

APPENDIX B - FY 2013 SUPPLEMENTAL REQUESTS

The executive is requesting \$123.6 million general fund and \$7.2 million other funds in the 2013 biennium as supplemental funding. The figure shows supplemental appropriations since the 2001 biennium.

General Fund Supplementals 2001 to 2013	
Biennium	Millions
2001	\$68.2
2003	12.5
2005	12.7
2007	76.4
2009	3.5
2011	2.9
2013	123.6

As shown, the amount requested is the highest over this time period. The following details the FY 2013 executive request. The figure is followed by a brief description of each.

HB 3 Supplemental Appropriations Request Executive Budget - 2013 Biennium				
Agency/Purpose	General Fund	State Special Funds	Federal Funds	Proprietary Funds
Office of Public Instruction				
State Tuition Payments	\$172,698			
Base Aid	34,677,678			
Block Grants	3,683,002			
Department of Justice				
Major Litigation	682,981			
Exempt Staff Payouts	219,437	106,873		
Governor's Office				
Exempt Staff Payouts	384,639			
Department of Natural Resources and Conservation				
Fire Suppression	50,000,000			
Department of Administration				
Montana Lottery*				1,000,000
Risk Management	26,800,000			
Office of the Public Defender				
Public Defender	2,300,000			
Appellate Defender	200,000			
Military Affairs				
Homeland Security Grants			6,547,080	
Department of Corrections				
Secure Facilities	\$4,500,000	\$500,000		
Total	\$123,620,435	\$606,873	\$6,547,080	\$1,000,000

*Governor's December 15th revisions indicated the request would be increased by \$500,000. HB 3 as of December 17th had not yet reflected this change and so no change is shown in this table.

- Office of Public Instruction –
 - State Tuition Payments - State tuition payments are payments to school districts for students placed in a school district outside their district of residence by a state agency or court. Tuition payments are higher than anticipated
 - Base Aid – HB 316 moved mineral royalties revenues to the guarantee account from the general fund, reducing the general fund appropriation required for Base Aid. When HB 316 was vetoed additional general fund was needed
 - Block Grants - SB 372 cut tax rates on class 8 business equipment starting tax year 2012. The revenue loss associated with these tax cuts was reimbursed to school districts. However, the amount appropriated for SB 372 reimbursements was short by \$3.7 million.
- Department of Justice – The department requests funds for two purposes: 1) add funds to the biennial appropriation that funds major litigation, which has been depleted by major cases, including the PPL lawsuit that went to the US Supreme Court; and 2) provide funds for payouts of exempt staff who will leave the department when the new Attorney General takes over
- Governor’s Office – This supplemental is for payout costs for exempt staff who will leave the office when the new Governor assumes office
- Department of Natural Resources and Conservation (DNRC) – DNRC is the agency responsible for paying most of the state-responsibility costs of fire suppression. Total costs (prior to any spring fire costs) are \$48.4 million, with \$4.1 million paid from the fire suppression fund (which will be depleted) and \$12.0 million paid from the Governor’s emergency fund, leaving a balance that must be paid from a supplemental appropriation at \$32.3 million. The Governor is proposing this cost plus an additional \$17.7 million to replenish the fire suppression fund. A further discussion of fire costs can be found in the 2015 Biennium LFD Budget Analysis narrative for DNRC at the following link:
http://leg.mt.gov/content/Publications/fiscal/ba-2015/section_c/res_con_35.pdf
- Department of Administration – The executive is proposing two appropriations: 1) replenish the fund balance for the state’s self-insurance program that was depleted to pay for the state’s share of the Libby asbestos lawsuit settlement with a lump-sum general fund payment; and 2) provide additional authority for the lottery to pay vendors. The revised December 15 executive budget indicates the Governor will request a total \$1.5 million for this purpose
- Office of the Public Defender (OPD) – This request is due primarily to the impacts on the agency from unanticipated double digit caseload growth that was heavily influenced by large growth in the number of dependent and neglect cases, and for high turnover and payout costs
- Military Affairs – The Governor requests \$6.5 million in federal homeland security grants for local communities
- Department of Corrections – The executive requests funding primarily for outside medical costs and low vacancy savings in positions on which a vacancy savings rate of 4% was applied in the budget

A further discussion of each supplemental request is included in the individual agency narratives in the 2015 Biennium Legislative Fiscal Division Budget Analysis.