

STATUTORY APPROPRIATION REPORT

A Report Prepared for the
Legislative Finance Committee

By
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Legislative Fiscal Division



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INTRODUCTION

As presented by staff and approved by the Legislative Finance Committee, staff was directed to:

- 1) Update the statutory appropriation data base to reflect changes made by the 62nd Legislature
- 2) Update the statutory appropriation data base to include, for each statutory appropriation, an analysis of the guidelines outlined in 17-1-508(2), MCA (see Appendix 1 for these guidelines)

ANALYSIS

The legislature has authorized 103 separate statutory appropriations (see Appendix 2 for a list and description of these). Although only 99 are listed in 17-7-502, MCA, four of these contain two separate statutory appropriations. Staff has analyzed each of the 103 statutory appropriations. Their analyses are consolidated below. More details are provided in Appendix 3. Analysts will be present at the meeting to answer questions on any statutory appropriation for which they are responsible.

1. Requires an appropriation
Yes: 103 No: 0
2. The money is continuing, reliable, and estimable
Yes: 66 No: 37
3. Use is predictable and reliable
Yes: 59 No: 44
4. The authority exists elsewhere
Yes: 1 No: 102
5. Other appropriation method available, practical, or effective
Yes: 60 No: 43
6. Appropriates general fund, unless it's an emergency
Yes: 24 No: 79
7. The money is dedicated for a specific use
Yes: 99 No: 4
8. The legislature wishes the activity to be funded on a continual basis
Yes: 96 No: 7
9. When feasible, an expenditure cap and sunset date are included
Expenditure cap - Yes: 30 No: 73
Sunset date - Yes: 12 No: 91

The committee also requested additional analyses to determine if any statutory appropriations were enacted by a voter initiative and how many statutory appropriations transfer money to local governments. An historical research of the statutes found that no statutory appropriation was enacted by a voter initiative.

1. Transfer money to local governments

Yes: 29

No: 74

OPTIONS FOR THE LFC TO CONSIDER

In the process of analyzing the 103 statutory appropriations, staff discovered nine issues which the Legislative Finance Committee may want to discuss and make recommendations:

1. 17-1-508(2), MCA, states in part, “Except as provided in 77-1-108 [transfers \$80,000 of general fund each biennium to the trust land administration account to administer the land granted to the state pursuant to the Morrill Act of 1862], a statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative costs.” The term “administrative costs” is not defined in statute, but a typical definition would include expenses in personal service, operating, and equipment. If this typical definition were applied, 48 statutory appropriations would not meet this statutory requirement.

Options:

- Define “administrative costs” more specifically
- Exempt selected statutory appropriations from the statute
- Eliminate this requirement from statute
- Request additional research on the statutory appropriations with some of the largest administrative costs

2. Statutory Appropriation Guidelines in 17-1-508, MCA (see Appendix 1)

Options:

- Staff recommends that one guideline be eliminated (see below for an explanation). Staff also found that the use of the word “not” in the guidelines could be confusing. It is suggested that 17-1-508(2), MCA, be modified as follows:
“(2) The review of statutory appropriations must determine whether a statutory appropriation meets the requirements of 17-7-502. Except as provided in 77-1-108, a statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative costs. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines. A proposed or existing statutory appropriation may not be considered appropriate if:
(a) ~~the fund or use requires an appropriation;~~
(b) a the money is ~~not~~ from a continuing, reliable, and estimable source;
(c) b the use of the appropriation or the expenditure occurrence is ~~not~~ predictable and reliable;
(d) c the authority ~~does not~~ exists elsewhere;
(e) d an alternative appropriation method is ~~not~~ available, practical, or effective;
(f) e ~~other than for emergency purposes, it does not appropriate money from the state general fund~~ it appropriates general fund for purposes other than paying for emergency services;
(g) f the money is ~~dedicated for a specific use~~ used for general purposes;
(h) g the legislature wishes ~~the activity to be funded on an continual basis~~ to review expenditure and appropriation levels each biennium; and
(i) h ~~when feasible,~~ an expenditure cap and sunset date are not included.”

This recommendation eliminates the guideline in (2)(a): “The fund or use requires an appropriation”. Article VIII Section 14 of the Montana Constitution requires any money paid out of the treasury to be done so with an appropriation. Previous LFC and legislative action have removed all statutory appropriations from funds that did not need to be appropriated.

- The LFC may want to sponsor legislation to clarify other statutory appropriations guidelines
3. Outdated references in 20-9-622, MCA, and 17-6-340, MCA, (see Appendix 4) to the statutorily appropriated guarantee account refer to “coal severance tax loan authorized in section 8, Chapter 418, Laws of 2001” (SB 495). Legislative Services Division staff state these references cannot be repealed in the code commissioner’s bill.

Option:

- Sponsor legislation to repeal either one or both of these references. The Office of Public Instruction and the Department of Natural Resources and Conservation concur with this option.
4. The state veterans’ cemeteries account (10-2-603, MCA) was established by the legislature to provide support for the construction, maintenance, operation, and administration of the state veterans’ cemeteries. Plot allowances, donations to the cemetery program, and fund transfers from a percentage of general fund motor vehicle revenue dedicated to the account are statutorily appropriated to the Board for the State Veterans’ Cemeteries (board) rather than the Department of Military Affairs, the state agency responsible for the program. Staff discovered that funding in the account is also appropriated in HB 2.

Options:

- Sponsor legislation to eliminate the statutory appropriation. Direct staff to alert the appropriate appropriations subcommittee that ongoing funding for the program needs to be provided within the general appropriations act.
 - Maintain the statutory appropriation. Sponsor legislation to eliminate the reference to the board and direct the statutory appropriation to the Department of Military Affairs. Direct staff to work with the Office of Budget and Program Planning to remove the appropriations from the state special revenue fund for state veterans’ cemeteries from the base in the 2015 biennium budget.
5. The state received trust lands via the Morrill Act of 1862 which does not allow for the use of trust land proceeds to support administration of the associated lands. To provide a funding source to the Department of Natural Resources and Conservation for administering these lands, the legislature has authorized an \$80,000 general fund transfer each biennium to a state special revenue account. Money in this account is statutorily appropriated. There may be a more efficient process.

Options:

- Sponsor legislation to eliminate the general fund transfer and the state special revenue account. Statutorily appropriate \$80,000 general fund each biennium to the Department of Natural Resources and Conservation for the same purpose (this would be an exception to the guidelines)
 - Sponsor legislation to eliminate the general fund transfer and the state special revenue account and establish an \$80,000 general fund biennial appropriation in HB 2
6. In 15-35-108(9)(b), MCA, the legislature has provided for multiple appropriations of general fund for economic development. When authorizing a statutory appropriation, the legislature usually identifies the appropriate state agency to receive the appropriation. This MCA section

contains instances where the agency has not been identified. This section also appropriates general fund money to the research and commercialization state special revenue account. Money in this state special revenue account is itself statutorily appropriated. This means the expenditure of the same money is being recorded twice on the accounting system. Money moved from one account into another account within the state treasury is a transfer and does not require an appropriation. General fund makes up nearly all of the revenue transferred to the research and commercialization state special revenue account with minor, sporadic amounts of miscellaneous revenue.

Options:

- Sponsor legislation to identify the appropriate state agency responsible for the statutory appropriation
- Sponsor legislation to eliminate the statutory appropriation of general fund money to the research and commercialization state special revenue account and provide an on-going transfer of general fund money to the account in the same amount
- Sponsor legislation to eliminate the statutory appropriation of general fund money to the research and commercialization state special revenue account and provide a general fund statutory appropriation to the Department of Commerce for the same amount and purpose. Eliminate the research and commercialization state special revenue account.

7. In 2009, the 61st Legislature passed HB 645 that included the following statutory appropriation: “If the federal government directs that funds received under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, must be invested and that the earnings must be expended for the same purpose as the funds generating the earnings, then the earnings are statutorily appropriated, as provided in 17-7-502, for the same purpose as the funds generating the earnings.” Research indicates that \$8,900 of earnings has been received and, to date, no money has been spent through the statutory appropriation.

Option:

- Sponsor legislation to eliminate 17-3-112, MCA, when all federal funds have been received and spent

8. The legislature, in the 1995 legislative session, authorized fees to accompany the filing of an application for a certificate of public advantage. The fee revenue is deposited to a state special revenue account and spent through a statutory appropriation by the Department of Justice for costs associated with the issuance of the certificate. Since revenues have declined since FY 2007 and dropped to zero in FY 2010 and 2011, the department requests that the revenue source and statutory appropriation be eliminated.

Option:

- Sponsor legislation to eliminate 50-4-623, MCA

9. In researching the statutory appropriations, the Fiscal Division staff found several small technical appropriation issues. LFD staff will contact the Office of Budget and Program Planning to work through these issues and report back to the LFC at its next meeting.

SUMMARY

LFD staff has identified nine issues concerning statutory appropriations, eight of which the committee is asked to consider and take action. Staff requests the LFC to take formal action on each of these

eight issues. If the action requires additional work, staff will coordinate with Legislative Services Division staff to prepare the appropriate legislation.

Upon taking action on the issues contained in this report, the statutory appropriation work plan item will be completed. However, there are additional work items that may be considered for further review of statutory appropriations such as developing options for:

- inclusion of statutory appropriation analyses in the LFD budget analysis
- the review of statutory appropriations during legislative sessions
- the review of statutory appropriations during the interim
- the review of statutory appropriations with similar characteristics

Appendix 1

Statutory Appropriation Guidelines

17-1-508. Review of statutory appropriations. (1) Each biennium, the office of budget and program planning shall, in development of the executive budget, review and identify instances in which statutory appropriations in current law do not appear consistent with the guidelines set forth in subsection (2).

(2) The review of statutory appropriations must determine whether a statutory appropriation meets the requirements of 17-7-502. Except as provided in 77-1-108, a statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative costs. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines. A statutory appropriation may be considered appropriate if:

- (a) the fund or use requires an appropriation;
- (b) the money is not from a continuing, reliable, and estimable source;
- (c) the use of the appropriation or the expenditure occurrence is not predictable and reliable;
- (d) the authority does not exist elsewhere;
- (e) an alternative appropriation method is not available, practical, or effective;
- (f) other than for emergency purposes, it does not appropriate money from the state general fund;
- (g) the money is dedicated for a specific use;
- (h) the legislature wishes the activity to be funded on a continual basis; and
- (i) when feasible, an expenditure cap and sunset date are included.

(3) The office of budget and program planning shall prepare a fiscal note for each piece of legislation that proposes to create or amend a statutory appropriation. It shall, consistent with the guidelines in this section, review each of these pieces of legislation. Its findings concerning the statutory appropriation must be contained in the fiscal note accompanying that legislation.

Appendix 2

Current Statutory Appropriations

<u>Name</u>	<u>Revenue Sources</u>
10-1-108 MT national guard land purchase	Armory sale proceeds
10-1-1202 National Guard death benefit	General Fund
10-1-1303 MT military family relief	Tax check off, donations
10-2-603 State veterans' cemeteries	GF transfers, donations
10-3-203 Federal \$ for disasters and fire suppression	Federal disaster payments
10-3-310 Local incidence response by the state	General Fund
10-3-312 A Governor declared emergency/disaster	General Fund
10-3-312 B Disaster declared by the president-family programs	General Fund
10-3-314 Presidential declared major disaster in MT	Federal loan proceeds
10-4-301 Reimburse telephone companies for 911 costs	Telephone access fee
15-1-121 Local government entitlements	General Fund
15-1-218 Dept. of Revenue out-of-state tax collections	General Fund
15-31-906 State-certified movie production income tax credits	Application fee
15-35-108 Coal tax earnings for economic development	General Fund
15-36-332 Distribute O&G production taxes to eligible counties	Oil and gas production taxes
15-37-117 Distribution to counties impacted by mining	Metalliferous mines license taxes
15-39-110 Bentonite tax distribution to eligible counties	Bentonite taxes
15-65-121 Tourism promotion and related activities	Lodging facilities use taxes
15-70-101 Fuel taxes to local govt. for road work	Fuel taxes
15-70-369 Biodiesel fuel tax refund	General Fund
15-70-601 Tax incentive for biodiesel producers	General Fund
16-11-509 Recoveries from tobacco settlement litigation	General Fund
17-3-106 Reimbursement of federal funds and interest	General Fund
17-3-112 Use ARRA earnings for same purpose	ARRA earnings
17-3-212 Federal forest \$ to eligible counties	Federal forest reserve funds
17-3-222 Taylor grazing \$ to eligible counties	Federal taylor grazing act funds
17-3-241 US royalty to eligible counties from mineral account	U.S. mineral royalty revenue
17-6-101 Bd. of Investment contracted banking services	General Fund
17-7-502 Debt service payments & issuing costs	General fund & various agency funds
18-11-112 Tribal reimbursements and DOR administration	Alcohol, tobacco, cigarette & fuel taxes
19-13-604 MT firefighters' unified retirement	General Fund
19-17-301 Volunteer firefighters' retirement	General Fund
19-18-512 Local firefighters' retirement	General Fund
19-19-305 Other municipal police retirement	General Fund
19-19-506 Other municipal police supplemental retirement	General Fund
19-20-604 Teachers' retirement	General Fund
19-20-607 Supplemental teachers' retirement	General Fund
19-21-203 MUS optional retirement	General Fund
19-3-319 Local government & school employee retirement	General Fund
19-6-404 Highway Patrol retirement	General Fund
19-6-410 Supplemental Highway Patrol retirement	General Fund
19-9-702 Municipal police retirement	General Fund
20-26-1503 Pay debt and costs of rural physician incentive program	Bd. of Regents medical student fees
20-8-107 Deaf & blind school for educational purposes	Out-of-state institution payments
20-9-534 School technology purchases	School trust timber & power rents
20-9-622 School equalization from the guarantee account	School trust 95% of I & I, power rents
2-17-105 State building damage repair	Insurance proceeds
22-3-1004 Purchase, maintain & operate historic properties	Lodging taxes, vehicle & gate fees, federal
23-4-105 A For the good of the existing horseracing industry	Percent of wagered amounts
23-4-105 B For the good of the existing horseracing industry	Simulcast parimutuel wagering
23-5-306 Card table fees to local governments	Live card game table permit fee
23-5-409 Keno & bingo taxes to local governments	Keno & bingo gross proceeds tax

Name

23-5-612 Video gambling permit fee to local governments
23-7-301 Lottery sales agents commission
23-7-402 Pay out of lottery winnings
30-10-1004 Securities restitution fund
37-43-204 Remedy defects in water wells
37-51-501 Pay real estate claims for unsatisfied judgments
39-71-503 Payment of uninsured benefits
41-5-2011 Youth court intervention and prevention
42-2-105 Adoption services
44-12-206 Enforcement of drug laws
44-13-102 Support of state and local law enforcement program
44-4-1101 Water right judicial enforcement
50-4-623 Administration of health and cost management plans
5-11-120 Legislative branch retirement termination
5-11-407 Major Leg. information technology projects
5-13-403 LAD audits
53-1-109 For needs of the prison inmates & their families
53-24-108 A Grants for private or public alcoholism programs
53-24-108 B Treatment of mental illness & chemical dependency
53-24-206 To counties for chemical dependency programs
53-9-113 Crime victim compensation
60-11-115 Railroad & intermodal transportation facility loans
61-3-415 Grant wishes to chronically or critically ill children
69-3-870 Administer telecom performance assurance plans
7-4-2502 County attorney salaries
75-1-1101 Contingency to address environmental problems
75-11-313 Petroleum tank release cleanup
75-5-1108 Loans for water pollution control
75-6-214 Financial assistance to public water systems
76-13-416 Slash hazard reduction
77-1-108 Administer Morrill Act land grant
77-2-362 Land banking-transaction costs and trust land purchase
80-11-518 Ag. commodity research & market development
80-2-222 Hail insurance except administration
80-4-416 Administration of agricultural commodities
81-10-103 Administer horse owner amnesty
81-1-112 Payments for loss of livestock
81-7-106 Livestock protection from predators
82-11-161 Oil and gas production damage mitigation
85-20-1504 Implement Blackfeet water compact
85-20-1505 Blackfeet water-related infrastructure
87-1-230 Maintenance of FWP land and water
\$300,000
87-1-603 Tax payment to counties for FWP owned land
87-1-621 Implement FWP forest management projects
90-1-115 A Support projects related to Lewis and Clark-6501
90-1-115 B Support projects related to Lewis and Clark-5117
90-1-205 Assist economic development in Montana
90-1-504 Administer distressed wood products loan program
90-3-1003 Fund research and commercialization projects
90-6-331 Payments to counties from hard-rock mining account
90-9-306 Fund ag. development & research projects

Revenue Sources

Video gambling machine permit fee
Lottery enterprise fund
Lottery enterprise fund
Securities violations & contributions
Water well contractor's bond
Real estate licensee assessment
Uninsured employers' fund
Transfers of money & unspent money
Fees for service,GF transfer
Sale of seized or forfeited property
Federal property and money forfeited
Water right fines
Certificate of public advantage fee
One-time GF transfer
Feed bill & carry forward
Agency payments for audits
Sale of goods & contraband, other
% of liquor, beer, wine taxes
% of liquor, beer, wine taxes
Unappropriated liquor, beer, wine taxes
Charge for misdemeanor & felony
Fed \$, bonds, loan repayments, interest
Special motorcycle license plate
Performance assurance plan revenue
General Fund
Portion of RIT interest earnings
Fuel taxes
Federal funds, transfers, bond proceeds
Federal funds, transfers, bond proceeds
Forfeited performance bonds
Transfer of general fund
Sale proceeds of state trust land
Commodity assessments, penalties
All board of hail insurance funds
Commodity liquidations, deficiency fees
Fees, sale proceeds
Transfer of general fund
Livestock per capita fees
RIT interest, forfeited bonds
Escrow account interest and income
Bond proceeds
Lesser of 20% of purchase price or
Any FWP funds
Revenue from forest management projects
L & C bicentennial license plate sales
L & C bicentennial license plate sales
Big sky coal trust fund earnings
GF transfer to SSR account, federal \$
GF transfer of coal trust earnings
Metalliferous mines license taxes
Loan repayments, grants, donations

Appendix 3

		Requires an appropriation	Money is continuing, reliable, estimable	Use is predictable, reliable	Authority exists elsewhere	Other appropriation method available, practical	Appropriates GF, unless it's an emergency	Dedicated for a specific use	Legislature wants funded continually	Expenditure cap provided	Sunset provided	Distributes money to local governments
69010 Public Health & Human Services	42-2-105 Adoption services	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
69010 Public Health & Human Services	53-24-108 A Grants for private or public alcoholism programs	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
69010 Public Health & Human Services	53-24-108 B Treatment of mental illness & chemical dependency	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
69010 Public Health & Human Services	53-24-206 To counties for chemical dependency programs	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
51130 School for the Deaf & Blind	20-8-107 Deaf & blind school for educational purposes	Yes	No	No	No	No	Yes	Yes	Yes	No	No	No
35010 Office of Public Instruction	20-9-534 School technology purchases	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
35010 Office of Public Instruction	20-9-622 School equalization from the guarantee account	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
51020 Commissioner of Higher Ed	19-21-203 MUS optional retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No
51020 Commissioner of Higher Ed	20-26-1503 Pay debt and costs of rural physician incentive program	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
51170 Historical Society	90-1-115 B Support projects related to Lewis and Clark-5117	Yes	No	No	No	Yes	No	Yes	Yes	No	No	No
31010 Governor's Office	10-3-312 A Governor declared emergency/disaster	Yes	No	No	No	Yes	No	Yes	Yes	Yes	No	No
58010 Department of Revenue	15-1-121 Local government entitlements	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
58010 Department of Revenue	15-1-218 Dept. of Revenue out-of-state tax collections	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No	No
58010 Department of Revenue	15-31-906 State-certified movie production income tax credits	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	No
58010 Department of Revenue	15-36-332 Distribute O&G production taxes to eligible counties	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
58010 Department of Revenue	15-37-117 Distribution to counties impacted by mining	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
58010 Department of Revenue	15-39-110 Bentonite tax distribution to eligible counties	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
54010 Department of Transportation	15-70-101 Fuel taxes to local govt. for road work	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
54010 Department of Transportation	15-70-601 Tax incentive for biodiesel producers	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
58010 Department of Revenue	18-11-112 Tribal reimbursements and DOR administration	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
11040 Legislative Branch	5-11-120 Legislative branch retirement termination	Yes	No	No	No	Yes	No	Yes	Yes	No	No	No
11040 Legislative Branch	5-11-407 Major Leg. information technology projects	Yes	No	No	No	Yes	No	Yes	Yes	No	No	No
11040 Legislative Branch	5-13-403 LAD audits	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
31010 Governor's Office	10-3-310 Local incidence response by the state	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	No	No
31010 Governor's Office	10-3-312 B Disaster declared by the president-family programs	Yes	No	No	No	Yes	No	Yes	Yes	Yes	No	No
31010 Governor's Office	10-3-314 Presidential declared major disaster in MT	Yes	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes
54010 Department of Transportation	15-70-369 Biodiesel fuel tax refund	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
31010 Governor's Office (multiple agencies)	17-3-112 Use ARRA earnings for same purpose	Yes	Yes	Yes	No	Yes	No	No	Yes	No	No	No
54010 Department of Transportation	60-11-115 Railroad & intermodal transportation facility loans	Yes	No	No	No	Yes	No	Yes	Yes	Yes	No	No
56030 Department of Livestock	23-4-105 A For the good of the existing horseracing industry	Yes	No	Yes	No	No	No	Yes	Yes	No	No	No
56030 Department of Livestock	23-4-105 B For the good of the existing horseracing industry	Yes	No	Yes	No	No	No	Yes	Yes	No	No	No
57060 Dept Nat Resource/Conservation	37-43-204 Remedy defects in water wells	Yes	No	Yes	No	No	No	Yes	Yes	No	No	No
57060 Dept Nat Resource/Conservation	75-1-1101 Contingency to address environmental problems	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No	No
53010 Dept of Environmental Quality	75-11-313 Petroleum tank release cleanup	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	No
57060 Dept Nat Resource/Conservation	77-1-108 Administer Morrill Act land grant	Yes	No	Yes	No	No	No	Yes	Yes	Yes	No	No
62010 MT Dept of Agriculture	80-11-518 Ag. commodity research & market development	Yes	No	No	No	No	No	Yes	Yes	No	No	No
62010 MT Dept of Agriculture	80-2-222 Hail insurance except administration	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No
62010 MT Dept of Agriculture	80-4-416 Administration of agricultural commodities	Yes	No	No	No	No	No	Yes	Yes	No	No	No
56030 Department of Livestock	81-1-112 Payments for loss of livestock	Yes	Yes	No	No	No	No	Yes	No	No	Yes	No
56030 Department of Livestock	81-7-106 Livestock protection from predators	Yes	Yes	No	No	No	No	Yes	No	No	Yes	No
57060 Dept Nat Resource/Conservation	82-11-161 Oil and gas production damage mitigation	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No	No
52010 Dept. of Fish,Wildlife & Parks	87-1-230 Maintenance of FWP land and water	Yes	Yes	Yes	No	No	No	Yes	No	No	Yes	No
52010 Dept. of Fish,Wildlife & Parks	87-1-603 Tax payment to counties for FWP owned land	Yes	Yes	No	No	No	No	Yes	Yes	No	No	Yes
52010 Dept. of Fish,Wildlife & Parks	87-1-621 Implement FWP forest management projects	Yes	Yes	Yes	No	No	No	Yes	No	No	Yes	No
62010 MT Dept of Agriculture	90-9-306 Fund ag. development & research projects	Yes	No	No	No	No	No	Yes	Yes	No	No	No
53010 Dept of Environmental Quality	75-5-1108 Loans for water pollution control	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No
53010 Dept of Environmental Quality	75-6-214 Financial assistance to public water systems	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No
57060 Dept Nat Resource/Conservation	76-13-416 Slash hazard reduction	Yes	No	No	No	No	No	Yes	No	No	Yes	No
57060 Dept Nat Resource/Conservation	77-2-362 Land banking-tranction costs and trust land purchase	Yes	No	No	No	No	No	Yes	Yes	No	No	No
56030 Department of Livestock	81-10-103 Administer horse owner amnesty	Yes	No	No	No	No	No	No	Yes	No	No	No
57060 Dept Nat Resource/Conservation	85-20-1504 Implement Blackfeet water compact	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
57060 Dept Nat Resource/Conservation	85-20-1505 Blackfeet water-related infrastructure	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	No
67010 Dept of Military Affairs	10-3-203 Federal \$ for disters and fire suppression	Yes	No	No	No	No	No	Yes	Yes	No	No	No
67010 Dept of Military Affairs	10-1-1303 MT military family relief	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No

		Requires an appropriation	Money is continuing, reliable, estimable	Use is predictable, reliable	Authority exists elsewhere	Other appropriation method available, practical	Appropriates GF, unless it's an emergency	Dedicated for a specific use	Legislature wants funded continually	Expenditure cap provided	Sunset provided	Distributes money to local governments
67010 Dept of Military Affairs	10-2-603 State veterans' cemeteries	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No
61010 Department of Administration	10-4-301 Reimburse telephone companies for 911 costs	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
65010 Department of Commerce	15-35-108 Coal tax earnings for economic development	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
65010 Department of Commerce	15-65-121 Tourism promotion and related activities	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
61010 Department of Administration	17-3-106 Reimbursement of federal funds and interest	Yes	No	No	No	No	No	Yes	Yes	No	No	No
61010 Department of Administration	17-3-212 Federal forest \$ to eligible counties	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
61010 Department of Administration	17-3-222 Taylor grazing \$ to eligible counties	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
61010 Department of Administration	17-3-241 US royalty to eligible counties from mineral account	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
61010 Department of Administration	17-6-101 Bd. of Investment contracted banking services	Yes	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No
99990 Multiple Agencies	17-7-502 Debt service payments & issuing costs	Yes	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No
61010 Department of Administration	19-20-604 Teachers' retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
61010 Department of Administration	19-20-607 Supplemental teachers' retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
61010 Department of Administration	19-3-319 Local government & school employee retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
61010 Department of Administration	2-17-105 State building damage repair	Yes	No	No	No	No	No	Yes	Yes	No	No	No
65010 Department of Commerce	22-3-1004 Purchase, maintain & operate historic properties	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
61010 Department of Administration	23-7-301 Lottery sales agents commission	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
61010 Department of Administration	23-7-402 Pay out of lottery winnings	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
66020 Labor & Industry	37-51-501 Pay real estate claims for unsatisfied judgments	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No	No
66020 Labor & Industry	39-71-503 Payment of uninsured benefits	Yes	No	No	No	Yes	No	Yes	Yes	No	No	No
65010 Department of Commerce	90-1-115 A Support projects related to Lewis and Clark-6501	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
65010 Department of Commerce	90-1-205 Assist economic development in Montana	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
65010 Department of Commerce	90-1-504 Administer distressed wood products loan program	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
65010 Department of Commerce	90-3-1003 Fund research and commercialization projects	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No
65010 Department of Commerce	90-6-331 Payments to counties from hard-rock mining account	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes
67010 Dept of Military Affairs	10-1-108 MT national guard land purchase	Yes	No	No	No	Yes	No	Yes	Yes	No	Yes	No
61010 Department of Administration	10-1-1202 National Guard death benefit	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No
41100 Department of Justice	16-11-509 Recoveries from tobacco settlement litigation	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No	No
41100 Department of Justice	19-6-404 Highway Patrol retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
41100 Department of Justice	19-6-410 Supplemental Highway Patrol retirement	Yes	Yes	No	No	Yes	Yes	Yes	No	No	Yes	No
41100 Department of Justice	23-5-306 Card table fees to local governments	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	Yes
41100 Department of Justice	23-5-409 Keno & bingo taxes to local governments	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	Yes
41100 Department of Justice	23-5-612 Video gambling permit fee to local governments	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	Yes
21100 Judiciary	41-5-2011 Youth court intervention and prevention	Yes	No	No	No	No	No	Yes	Yes	No	No	No
41100 Department of Justice	44-12-206 Enforcement of drug laws	Yes	No	No	No	No	No	Yes	Yes	Yes	No	No
41100 Department of Justice	44-13-102 Support of state and local law enforcement program	Yes	No	No	No	No	No	Yes	Yes	Yes	No	No
41100 Department of Justice	50-4-623 Administration of health and cost management plans	Yes	No	No	No	No	No	No	Yes	No	No	No
64010 Dept of Corrections	53-1-109 For needs of the prison inmates & their families	Yes	No	No	No	No	No	Yes	Yes	No	No	No
41100 Department of Justice	53-9-113 Crime victim compensation	Yes	No	No	No	No	No	Yes	No	Yes	Yes	No
42010 Public Service Regulation	69-3-870 Administer telecom performance assurance plans	Yes	No	No	No	No	No	Yes	Yes	No	No	No
41100 Department of Justice	7-4-2502 County attorney salaries	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	No	Yes
41100 Department of Justice	44-4-1101 Water right judicial enforcement	Yes	No	No	No	No	No	Yes	Yes	No	No	No
41100 Department of Justice	61-3-415 Grant wishes to chronically or critically ill children	Yes	No	No	No	No	No	Yes	Yes	No	No	No
34010 State Auditor's Office	19-13-604 MT firefighters' unified retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	19-17-301 Volunteer firefighters' retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	19-18-512 Local firefighters' retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	19-19-305 Other municipal police retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	19-19-506 Other municipal police supplemental retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	19-9-702 Municipal police retirement	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes
34010 State Auditor's Office	30-10-1004 Securities restitution fund	Yes	No	Yes	No	Yes	No	Yes	Yes	No	No	No

Appendix 4

Outdated References Regarding the Guarantee Account

20-9-622. Guarantee account. (1) There is a guarantee account in the state special revenue fund. The guarantee account is intended to:

- (a) stabilize the long-term growth of the permanent fund; and
- (b) maintain a constant and increasing distributable revenue stream. All realized capital gains and all distributable revenue must be deposited in the guarantee account. Except as provided in subsection (2), the guarantee account is statutorily appropriated, as provided in 17-7-502, for distribution to school districts through school equalization aid as provided in 20-9-343.

(2) As long as a portion of the coal severance tax loan authorized in section 8, Chapter 418, Laws of 2001, is outstanding, the department of natural resources and conservation shall monthly transfer from the guarantee account to the general fund an amount that represents the amount of interest income that would be earned from the investment of the amount of the loan that is currently outstanding. When the loan is fully paid, all mineral royalties deposited in the guarantee account must be transferred to the school facility and technology account pursuant to 17-6-340.

17-6-340. Purchase of permanent fund mineral estate. The department of natural resources and conservation may purchase the mineral production rights held by the public school fund established in Article X, section 2, of the Montana constitution for fair market value. If the department of natural resources and conservation purchases mineral production rights, any royalty payments received by the board that are not used to reimburse the coal severance tax trust fund for the loan used for purchasing the mineral production rights must be deposited in the guarantee account provided for in 20-9-622 and transferred to the school facility and technology account provided for in 20-9-516.