrative

Long-Range Planning (LRP) programs include new funding requests of \$152.7 million for the biennium. The new requests consist of \$127.1 million of freed up general funds and \$25.6 million of federal special revenue from Montana's receipt of American Recovery and Reinvestment Act of 2009 (ARRA) funds.

Purpose of Funds

The purpose for the funding is to replace general fund for one-time transfers that fund long-range projects and increase the number of projects that can be completed using general funds freed up and federal funds made available through ARRA.

Statutory Changes

No statutory changes are anticipated in association with the funding for LRP programs.

Conditions and Limitations

In general, all proposals funded with either federal stabilization funds and federal energy funds must be tracked, and general funds freed up through ARRA should be tracked, for compliance as required in the reporting requirements of the ARRA and by administering federal agencies.

Long-Range Building Program (LRBP)

The main funding source for LRBP proposals is general funds. Projects funded with general fund which has been made available through ARRA funding for government services, or freed up, do not need to be tracked for reporting purposes. However, the legislature may wish to follow the progress of the projects funded with freed up general fund to determine if the projects are progressing in a manner which meets the legislative goals for the funds (on the ground in a timely manner and producing new jobs). The single project funded with federal ARRA funds, energy related deferred maintenance, is not subject to "shovel ready" provisions, but the project will be required to follow the provisions of the Davis-Bacon, federal prevailing wage law, and will need to use U.S. steel products. The ARRA requires that funds that are not subgranted or otherwise committed within two years must be returned to the Secretary of Education to be reallocated. As a result, it would be advisable that the energy related deferred maintenance project be committed in the next two years.



State Building Energy Conservation Program (SBECP)

SBECP projects funded with ARRA funds must be energy projects expended in existing programs, and the Department of Energy must approve the use of the funds. Projects must be awarded within 18 months and completed within 36 months.

Long-Range Information Technology Program (LRITP)

There are no conditions or limitations on the new proposals for the LRITP.

Treasure State Endowment Program (TSEP) and TSEP Regional Water (TSEPRW)

There are no direct conditions or limitations associated with the new proposals for the TSEP or TSEPRW, however should local governments receiving TSEP grants also receive other sources of federal funding originating in the ARRA, the projects will be required to comply with the Davis-Bacon Act and will need to use US steel products in their projects and may be required to comply with shovel ready time constraints.

Renewable Resource Grant and Loan Program (RRGL) and Reclamation and Development Grant Program (RDGP)

There are no direct conditions or limitations associated with the new proposals for the RRGL or RDGP, however should local governments receiving RRGL or RDGP grants also receive other sources of federal funding originating in the ARRA, the projects will be required to comply with the Davis-Bacon Act and will need to use US steel products in their projects and may be required to comply with shovel ready time constraints.

Quality School Facility Program (QSFP)

There are no conditions or limitations on the new proposals for the QSFP.



Figure 2

9999 Summary Agency						All Programs	
Legislative Budget	General Fund	General Fund	General Fund	Total Funds	Total Funds	Total Funds	
Decision Package	FY 2010	FY 2011	FY 2010-11	FY 2010	FY 2011	FY 2010-11	
<i>Federal Stimulus New Proposal Decision Packages</i>							
NP01101 Transfer from GF into Stimulus GF	1,750,000	1,750,000	3,500,000	1,750,000	1,750,000	3,500,000	
NP01101 Transfer in to TSEP Stimulus GF	11,500,000	11,500,000	23,000,000	11,500,000	11,500,000	23,000,000	
NP01104 Regional Water System	4,000,000	4,000,000	8,000,000	4,000,000	4,000,000	8,000,000	
NP02001 SOS Information Management System	750,000	750,000	1,500,000	750,000	750,000	1,500,000	
NP02002 Replace HB 10 General Fund Transfer	1,750,000	1,750,000	3,500,000	1,750,000	1,750,000	3,500,000	
NP02015 Replace Dec 15 Gf with Stimulus GF	1,500,000	1,500,000	3,000,000	1,500,000	1,500,000	3,000,000	
NP05001 Replace December 15 general fund with general fund	2,600,000	2,600,000	5,200,000	2,600,000	2,600,000	5,200,000	
NP05011 Add federal and general funds for energy funds	-	-	-	11,369,000	12,369,000	23,738,000	
NP05012 Additional transfer for LRBP state projects	1,792,586	1,792,586	3,585,172	1,792,586	1,792,586	3,585,172	
NP05014 Fund LRBP Projects with General Funds	13,798,486	13,094,914	26,893,400	13,598,486	12,894,914	26,493,400	
NP05024 Long-Range Building Program Allocation	-	-	-	638,216	638,216	1,276,432	
NP05025 MUS Energy Conservation Planning	-	-	-	-	1,000,000	1,000,000	
NP06001 Transfer into the RRGL stimulus GF	2,074,398	2,074,398	4,148,796	2,074,398	2,074,398	4,148,796	
NP07001 Transfer into RDGL Stimulus GF	897,133	897,133	1,794,266	897,133	897,133	1,794,266	
NP09901 Transfer of Stim GF to HB 152 Sch Facility Acct	21,500,000	21,500,000	43,000,000	21,500,000	21,500,000	43,000,000	
New Proposal Total	63,912,603	63,209,031	127,121,634	75,719,819	77,016,247	152,736,066	
Total All Decision Packages	63,912,603	63,209,031	127,121,634	75,719,819	77,016,247	152,736,066	

Decision Package Narrative

NP01101 Transfer from GF to Stimulus GF – This proposal replaces general fund OTO appropriations of a biennium total of \$3.5 million in HB 10 with appropriations from general funds freed up through AARA. The projects include the ESSC equipment and moving expenses, \$2.5 million/biennium and interoperability Montana, \$1.0 million/biennium. The projects will be appropriated in HB 10.

NP01101 Transfer in to TSEP Stimulus GF – An OTO biennium total of \$23 million, from general funds freed up through ARRA, is proposed to be transferred to the Treasure State Endowment Program (TSEP). The proposal would fund grants authorized for the 2009 biennium and provide funding to extend the number of TSEP recommended grants funded in the 2011 biennium. The funds will be appropriated in HB 11.

NP01104 Regional Water System – This proposal provides transfers of a total \$8.0 million in the 2011 biennium of OTO general funds freed up through ARRA for the Treasure State Endowment Regional Water Program. These funds would be used as the state match for federal funding of large regional water systems. The funds will be appropriated in HB 11.

NP02001 SOS Information Management System – This proposal would transfer \$750,000 in each FY 2010 and FY 2011 from OTO general fund freed up through ARRA to a LRITP capital projects fund for the build out of the Secretary of State (SOS) information management system. These funds will be appropriated in HB 10.

NP02002 Replace HB 10 General Fund Transfer – This proposal replaces general fund OTO transfers of a biennium total of \$3.5 million in HB 10, the LRITP bill, with an OTO transfer from general funds freed up through ARRA. The transfer would fund the states share of the Medicaid management information system, \$3.5/biennium for the Department of Public Health and Human services. The project appropriations will be included in HB 10.



NP02015 Replace Dec 15 GF with Stimulus GF - This proposal replaces biennial transfers of \$3.0 million of OTO general funds to the State Building Energy Conservation Program (SBECP) with general funds freed up through ARRA. From these funds, \$1.5 million would be transferred to the SBECP state special revenue account to fund the administrative expenses of the program and \$1.5 million would be transferred to the SBECP capital projects fund to be used for energy conservation projects. The original proposal, included in HB 5 (the Long-Range Building Program (LRBP) bill), contained OTO general fund transfers of a total \$14.9 million. Consequently, this proposal represents a net \$11.9 million in freed up general fund savings. The remainder of the SBECP 2011 biennium projects will be funded with federal energy funds. The project appropriations will be included in HB 5.

NP05001 Replace December 15 General Fund with Federal Funds – This proposal is a transfer of a total \$5.2 million of general funds freed up by ARRA that replaces biennial transfers of \$5.2 million of OTO general fund to the Long-Range Building Program (LRBP) capital projects fund. This proposal will enhance the ability for the LRBP to make upgrades and improvements to state buildings. The project appropriations will be included in HB 5.

NP05011 Add Federal Allocation for Remaining Energy Funds – This proposal allocates \$23.7 million of federal energy funds, \$12.4 million in FY 2010 and FY 2011, through ARRA. The allocation replaces biennial transfers of OTO general fund to the SBECP. The funds would enhance the funding for energy conservation improvements in state buildings and community colleges. Energy projects included in the allocation include \$9.7 million to the Montana university system for energy projects and \$1 million for community colleges. The funds will be appropriated in HB 5. The decision package allocations for 05011 are overstated by \$2 million, \$1 million in each FY 2010 and FY 2011. An adjustment of the allocations will be required.

NP05012 Additional Transfer for LRBP State Projects – This proposal transfers an additional \$3.6 million for the 2011 biennium of OTO general funds freed up through ARRA. This proposal will enhance the ability for the LRBP to make upgrades and improvements to state buildings. The project appropriations will be included in HB 5.

NP05014 Fund LRBP Projects with General Fund - This proposal allocates \$26.9 million of federal special revenue funds, \$13.5 million in FY 2010 and FY 2011, through ARRA federal stabilization funds. This proposal will enhance the ability for the LRBP to make upgrades and improvements to state buildings. Specific improvement projects include \$6 million to complete the adaptive renovations, deferred maintenance, life safety, ADA code compliance, and historic restoration project of Main Hall on the University of Montana, Western campus in Dillon. Additionally, \$20.9 million of these funds would be used on deferred maintenance and energy improvement projects. The funds will be appropriated in HB 5. As seen in Figure 2, the total funds are \$200,000 lower than the general fund in each fiscal year. This inconsistency resulted from amendment coordination and adjustments of \$200,000 will be required in the federal funding of the decision package.

NP05024 Long-Range Building Program Allocation – This proposal allocates \$12.8 million of federal stabilization funds, \$638,216 in FY 2010 and FY 2011, through ARRA. The allocation will be used to fund the statewide energy related deferred maintenance project in HB 5.

NP05025 MUS Conservation Planning – This proposal appropriates \$1 million of federal energy funds in FY 2011, which is made available through ARRA. The appropriation will be used to fund an energy conservation study in the Montana university system.

NP06001 Transfer into the RRGL stimulus GF – This proposal would transfer \$2.1 million in FY 2010 and FY 2011 of OTO general funds freed up through ARRA to the Department of Natural Resource and Conservation



natural resource projects account. The funds would be used to fund additional renewable resource water project grants. The funds will be appropriated in HB 6.

NP07001 Transfer into the RDGP stimulus GF – This proposal would transfer \$0.9 million in FY 2010 and FY 2011 of OTO general funds freed up through ARRA to the Department of Natural Resource and Conservation natural resource projects account. The funds would be used to fund additional reclamation and development grants. The funds will be appropriated in HB 7.

NP09901 Transfer of Stim GF to HB 152 Sch Facility – This proposal would transfer a total of \$43.0 million, \$21.5 million in FY 2010 and FY 2011, of OTO general funds freed up through ARRA to the Department of Commerce. The funds would be used for K-12 facility upgrades, maintenance, and energy improvements.