

Total Department Of Commerce Funding by Source of Authority
2015 Biennium Budget

Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$10,968,998	\$0	\$9,500,000	\$20,468,998	8.2%
State Special Total	\$11,898,104	\$0	\$65,111,869	\$77,009,973	30.8%
02049 Hard Rock Mining	\$404,860	\$0	\$1,200,000	\$1,604,860	0.6%
02090 Business Asst-private	\$180,000	\$0	\$0	\$180,000	0.1%
02094 Distressed Wood Match	\$0	\$0	\$24,030	\$24,030	0.0%
02100 Distressed Wood State	\$0	\$0	\$999,532	\$999,532	0.4%
02102 Mt Heritage Pres & Development	\$0	\$0	\$2,380,050	\$2,380,050	1.0%
02116 Accommodation Tax Account	\$36,229	\$0	\$34,485,716	\$34,521,945	13.8%
02154 Mt Promotion-private	\$1,500,000	\$0	\$0	\$1,500,000	0.6%
02210 Microbusiness Admin Acct	\$203,684	\$0	\$0	\$203,684	0.1%
02212 Microbusiness Loan Acct	\$4,000,000	\$0	\$0	\$4,000,000	1.6%
02254 Regional Accommodation Tax	\$0	\$0	\$11,968,355	\$11,968,355	4.8%
02270 Treasure State Endowment	\$1,128,331	\$0	\$0	\$1,128,331	0.5%
02271 L&c Bicentennial Plate Fund	\$0	\$0	\$110,000	\$110,000	0.0%
02293 Film Production Credit	\$0	\$0	\$2,000	\$2,000	0.0%
02445 Coal Board	\$4,135,000	\$0	\$0	\$4,135,000	1.7%
02557 Research & Commercialization	\$0	\$0	\$7,300,000	\$7,300,000	2.9%
02575 Mobile Home Revolving Loan Fund	\$300,000	\$0	\$0	\$300,000	0.1%
02771 Economic Development Trust Fund	\$0	\$0	\$6,642,186	\$6,642,186	2.7%
02848 Sbdc Private Revenue Nonfed	\$10,000	\$0	\$0	\$10,000	0.0%
Federal Special Total	\$35,431,622	\$0	\$2,140,402	\$37,572,024	15.0%
03059 Community Development Block	\$15,879,631	\$0	\$0	\$15,879,631	6.3%
03061 Eda Revolving Loan Fund	\$801,020	\$0	\$0	\$801,020	0.3%
03092 Distressed Woods Federal	\$0	\$0	\$2,140,402	\$2,140,402	0.9%
03110 Hud Comprehensive Counseling	\$550,000	\$0	\$0	\$550,000	0.2%
03144 Shelter Plus Care - Hud	\$749,996	\$0	\$0	\$749,996	0.3%
03207 Small Business Dev. Centers	\$1,471,850	\$0	\$0	\$1,471,850	0.6%
03233 Instep/epscor Funds	\$50,000	\$0	\$0	\$50,000	0.0%
03282 Emergency Homeowners Loan Prog	\$500,000	\$0	\$0	\$500,000	0.2%
03300 Home Grants	\$13,243,027	\$0	\$0	\$13,243,027	5.3%
03441 Ddpac - Dev Disabled Council	\$1,100,000	\$0	\$0	\$1,100,000	0.4%
03932 Cdbg Rlf	\$536,098	\$0	\$0	\$536,098	0.2%
03945 Boh Forclosures Mitigation	\$550,000	\$0	\$0	\$550,000	0.2%
Proprietary Total	\$0	\$112,303,720	\$2,939,462	\$115,243,182	46.0%
06014 Industrial Revenue Bond I-95	\$0	\$949,228	\$2,939,462	\$3,888,690	1.6%
06015 Facilities Finance Authority	\$0	\$1,130,663	\$0	\$1,130,663	0.5%
06030 Boh Financial Program Fund	\$0	\$8,928,297	\$0	\$8,928,297	3.6%
06031 Housing Trust Fund	\$0	\$20,000	\$0	\$20,000	0.0%
06074 Sec 8 Project Based	\$0	\$42,038,664	\$0	\$42,038,664	16.8%

06075 Hud Section 8 Housing Program	\$0	\$42,105,150	\$0	\$42,105,150	16.8%
06078 Affordable House Revolving Ln	\$0	\$20,000	\$0	\$20,000	0.0%
06079 Revolving Loan Fund - Tanf	\$0	\$20,000	\$0	\$20,000	0.0%
06085 Section 8 Mod Rehab	\$0	\$3,753,510	\$0	\$3,753,510	1.5%
06527 Investment Division	\$0	\$9,816,828	\$0	\$9,816,828	3.9%
06542 Commerce Centralized Services	\$0	\$3,521,380	\$0	\$3,521,380	1.4%
Total All Funds	\$58,298,724	\$112,303,720	\$79,691,733	\$250,294,177	100.0%
Percent - Total All Sources	23.3%	44.9%	31.8%		

Department of Commerce

Mission:

The Department of Commerce through its employees, community partners, public outreach, and media contacts enhances economic prosperity in Montana; fosters community lead diversification and sustainability of a growing economy; maintains and improves our infrastructure, housing and facilities; and promotes and enhances Montana's positive national and international image.

"The Department of Commerce will enhance and sustain a healthy economy so Montana businesses, communities, and people can prosper."

Goals and Objectives:

- Work to improve the state's economy through business creation, expansion, retention, and diversification of the state's economic base.
- Provide direct technical assistance and training for Montana's entrepreneurs, businesses, and their employees in partnership with communities, counties, and local and regional development groups.
- Enhance the growth of the Montana economy through the promotion of tourism development, promoting and protecting historic sites, and the marketing of Montana as a travel and filmmaking destination.
- Promote access to new markets, both foreign and domestic, for Montana goods and services.
- Provide financing for homeownership and rental assistance opportunities for Montana families.
- Develop and improve public infrastructure and housing opportunities for the state's citizens by providing grants and technical assistance to Montana communities and counties.
- Prudently manage the investments of state and local government funds.
- Provide fair and equal treatment of our fellow employees and our customers.

Lodging Facility Use Taxes

Montana currently has a 7 percent tax on lodging facilities in the state, commonly referred to as the “bed tax”. The total tax is divided into two parts:

- A 4 percent Lodging Facility Use Tax has been in place since 1987. This tax equals 4 percent of the rate charged on accommodations and is collected from customers of the facility upon payment. The tax can only be based on the fees charged for lodging and cannot include the costs for meals, transportation, entertainment, or any other similar charges. The revenues are distributed as discussed below.
- A 3 percent Lodging Sales & Use Tax was enacted by the 2003 legislature. This tax, imposed for the “privilege of using property or services within this state”, is equal to three percent of the rate charged on accommodations. All revenues are deposited to the general fund.

Pursuant to the statement of intent provided by the legislature when it enacted the 4 percent bed tax, all proceeds are to be dedicated to the promotion of Montana's travel and tourism industries. Of the total collections, \$400,000 is allocated to the Montana Heritage Preservation and Development Account for the purpose of purchasing, restoring, and maintaining historically significant properties in Montana that are in need of preservation. Additionally, state funds are reimbursed for any bed tax paid by state employees while on official business, and the Department of Revenue is allowed to keep an amount based on estimated costs of collecting and disbursing the proceeds from the tax (currently less than 1% of collections). The remaining proceeds are statutorily allocated as follows:

- 64.9% to the Department of Commerce
- 22.5 % to be distributed by the Department of Commerce to regional nonprofit tourism corporations as defined in 15-65-101 (6), MCA
- 6.5 % to the Department of Fish, Wildlife, and Parks for maintenance of facilities in state parks that have both resident and nonresident use
- 3.6% Montana Historical Society, 2.6% for Montana historical interpretation and 1% for the installation or maintenance of roadside historical signs and historical sites
- 2.5% to the Montana university system for operation of the Montana travel research program

The figure below shows the collections and distributions of the lodging use facilities taxes over the last two biennia, and the amounts projected by the Legislative Fiscal Division for the 2015 biennium.

Department of Commerce							
Lodging Facilities Use Taxes							
	Distribution Basis	Actual FY 2010	Actual FY 2011	Actual FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015
Accommodations Tax Receipts		\$29,265,000	\$33,809,000	\$37,724,000	\$40,389,000	\$42,831,000	\$45,424,000
Distributions							
General Fund	3% tax	12,331,000	14,241,000	15,606,000	17,309,000	18,356,000	19,467,000
Department of Revenue - Administration	Reimburse	131,000	132,000	136,000	136,000	141,000	141,000
Montana Heritage Preservation & Development	Fixed	400,000	400,000	400,000	400,000	400,000	400,000
Montana University System	2.5% of net	410,075	475,900	539,550	563,600	598,350	635,400
Montana Historical Society							
Sites and Signs	1.0% of net	164,030	190,360	215,820	225,440	239,340	254,160
Historical Interpretation	2.6% of net	0	0	561,132	586,144	622,284	660,816
Fish Wildlife & Parks	6.5% of net	1,066,195	1,237,340	1,402,830	1,465,360	1,555,710	1,652,040
Department of Commerce							
Department Use	64.9% of net	11,072,025	12,849,300	14,006,718	14,631,056	15,533,166	16,494,984
Distribution to Regions and Cities	22.5% of net	3,690,675	4,283,100	4,855,950	5,072,400	5,385,150	5,718,600

Of those amounts, the largest share is the 64.9% to the Department of Commerce to operate the Montana Promotion Division. The division uses this funding in addition to the state special revenue funded in HB 2 to promote the tourism industry in Montana. The Office of Tourism FY 12 Annual Report breaks Montana Promotion Division spending into the following categories:

- Consumer Marketing – 40%
- Montana Brand – 1%

- Visitor Information Services – 2%
- Group Marketing – 1%
- Tourism Development – 6%
- Telemarketing and Fulfillment – 5%
- Publicity & Public Relations – 4%
- Publications – 3%
- International Marketing – 3%
- Industry Services and Administration – 16%
- Electronic Marketing – 8%

Department of Commerce
Coal Board Grants
FY 2012

Entity	Description	Amount	Meeting	Grant #
Ashland Fire District	Protective Fire Clothing*	\$18,000	7/15/2011	0681
Ashland Fire District	PAR	19,000	4/20/2012	0712
Big Horn County	Crow Agency Water Disinfection	148,300	7/15/2011	0671
Big Horn County	Tandem Truck and Dump Box*	74,000	7/15/2011	0683
Big Horn County	Rural Fire Equipment*	34,000	7/15/2011	0684
Big Horn County	Residences for Sheriffs' Officers	100,000	9/30/2011	0697
Big Horn County	Public Library Improvements	72,125	9/30/2011	0698
Big Horn County	Hospital Generator	205,000	1/20/2012	0705
Big Horn County	Little Big Horn College Work Readiness	49,500	1/20/2012	0706
Big Horn County	Automatic Vehicle Location System	65,000	1/20/2012	0707
Big Horn County	Growth Policy Update	23,500	4/20/2012	0708
Big Horn County	Heritage Acres Window Replacement	35,000	4/20/2012	0709
Big Horn County	Portable Radios	35,000	7/20/2012	0715
Big Horn County	Public Safety Software	75,000	10/19/2012	0721
Colstrip	Emergency Alert System	25,000	7/15/2011	0670
Colstrip	Fire Truck	190,000	9/30/2011	0692
Colstrip	Water Master Plan	36,662	4/20/2012	0710
Colstrip	Shop Building	200,000	4/20/2012	0711
Colstrip	SHAC Building Repairs	68,000	10/19/2012	0723
Crow Tribe	Wastewater UV Disinfection	95,106	7/15/2011	0672
Crow Tribe	Pryor Senior Center Improvement	61,890	1/20/2012	0701
Crow Tribe	Chlorination Room	46,250	7/20/2012	0717
Custer County	Jail Facility PAR	60,000	10/19/2012	0722
Forsyth	Wastewater Collection Improvements	250,000	7/15/2011	0682
Forsyth School District #4	Boiler and HVAC Improvements	125,000	7/15/2011	0666
Hardin	Water Project	400,000	9/30/2011	0699
Hardin	Fire Dept. Personal Protective Equipment	46,625	4/20/2012	0714
Hardin	Wastewater Equipment	100,000	7/20/2012	0716
Lame Deer School District #6	Elementary School Library Completion	175,239	7/20/2012	0719
Lavina	Water Preliminary Engineering Report	41,200	9/30/2011	0685
Miles Community College	Heavy Equipment Program Equipment	120,000	9/30/2011	0694
Musselshell Co	Contract amendment to #0644	46,242	7/15/2011	0644A

Musselshell County	Ongoing Staffing Request	263,514	7/15/2011	0669
Musselshell County	Fattig Road Chip Seal-Old Dived Road Crack Seal	70,000	7/15/2011	0675
Musselshell County	Dean Creek VFD Expansion	195,000	9/30/2011	0686
Musselshell County	VFD Bunker Suits	17,622	9/30/2011	0687
Musselshell County	Roundup Memorial Healthcare Improvements	200,000	9/30/2011	0688
Musselshell County	Snow Removal Equipment	180,000	9/30/2011	0689
Musselshell County	Sheriff's Department Tasers and Video Equipment*	44,000	9/30/2011	0690
Musselshell County	Pager System Upgrade/Repeater Site Generators	200,000	1/20/2012	0702
Musselshell County	Jail Camera Security System*	23,070	1/20/2012	0703
Musselshell County	Jail Restroom Renovation	13,000	1/20/2012	0704
Norther Cheyenne	Contract amendment to #0678	15,000	4/20/2012	0678A
Northern Cheyenne	Renovation of Admin Offices for NCUC	92,001	7/15/2011	0678
Powder River County	Update Growth Policy and Land Plan	15,000	7/15/2011	0680
Rosebud Co	Contract amendment to #0663	81,447	7/15/2011	0663A
Rosebud County	Courthouse Roof Repair*	170,000	9/30/2011	0695
Rosebud County	Bus Barn Project*	50,000	1/20/2012	0696
Rosebud County	Rosebud Health Rural Care Center	400,000	1/20/2012	0700
Roundup	Water Distribution Upgrades	500,000	7/15/2011	0668
Roundup	Ceiling Tile Repair*	12,638	7/15/2011	0676
Roundup	Portable Classroom Lease & Setup	43,727	7/15/2011	0677
Roundup	Wastewater UV Disinfection	220,000	7/15/2011	0679
Roundup	City Hall Updates amendment	23,117	9/30/2011	0665A
Treasure County	Sheriff's Vehicle*	25,684	7/15/2011	0673
		<u>\$5,895,459</u>		