

OVERVIEW



HB 2 SUMMARY

HB 2 is the appropriations bill for the operations of state government, and includes most agency appropriations, with the exception of:

- Statutory appropriations, (e.g., State Fund, debt service, local government distributions)
- Other appropriations bills (cat-and-dog bills)
- Transfers

HB 2 also includes language appropriations, which are not included in the HB 2 numbers and tables, but are valid appropriation changes.

HB 2 NARRATIVE

This narrative is an agency-by-agency, program-by-program summary of 2021 biennium appropriations in HB 2. The purpose of this narrative is to provide a resource to aid legislators in taking action on HB 2 by providing an explanation of the appropriations included in the bill. The narrative reflects action through the Joint Appropriations Subcommittees.

The narrative for each agency begins with an agency summary table comparing total appropriations for the 2021 biennium to the 2019 biennium. Following the agency table is a reference to the pages in the LFD Budget Analysis in which the agency is discussed in more detail.

The agency section of the narrative also includes a table comparing HB 2 to executive budget request, as well as an explanation of significant differences. Agency highlights are included in a table summarizing major budget actions. The narrative also provides a table for each program that summarizes the total budget by base, present law adjustments, and new proposals. The agency summary ends with a discussion of any agency-wide language included in HB 2, as well as any agency-wide issues.

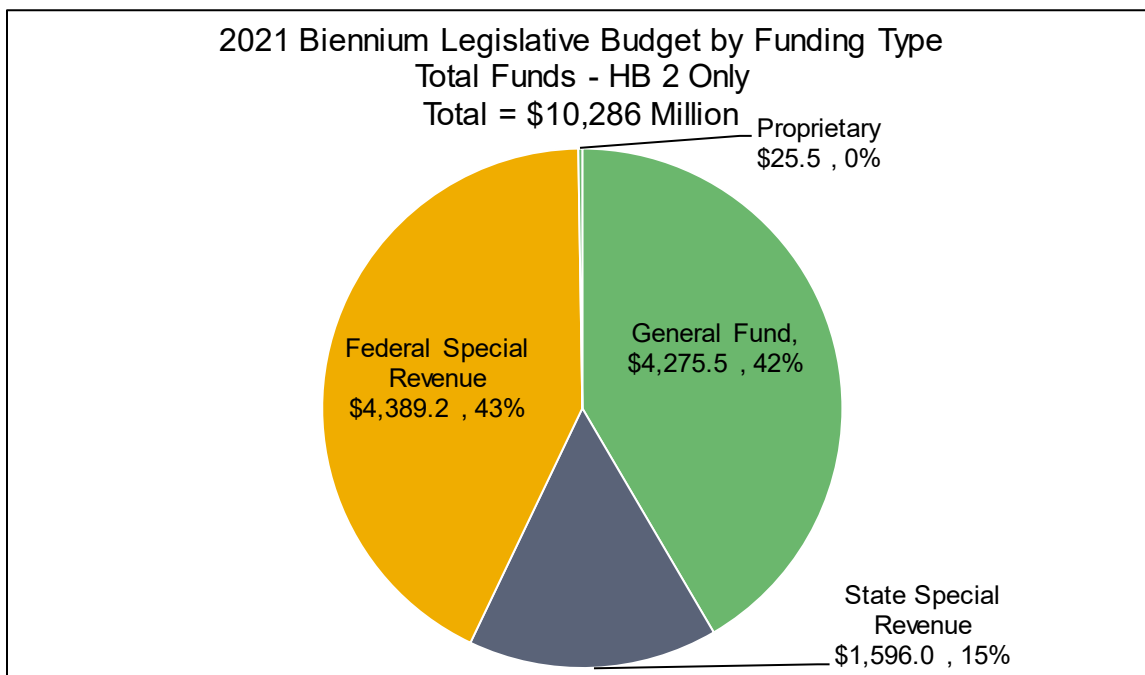
Explanations of the changes in appropriations for each program within the agency follow. These sections begin with a program summary table comparing total appropriations for the 2019 biennium to the 2021 biennium. Also included is a summary of program funding, followed by a table that summarizes the total budget by base, present law adjustments, and new proposals. A table showing major present law adjustments, and an explanation of those adjustments, follows. A table and explanation outlining all new proposals (if any) follow the present law adjustments section.

Training documents on terminology and [HB 2 process](#) are available on the Legislative Fiscal Division [webpage](#).

STATE BUDGET SUMMARY

The following five graphics provide a summarization of HB 2 appropriations through Subcommittee action. These graphics provide summary level information regarding the types of funds in HB 2 and where such funds are utilized. The graphics are summarized by budget sections.

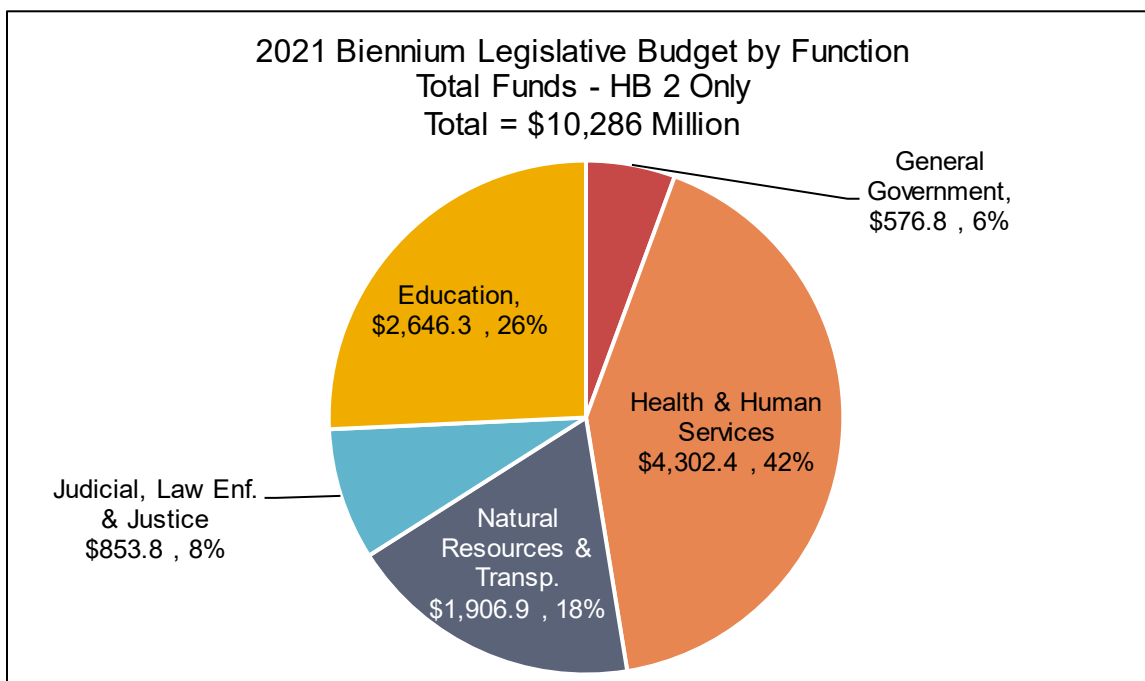
HB 2 Funding by Type



The largest source of funding in HB 2 is federal funds at 43%, with general fund being 42% of HB 2.

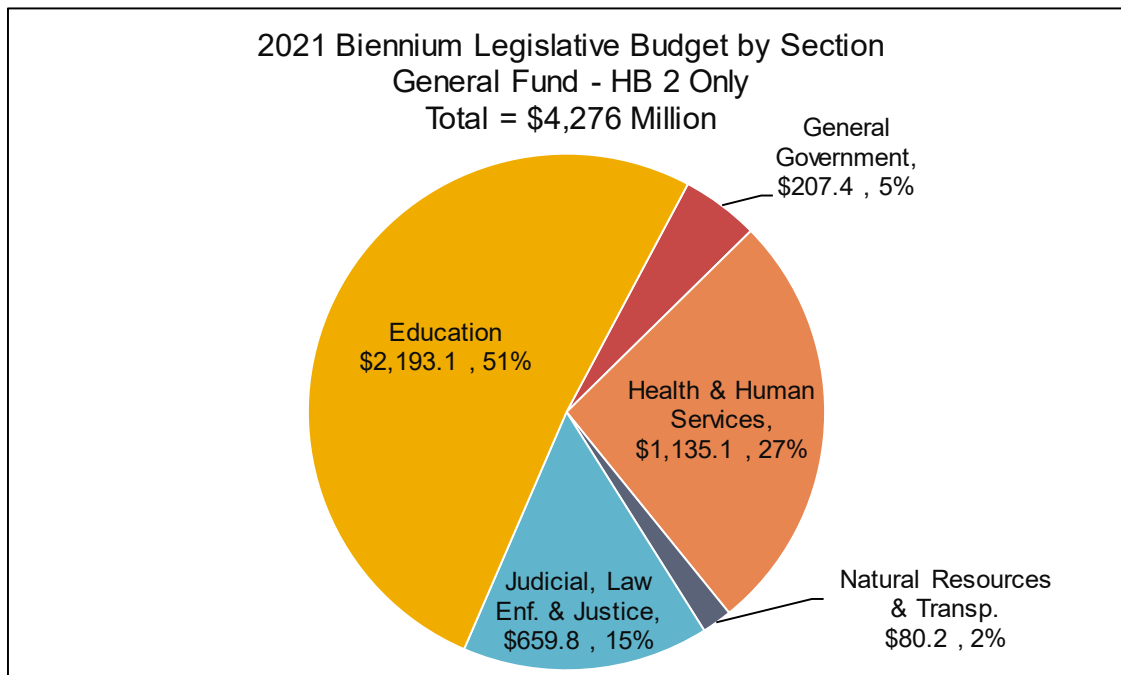
HB 2 Funding by Section

The largest section of HB 2 as measured by total funds is Section B, (Public Health and Human Services), with a total HB 2 biennial budget of \$4.3 billion, or 42% of the HB 2 budget, followed by Section E (Education) with \$2.6 billion and Section C (Natural Resources) with \$1.9 billion.



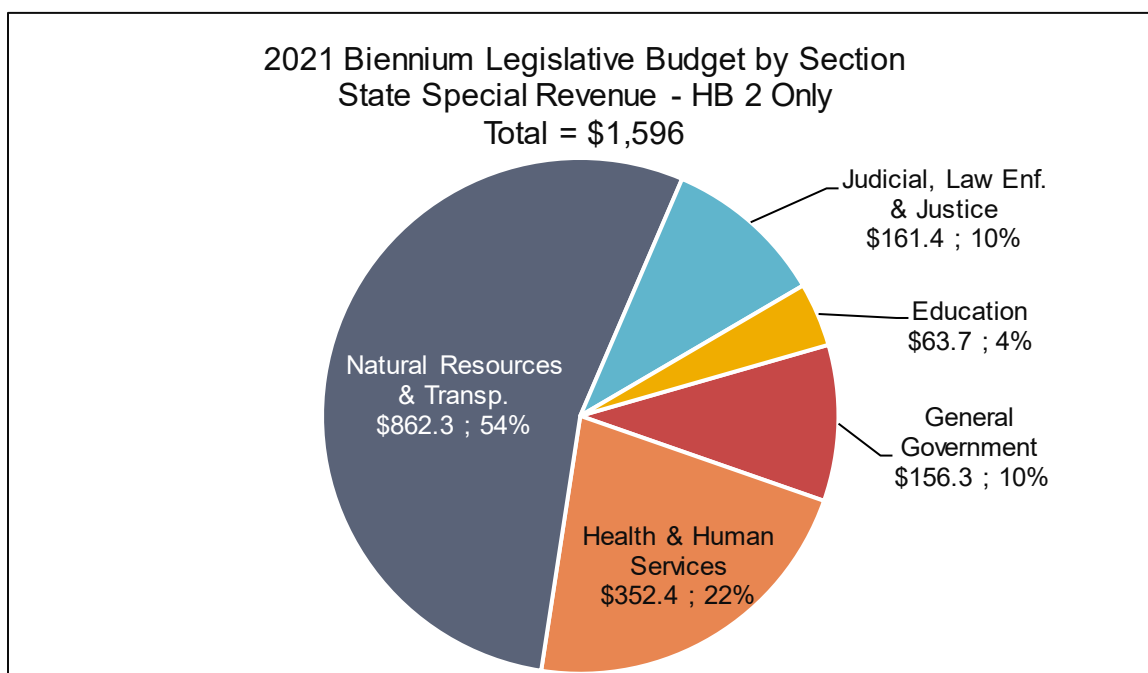
HB 2 General Fund by Section

General fund is predominately utilized to fund budgets in education (\$2.2 billion) and public health and human services (\$1.1 billion) budget sections. Natural resource agencies (Section C) utilize the smallest amount of general fund at \$80.2 million.



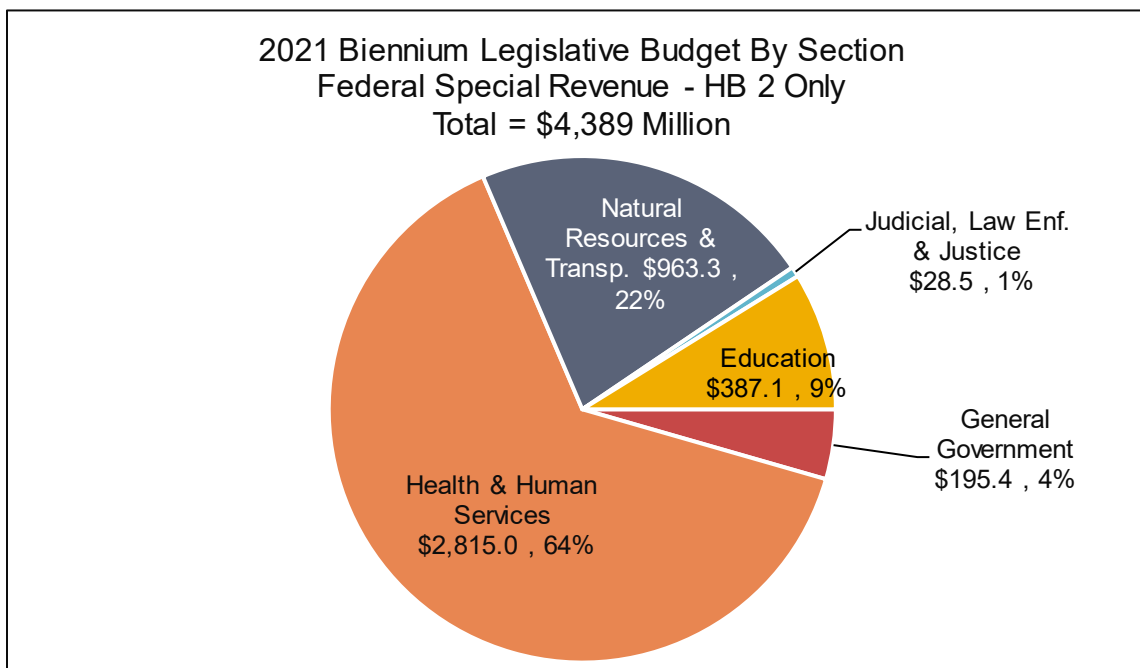
HB 2 State Special Revenue by Section

State Special revenue is state or other sources of funds earmarked for the purpose of defraying costs in a particular agency or program. These sources could be all or part of a state revenue stream, fees, licenses and permit revenues paid by individual utilizing a service or obtaining a permit. State special revenue funds total \$1.6 billion of which 54% or \$862.3 million support Section C (natural resources) agencies. The Department of Transportation utilizes \$512.6 million, or almost 60% of the Section C state special revenues.



HB 2 Federal Special Revenue by Section

Federal funds are comprised of funds made available by the federal government for a specific purpose and utilized within federal guidelines. HB 2 contains \$4.4 billion in federal funds which are predominately used in public health and transportation.



Agency Budget Comparisons by Fund Type

This section provides two comparisons, by agency, of the recommendations for HB 2. The comparisons show all fund types, except proprietary. One comparison is the 2019 biennium appropriations to the 2021 biennium appropriations. The second compares the 2021 biennium executive request to the current legislative appropriation. The agency and program narratives describe the budget changes.

All tables follow the brief narrative.

General Fund

As defined in 17-2-102, MCA, the general fund “accounts for all financial resources except those required to be accounted for in another fund.” The general fund provides funding for the general operations of state government. The legislative appropriation is \$44.8 million or 1.0% lower than the executive.

Differences are described in each agency in the narrative, but the following changes are of note:

- Pre-school funding was requested by the executive in HB 2, in the budgets of both Department of Public Health and Human Services (DPHHS) and the Office of Public Instruction (OPI). This is not funded by the legislature in HB 2, reducing the OPI appropriation by \$21.7 million and the DPHHS appropriation by \$8.0 million for a total difference of \$29.7 million
- The largest increase from the executive proposal is in DPHHS, where \$27.1 million was added to cover the federal matching change for CHIP (Children’s Health Insurance Program) and to backfill what the executive proposed to fund with new state special revenues from a tobacco tax
- The Montana cybersecurity enhancement project was funded in HB 2 with \$6.3 million, instead of through a long range bill (HB 10)

- The Department of Corrections (DOC) budget was reduced by nearly \$3.0 million by maximizing the use of existing contracted treatment beds already being paid for, and freeing up space at the Montana State Prison for offender placements
- While provider rate increases were generally adopted as proposed, rates in DPHHS were adjusted by exempting non-critical access hospitals and providing additional targeted rate increases in Senior & Long-Term Care, Disability Services Division, and Addictive & Mental Disorders Division. Physician rates increases would be minimized to pay for a Health Information Exchange (HIE)
- A university system tuition freeze was adopted for a cost of \$14.4 million but reduced the appropriation for enhanced student assistance
- Special education inflation was removed from HB 2 and will be considered in a separate bill
- A SWCAP (Statewide Cost Allocation Plan) change increases state special (and federal) authority across most agencies. This change increases general fund revenue by \$1.0 million

Language in HB 2 provides for an additional \$56.9 million general fund if Medicaid expansion is not continued. However, HB 658 is currently passing, and includes a separate appropriation for Medicaid expansion, as noted on the general fund status sheet.

State Special Revenue

As defined in 17-2-102, MCA, the state special fund “consists of money from state and other non-federal sources deposited in the state treasury that is earmarked for the purposes of defraying particular costs of an agency, program, or function of state government and money from other non-state or non-federal sources that is restricted by law or by the terms of an agreement, such as a contract, trust agreement, or donation.”

The legislative budget is \$31.1 million less or 1.9% lower than the executive. In comparison to the 2019 biennium appropriations, the 2021 biennium budget is 4.3% higher.

Federal Special Revenue

As defined in 17-2-102, MCA, the federal special fund “consists of money deposited in the treasury from federal sources, including trust income that is used for operation of state government.” The legislative budget is \$11.5 million or 0.3% lower than the executive. In comparison to the 2019 biennium legislative appropriations, the 2021 biennium legislative budget is \$99.8 million or 2.2% lower.

All Funds

The all funds table is a composite by agency of the preceding tables plus proprietary funds that are appropriated in HB 2. The legislative budget is \$82.1 million, or 0.8% lower than the executive request.

FTE

The final table compares proposed executive FTE levels for the 2021 biennium to the legislatively approved FTE, and shows an overall reduction of 191.31 FTE in FY 2021.

HB 2 Only - General Fund Agency Comparison					
Comparison of 2019 Biennium Appropriation to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Appropriated Budget		Legislative Budget		Biennium
	FY 2018	FY 2019	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$12.538	\$13.260	\$14.981	\$14.928	15.9%
Governor's Office	5.910	6.427	7.061	6.995	13.9%
Commissioner of Political Practices	0.581	0.662	0.764	0.751	21.9%
Department of Revenue	49.334	52.824	55.459	55.255	8.4%
Department of Administration	4.797	5.610	9.176	9.108	75.7%
Department of Commerce	2.889	3.201	3.306	3.306	8.6%
Department of Labor and Industry	1.567	1.792	1.973	1.973	17.5%
Department of Military Affairs	5.936	6.540	7.032	6.998	12.5%
Subtotal	83.552	90.316	99.752	99.313	14.5%
Health and Human Services					
Department of Public Health & Human Services	488.273	521.882	549.470	585.621	12.4%
Subtotal	488.273	521.882	549.470	585.621	12.4%
Natural Resources and Transportation					
Department of Environmental Quality	4.566	5.200	5.403	5.401	10.6%
Department of Livestock	2.248	2.562	2.863	2.862	19.0%
Department of Natural Resources & Conservation	24.774	26.921	29.956	29.903	15.8%
Department of Agriculture	0.680	0.738	0.848	0.801	16.4%
Subtotal	32.269	35.420	39.070	38.968	15.3%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	44.213	46.742	49.898	50.001	9.8%
Department of Justice	30.730	34.168	35.524	35.447	9.4%
Office of the Public Defender	31.509	31.537	36.717	37.293	17.4%
Department of Corrections	201.231	202.818	206.769	207.645	2.6%
Subtotal	307.683	315.264	328.908	330.386	5.8%
Education					
Office of Public Instruction	778.405	798.679	834.510	855.149	7.1%
Board of Public Education	0.137	0.142	0.173	0.157	18.4%
Office of the Commissioner of Higher Education	220.704	223.986	235.455	236.860	6.2%
School for the Deaf and Blind	6.757	6.886	7.511	7.491	10.0%
Montana Arts Council	0.479	0.516	0.551	0.523	7.9%
Montana State Library	2.149	2.186	2.582	2.560	18.6%
Montana Historical Society	2.593	2.662	2.987	2.945	12.9%
Subtotal	1,011.224	1,035.057	1,083.770	1,105.685	7.0%
Subtotal Ongoing	1,923.000	1,997.940	2,100.969	2,159.972	8.7%
One-Time					
General Government	2.114	2.122	4.741	3.638	97.8%
Health and Human Services	8.808	8.783	-	-	-100.0%
Natural Resources and Transportation	0.207	0.207	1.053	1.103	420.8%
Judicial Branch, Law Enforcement, and Justice	2.926	2.177	0.234	0.231	-90.9%
Education	1.032	1.062	1.622	1.975	71.8%
Subtotal One-time	15.086	14.351	7.650	6.948	-50.4%
Total	\$1,938.087	\$2,012.291	\$2,108.619	\$2,166.920	8.2%

HB 2 Only - General Fund Agency Comparison					
Comparison of 2021 Executive Proposed Budget to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Executive Proposed Budget		Legislative Budget		Biennium
	FY 2020	FY 2021	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$15.071	\$15.024	\$14.981	\$14.928	-0.6%
Governor's Office	7.061	6.994	7.061	6.995	0.0%
Commissioner of Political Practices	0.863	0.850	0.764	0.751	-11.6%
Department of Revenue	56.701	56.498	55.459	55.255	-2.2%
Department of Administration	6.187	6.119	9.176	9.108	48.6%
Department of Commerce	5.542	5.548	3.306	3.306	-40.4%
Department of Labor and Industry	1.973	1.973	1.973	1.973	0.0%
Department of Military Affairs	7.139	7.105	7.032	6.998	-1.5%
Subtotal	100.537	100.110	99.752	99.313	-0.8%
Health and Human Services					
Department of Public Health & Human Services	551.846	580.187	549.470	585.621	0.3%
Subtotal	551.846	580.187	549.470	585.621	0.3%
Natural Resources and Transportation					
Department of Environmental Quality	5.453	5.451	5.403	5.401	-0.9%
Department of Livestock	3.112	3.111	2.863	2.862	-8.0%
Department of Natural Resources & Conservation	30.250	30.197	29.956	29.903	-1.0%
Department of Agriculture	0.858	0.811	0.848	0.801	-1.2%
Subtotal	39.673	39.570	39.070	38.968	-1.5%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	50.562	50.666	49.898	50.001	-1.3%
Department of Justice	36.860	36.780	35.524	35.447	-3.6%
Office of the Public Defender	37.482	38.062	36.717	37.293	-2.0%
Department of Corrections	209.350	209.932	206.769	207.645	-1.2%
Subtotal	334.255	335.440	328.908	330.386	-1.6%
Education					
Office of Public Instruction	844.678	868.801	834.510	855.149	-1.4%
Board of Public Education	0.173	0.157	0.173	0.157	0.0%
Office of the Commissioner of Higher Education	238.214	239.707	235.455	236.860	-1.2%
School for the Deaf and Blind	7.612	7.592	7.511	7.491	-1.3%
Montana Arts Council	0.551	0.523	0.551	0.523	0.0%
Montana State Library	2.582	2.560	2.582	2.560	0.0%
Montana Historical Society	3.309	3.267	2.987	2.945	-9.8%
Subtotal	1,097.120	1,122.606	1,083.770	1,105.685	-1.4%
Subtotal Ongoing	2,123.431	2,177.915	2,100.969	2,159.972	-0.9%
One-Time					
General Government	1.900	1.250	4.741	3.638	166.0%
Health and Human Services	-	-	-	-	0.0%
Natural Resources and Transportation	0.978	0.978	1.053	1.103	10.2%
Judicial Branch, Law Enforcement, and Justice	0.500	0.500	0.234	0.231	-53.4%
Education	1.063	1.063	1.622	1.975	69.2%
Subtotal One-time	4.441	3.791	7.650	6.948	77.3%
Total	\$2,127.872	\$2,181.705	\$2,108.619	\$2,166.920	-0.8%

HB 2 Only - State Special Revenue Agency Comparison
Comparison of 2019 Biennium Appropriation to 2021 Biennium Legislative Budget
(\$ Millions)

	Appropriated Budget		Legislative Budget		Biennium
	FY 2018	FY 2019	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$2.200	\$2.231	\$2.510	\$2.131	4.7%
Consumer Counsel	1.621	1.641	1.652	1.651	1.3%
State Auditor's Office	8.213	8.426	8.586	8.636	3.5%
Department of Revenue	0.959	0.962	0.990	0.990	3.1%
Department of Administration	6.502	6.668	7.250	7.241	10.0%
Department of Commerce	5.478	5.493	5.451	5.432	-0.8%
Department of Labor and Industry	46.095	47.289	50.197	50.060	7.4%
Department of Military Affairs	0.740	0.778	1.109	1.109	46.2%
Subtotal	71.809	73.487	77.744	77.250	6.7%
Health and Human Services					
Department of Public Health & Human Services	160.005	166.136	174.001	178.354	8.0%
Subtotal	160.005	166.136	174.001	178.354	8.0%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	63.641	64.944	70.603	70.618	9.8%
Department of Environmental Quality	34.063	35.461	37.592	37.612	8.2%
Department of Transportation	256.481	248.694	256.186	256.446	1.5%
Department of Livestock	7.256	7.396	8.323	8.275	13.3%
Department of Natural Resources & Conservation	35.150	36.046	40.288	40.393	13.3%
Department of Agriculture	15.061	15.418	15.884	15.902	4.3%
Subtotal	411.651	407.958	428.876	429.245	4.7%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	2.571	1.879	2.671	2.637	19.3%
Department of Justice	62.930	63.709	66.758	66.524	5.2%
Public Service Commission	3.811	3.502	3.911	3.888	6.6%
Department of Corrections	5.390	5.306	5.931	5.923	10.8%
Subtotal	74.702	74.396	79.271	78.972	6.1%
Education					
Office of Public Instruction	9.535	9.545	2.612	5.704	-56.4%
Board of Public Education	0.186	0.190	0.183	0.183	-2.8%
Office of the Commissioner of Higher Education	21.722	21.492	23.618	24.084	10.4%
School for the Deaf and Blind	0.341	0.347	0.285	0.285	-17.0%
Montana Arts Council	0.230	0.236	0.241	0.241	3.5%
Montana State Library	1.729	1.765	1.780	1.797	2.4%
Montana Historical Society	0.769	0.766	0.905	0.937	20.0%
Subtotal	34.513	34.340	29.626	33.232	-8.7%
Subtotal Ongoing	752.680	756.318	789.518	797.054	5.1%
One-Time					
General Government	2.050	1.950	0.921	0.349	-68.3%
Health and Human Services	-	-	-	-	0.0%
Natural Resources and Transportation	8.852	5.844	2.882	1.324	-71.4%
Judicial Branch, Law Enforcement, and Justice	0.500	0.500	1.952	1.200	215.2%
Education	0.387	0.387	0.400	0.450	9.8%
Subtotal One-time	11.789	8.681	6.155	3.322	-53.7%
Total	\$764.469	\$764.999	\$795.673	\$800.376	4.4%

HB 2 Only - State Special Revenue Agency Comparison					
Comparison of 2021 Biennium Executive Proposed Budget to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Executive Proposed Budget		Legislative Budget		Biennium
	FY 2020	FY 2021	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$2.544	\$2.158	\$2.510	\$2.131	-1.3%
Consumer Counsel	1.652	1.651	1.652	1.651	0.0%
State Auditor's Office	8.889	8.939	8.586	8.636	-3.4%
Department of Revenue	1.008	1.008	0.990	0.990	-1.8%
Department of Administration	7.132	7.123	7.250	7.241	1.6%
Department of Commerce	5.422	5.403	5.451	5.432	0.5%
Department of Labor and Industry	50.977	50.905	50.197	50.060	-1.6%
Department of Military Affairs	1.109	1.109	1.109	1.109	0.0%
Subtotal	78.733	78.297	77.744	77.250	-1.3%
Health and Human Services					
Department of Public Health & Human Services	180.514	197.389	174.001	178.354	-6.8%
Subtotal	180.514	197.389	174.001	178.354	-6.8%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	69.736	69.755	70.603	70.618	1.2%
Department of Environmental Quality	37.092	37.112	37.592	37.612	1.3%
Department of Transportation	257.314	257.599	256.186	256.446	-0.4%
Department of Livestock	8.376	8.329	8.323	8.275	-0.6%
Department of Natural Resources & Conservation	40.053	40.108	40.288	40.393	0.6%
Department of Agriculture	15.884	15.884	15.884	15.902	0.1%
Subtotal	428.456	428.786	428.876	429.245	0.1%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	2.404	2.369	2.671	2.637	11.2%
Department of Justice	67.044	66.558	66.758	66.524	-0.2%
Public Service Commission	4.590	4.567	3.911	3.888	-14.8%
Department of Corrections	5.663	5.885	5.931	5.923	2.6%
Subtotal	79.701	79.378	79.271	78.972	-0.5%
Education					
Office of Public Instruction	6.612	9.704	2.612	5.704	-49.0%
Board of Public Education	0.183	0.183	0.183	0.183	0.0%
Office of the Commissioner of Higher Education	23.618	24.084	23.618	24.084	0.0%
School for the Deaf and Blind	0.285	0.285	0.285	0.285	0.1%
Montana Arts Council	0.241	0.241	0.241	0.241	0.1%
Montana State Library	1.780	1.796	1.780	1.797	0.0%
Montana Historical Society	0.768	0.768	0.905	0.937	19.9%
Subtotal	33.488	37.062	29.626	33.232	-10.9%
Subtotal Ongoing	800.892	820.913	789.518	797.054	-2.2%
One-Time					
General Government	-	-	0.921	0.349	0.0%
Health and Human Services	-	-	-	-	0.0%
Natural Resources and Transportation	3.185	1.253	2.882	1.324	-5.2%
Judicial Branch, Law Enforcement, and Justice	-	-	1.952	1.200	0.0%
Education	0.815	0.065	0.400	0.450	-3.4%
Subtotal One-time	4.000	1.318	6.155	3.322	78.2%
Total	804.892	822.231	795.673	800.376	-1.9%

HB 2 Only - Federal Special Revenue Agency Comparison
Comparison of 2019 Biennium Appropriation to 2021 Biennium Legislative Budget
(\$ Millions)

	Appropriated Budget		Legislative Budget		Biennium
	FY 2018	FY 2019	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Department of Revenue	\$0.262	\$0.263	\$0.275	\$0.275	4.7%
Department of Administration	1.078	0.116	0.014	0.014	-97.6%
Department of Commerce	18.073	18.108	21.034	21.093	16.4%
Department of Labor and Industry	32.404	33.107	33.162	33.170	1.3%
Department of Military Affairs	<u>41.172</u>	<u>41.579</u>	<u>43.208</u>	<u>43.168</u>	<u>4.4%</u>
Subtotal	92.989	93.173	97.693	97.720	5.0%
Health and Human Services					
Dept. of Public Health & Human Services	<u>1,396.946</u>	<u>1,434.546</u>	<u>1,383.893</u>	<u>1,431.095</u>	<u>-0.6%</u>
Subtotal	1,396.946	1,434.546	1,383.893	1,431.095	-0.6%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	22.962	23.632	23.999	24.026	3.1%
Department of Environmental Quality	22.591	23.039	23.705	23.693	3.9%
Department of Transportation	416.635	425.065	426.459	427.115	1.4%
Department of Livestock	1.705	1.756	1.866	1.867	7.9%
Department of Natural Resources & Conservation	2.280	2.313	2.907	3.412	37.6%
Department of Agriculture	<u>1.166</u>	<u>1.207</u>	<u>1.313</u>	<u>1.314</u>	<u>10.7%</u>
Subtotal	467.339	477.013	480.250	481.427	1.8%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	0.099	0.101	0.101	0.101	1.0%
Department of Justice	1.335	1.356	1.426	1.426	6.0%
Public Service Commission	0.173	0.173	0.273	0.273	57.8%
Department of Corrections	<u>14.266</u>	<u>12.443</u>	<u>12.443</u>	<u>12.443</u>	<u>-6.8%</u>
Subtotal	15.874	14.074	14.244	14.244	-4.9%
Education					
Office of Public Instruction	169.598	170.962	172.210	173.210	1.4%
Office of the Commissioner of Higher Education	69.095	69.187	18.036	18.135	-73.8%
School for the Deaf and Blind	0.069	0.071	0.182	0.182	159.5%
Montana Arts Council	0.702	0.710	0.717	0.717	1.5%
Montana State Library	1.208	1.212	1.227	0.876	-13.1%
Montana Historical Society	<u>0.818</u>	<u>0.841</u>	<u>0.797</u>	<u>0.799</u>	<u>-3.8%</u>
Subtotal	241.490	242.982	193.168	193.919	-20.1%
Subtotal Ongoing	2,214.638	2,261.787	2,169.248	2,218.405	-2.0%
One-Time					
General Government	-	-	-	-	0.0%
Health and Human Services	2.730	3.923	-	-	-100.0%
Natural Resources and Transportation	2.695	3.221	1.144	0.435	-73.3%
Judicial Branch, Law Enforcement, and Justice	-	-	-	-	0.0%
Education	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
Subtotal One-time	5.424	7.144	1.144	0.435	-87.4%
Total	\$2,220.062	\$2,268.931	\$2,170.392	\$2,218.839	-2.2%

HB 2 Only - Federal Special Revenue Agency Comparison					
Comparison of 2021 Biennium Executive Proposed Budget to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Executive Proposed Budget		Legislative Budget		Biennium
	FY 2020	FY 2021	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Department of Revenue	\$0.283	\$0.283	\$0.275	\$0.275	-2.8%
Department of Administration	0.014	0.014	0.014	0.014	0.0%
Department of Commerce	21.053	21.112	21.034	21.093	-0.1%
Department of Labor and Industry	33.162	33.170	33.162	33.170	0.0%
Department of Military Affairs	43.375	43.335	43.208	43.168	-0.4%
Subtotal	97.887	97.914	97.693	97.720	-0.2%
Health and Human Services					
Dept. of Public Health & Human Services	1,386.074	1,438.652	1,383.893	1,431.095	-0.3%
Subtotal	1,386.074	1,438.652	1,383.893	1,431.095	-0.3%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	25.306	25.345	23.999	24.026	-5.2%
Department of Environmental Quality	23.705	23.693	23.705	23.693	0.0%
Department of Transportation	425.790	426.425	426.459	427.115	0.2%
Department of Livestock	1.865	1.866	1.866	1.867	0.0%
Department of Natural Resources & Conservation	2.907	3.412	2.907	3.412	0.0%
Department of Agriculture	1.313	1.314	1.313	1.314	0.0%
Subtotal	480.886	482.055	480.250	481.427	-0.1%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	0.102	0.101	0.101	0.101	-0.2%
Department of Justice	1.423	1.423	1.426	1.426	0.2%
Public Service Commission	0.273	0.273	0.273	0.273	0.0%
Department of Corrections	12.443	12.443	12.443	12.443	0.0%
Subtotal	14.241	14.241	14.244	14.244	0.0%
Education					
Office of Public Instruction	172.361	173.361	172.210	173.210	-0.1%
Office of the Commissioner of Higher Education	17.954	18.053	18.036	18.135	0.5%
School for the Deaf and Blind	0.182	0.182	0.182	0.182	0.0%
Montana Arts Council	0.717	0.716	0.717	0.717	0.1%
Montana State Library	1.225	0.875	1.227	0.876	0.1%
Montana Historical Society	0.820	0.823	0.797	0.799	-2.9%
Subtotal	193.260	194.010	193.168	193.919	0.0%
Subtotal Ongoing	2,172.348	2,226.872	2,169.248	2,218.405	-0.3%
One-Time					
General Government	-	-	-	-	0.0%
Health and Human Services	-	-	-	-	0.0%
Natural Resources and Transportation	1.120	0.410	1.144	0.435	3.2%
Judicial Branch, Law Enforcement, and Justice	-	-	-	-	0.0%
Education	-	-	-	-	0.0%
Subtotal One-time	1.120	0.410	1.144	0.435	3.2%
Total	\$2,173.468	\$2,227.282	\$2,170.392	\$2,218.839	-0.3%

HB 2 Only - All Funds Agency Comparison					
Comparison of 2019 Biennium Appropriation to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Appropriated Budget		Legislative Budget		Biennium
	FY 2018	FY 2019	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$14.738	\$15.492	\$17.491	\$17.058	14.3%
Consumer Counsel	1.621	1.641	1.652	1.651	1.3%
Governor's Office	5.910	6.427	7.061	6.995	13.9%
Commissioner of Political Practices	0.581	0.662	0.764	0.751	21.9%
State Auditor's Office	8.213	8.426	8.586	8.636	3.5%
Department of Revenue	53.697	57.280	60.142	59.945	8.2%
Department of Administration	17.521	17.505	21.808	21.597	23.9%
Department of Commerce	26.441	26.803	29.790	29.830	12.0%
Department of Labor and Industry	80.066	82.188	85.332	85.203	5.1%
Department of Military Affairs	<u>47.848</u>	<u>48.896</u>	<u>51.350</u>	<u>51.275</u>	<u>6.1%</u>
Subtotal	256.637	265.319	283.976	282.942	8.6%
Health and Human Services					
Department of Public Health & Human Services	<u>2,045.224</u>	<u>2,122.564</u>	<u>2,107.364</u>	<u>2,195.071</u>	<u>3.2%</u>
Subtotal Health and Human Services	2,045.224	2,122.564	2,107.364	2,195.071	3.2%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	86.602	88.576	94.602	94.643	8.0%
Department of Environmental Quality	61.219	63.699	66.700	66.706	6.8%
Department of Transportation	673.116	673.759	682.645	683.561	1.4%
Department of Livestock	11.211	11.714	13.051	13.004	13.7%
Department of Natural Resources & Conservation	62.204	65.280	73.151	73.709	15.2%
Department of Agriculture	<u>17.370</u>	<u>17.840</u>	<u>18.601</u>	<u>18.573</u>	<u>5.6%</u>
Subtotal	911.723	920.869	948.751	950.195	3.6%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	46.884	48.722	52.670	52.739	10.3%
Department of Justice	96.848	101.168	105.697	105.384	6.6%
Public Service Commission	3.984	3.675	4.184	4.161	9.0%
Office of the Public Defender	31.509	31.537	36.717	37.293	17.4%
Department of Corrections	<u>220.994</u>	<u>220.674</u>	<u>225.257</u>	<u>226.125</u>	<u>2.2%</u>
Subtotal	400.219	405.777	424.525	425.703	5.5%
Education					
Office of Public Instruction	957.538	979.186	1,009.332	1,034.063	5.5%
Board of Public Education	0.323	0.331	0.356	0.339	6.2%
Office of the Commissioner of Higher Education	312.048	315.199	277.719	279.690	-11.1%
School for the Deaf and Blind	7.168	7.303	7.979	7.959	10.1%
Montana Arts Council	1.411	1.463	1.510	1.481	4.1%
Montana State Library	5.086	5.163	5.589	5.233	5.6%
Montana Historical Society	<u>4.857</u>	<u>4.953</u>	<u>5.311</u>	<u>5.304</u>	<u>8.2%</u>
Subtotal	1,288.431	1,313.598	1,307.796	1,334.068	1.5%
Subtotal Ongoing	4,902.233	5,028.127	5,072.412	5,187.979	3.3%
One-Time*					
General Government	4.289	4.197	5.787	4.111	16.7%
Health and Human Services	11.537	12.706	-	-	-100.0%
Natural Resources and Transportation	11.754	9.272	5.079	2.861	-62.2%
Judicial Branch, Law Enforcement, and Justice	3.426	2.677	2.186	1.431	-40.7%
Education	<u>1.419</u>	<u>1.449</u>	<u>2.022</u>	<u>2.425</u>	<u>55.1%</u>
Subtotal One-time	32.425	30.301	15.074	10.829	-58.7%
Total Submitted HB 2	\$4,934.658	\$5,058.428	\$5,087.486	\$5,198.808	2.9%

HB 2 Only - All Funds Agency Comparison					
Comparison of 2021 Executive Proposed Budget to 2021 Biennium Legislative Budget					
(\$ Millions)					
	Executive Proposed Budget		Legislative Budget		Biennium
	FY 2020	FY 2021	FY 2020	FY 2021	% Change
Ongoing					
General Government					
Legislative Branch	\$17.615	\$17.182	\$17.491	\$17.058	-0.7%
Consumer Counsel	1.652	1.651	1.652	1.651	0.0%
Governor's Office	7.061	6.994	7.061	6.995	0.0%
Commissioner of Political Practices	0.863	0.850	0.764	0.751	-11.6%
State Auditor's Office	8.889	8.939	8.586	8.636	-3.4%
Department of Revenue	61.463	61.265	60.142	59.945	-2.2%
Department of Administration	18.700	18.490	21.808	21.597	16.7%
Department of Commerce	32.018	32.062	29.790	29.830	-7.0%
Department of Labor and Industry	86.112	86.048	85.332	85.203	-0.9%
Department of Military Affairs	51.623	51.548	51.350	51.275	-0.5%
Subtotal	285.995	285.032	283.976	282.942	-0.7%
Health and Human Services					
Department of Public Health & Human Services	2,118.434	2,216.229	2,107.364	2,195.071	-0.7%
Subtotal	2,118.434	2,216.229	2,107.364	2,195.071	-0.7%
Natural Resources and Transportation					
Department of Fish, Wildlife, and Parks	95.042	95.099	94.602	94.643	-0.5%
Department of Environmental Quality	66.250	66.256	66.700	66.706	0.7%
Department of Transportation	683.104	684.024	682.645	683.561	-0.1%
Department of Livestock	13.353	13.306	13.051	13.004	-2.3%
Department of Natural Resources & Conservation	73.210	73.717	73.151	73.709	0.0%
Department of Agriculture	18.610	18.564	18.601	18.573	0.0%
Subtotal	949.570	950.966	948.751	950.195	-0.1%
Judicial Branch, Law Enforcement, and Justice					
Judicial Branch	53.068	53.136	52.670	52.739	-0.7%
Department of Justice	107.315	106.748	105.697	105.384	-1.4%
Public Service Commission	4.863	4.840	4.184	4.161	-14.0%
Office of the Public Defender	37.482	38.062	36.717	37.293	-2.0%
Department of Corrections	227.564	228.368	225.257	226.125	-1.0%
Subtotal	430.292	431.153	424.525	425.703	-1.3%
Education					
Office of Public Instruction	1,023.652	1,051.867	1,009.332	1,034.063	-1.5%
Board of Public Education	0.356	0.339	0.356	0.339	0.0%
Office of the Commissioner of Higher Education	280.393	282.449	277.719	279.690	-1.0%
School for the Deaf and Blind	8.079	8.059	7.979	7.959	-1.2%
Montana Arts Council	1.509	1.480	1.510	1.481	0.0%
Montana State Library	5.587	5.231	5.589	5.233	0.0%
Montana Historical Society	5.553	5.517	5.311	5.304	-4.1%
Subtotal	1,325.129	1,354.943	1,307.796	1,334.068	-1.4%
Subtotal Ongoing	5,109.420	5,238.323	5,072.412	5,187.979	-0.8%
One-Time*					
General Government	2.025	1.375	5.787	4.111	191.1%
Health and Human Services	-	-	-	-	-
Natural Resources and Transportation	5.283	2.641	5.079	2.861	0.2%
Judicial Branch, Law Enforcement, and Justice	1.315	0.565	2.186	1.431	92.4%
Education	1.063	1.063	2.022	2.425	109.2%
Subtotal One-time	9.686	5.644	15.074	10.829	69.0%
Total Submitted HB 2	\$5,119.106	\$5,243.967	\$5,087.486	\$5,198.808	-0.7%

HB 2 Only - FTE Agency Comparison					
Comparison of 2021 Biennium Executive Proposed Budget to 2021 Biennium Legislative Budget					
	Executive Proposed Budget		Legislative Budget		Biennium % Change
	FY 2020 FTE	FY 2021 FTE	FY 2020 FTE	FY 2021 FTE	
General Government					
11040 LEGISLATIVE BRANCH	141.89	141.89	141.89	141.89	0.0%
11120 CONSUMER COUNSEL	5.54	5.54	5.54	5.54	0.0%
31010 GOVERNOR'S OFFICE	57.07	57.07	58.07	58.07	1.8%
32020 COMMISSIONER OF POLITICAL PRACTICES	7.00	7.00	7.00	7.00	0.0%
34010 STATE AUDITOR'S OFFICE	81.11	81.11	74.00	74.00	-8.8%
58010 DEPARTMENT OF REVENUE	646.67	646.67	621.67	621.67	-3.9%
61010 DEPARTMENT OF ADMINISTRATION	139.66	139.66	148.66	148.66	6.4%
65010 DEPARTMENT OF COMMERCE	49.05	49.05	48.05	48.05	-2.0%
66020 DEPARTMENT OF LABOR AND INDUSTRY	666.98	666.98	664.05	664.05	-0.4%
67010 DEPARTMENT OF MILITARY AFFAIRS	214.75	214.75	212.75	212.75	-0.9%
Subtotal	2,009.72	2,009.72	1,981.68	1,981.68	-1.4%
Health and Human Services					
DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES	2,952.16	2,952.16	2,834.70	2,834.70	-4.0%
Subtotal	2,952.16	2,952.16	2,834.70	2,834.70	-4.0%
Natural Resources and Transportation					
DEPARTMENT OF FISH, WILDLIFE, AND PARKS	702.70	702.70	695.74	695.74	-1.0%
DEPARTMENT OF ENVIRONMENTAL QUALITY	366.54	366.54	365.54	365.54	-0.3%
DEPARTMENT OF TRANSPORTATION	1,991.27	1,997.27	1,986.27	1,992.27	-0.3%
DEPARTMENT OF LIVESTOCK	133.63	134.38	133.63	134.38	0.0%
NATURAL RESOURCES AND CONSERVATION	533.61	533.61	529.91	529.91	-0.7%
DEPARTMENT OF AGRICULTURE	116.04	116.04	115.07	115.07	-0.8%
Subtotal	3,843.79	3,850.54	3,826.16	3,832.91	-0.5%
Judicial Branch, Law Enforcement, and Justice					
JUDICIAL BRANCH	454.44	455.94	456.44	457.94	0.4%
DEPARTMENT OF JUSTICE	784.91	784.91	776.91	776.91	-1.0%
PUBLIC SERVICE COMMISSION	38.00	38.00	36.00	36.00	-5.3%
OFFICE OF STATE PUBLIC DEFENDER	302.44	302.44	302.44	302.44	0.0%
DEPARTMENT OF CORRECTIONS	1,289.17	1,289.17	1,274.17	1,274.17	-1.2%
Subtotal	2,868.96	2,870.46	2,845.96	2,847.46	-0.8%
Education					
OFFICE OF PUBLIC INSTRUCTION	156.32	156.32	152.29	152.29	-2.6%
BOARD OF PUBLIC EDUCATION	3.00	3.00	3.00	3.00	0.0%
COMMISSIONER OF HIGHER EDUCATION	49.88	49.88	50.22	50.22	0.7%
SCHOOL FOR THE DEAF & BLIND	84.96	84.96	83.47	83.47	-1.8%
MONTANA ARTS COUNCIL	7.00	7.00	7.00	7.00	0.0%
MONTANA STATE LIBRARY	29.46	29.46	29.46	29.46	0.0%
MONTANA HISTORICAL SOCIETY	54.38	54.38	54.38	54.38	0.0%
Subtotal	385.00	385.00	379.82	379.82	-1.3%
Total	12,059.63	12,067.88	11,868.32	11,876.57	-1.6%

GENERAL GOVERNMENT

SECTION A

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

AGENCIES

LEGISLATIVE BRANCH
CONSUMER COUNSEL
GOVERNOR'S OFFICE
SECRETARY OF STATE
COMMISSIONER OF POLITICAL PRACTICES
STATE AUDITOR
DEPARTMENT OF REVENUE
DEPARTMENT OF ADMINISTRATION
DEPARTMENT OF COMMERCE
DEPARTMENT OF LABOR & INDUSTRY
DEPARTMENT OF MILITARY AFFAIRS

APPROPRIATIONS SUBCOMMITTEE MEMBERS

REPRESENTATIVE DAN BARTEL (CHAIR)
REPRESENTATIVE BILL MERCER
REPRESENTATIVE JIM HAMILTON
REPRESENTATIVE JONATHAN WINDY BOY
SENATOR MIKE LANG (VICE-CHAIR)
SENATOR PAT FLOWERS
SENATOR DOUG KARY

FISCAL DIVISION STAFF

KATIE GUENTHER
JULIA PLATT
STEPHANIE MORRISON

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	23,500,738	25,789,236	2,288,498	9.74 %
Operating Expenses	6,158,321	8,679,113	2,520,792	40.93 %
Equipment & Intangible Assets	272,308	3,622,000	3,349,692	1,230.11 %
Transfers	298,837	298,837	0	0.00 %
Total Expenditures	\$30,230,204	\$38,389,186	\$8,158,982	26.99 %
General Fund	25,798,559	33,437,517	7,638,958	29.61 %
State/Other Special Rev. Funds	4,431,645	4,951,669	520,024	11.73 %
Total Funds	\$30,230,204	\$38,389,186	\$8,158,982	26.99 %
Total Ongoing	\$30,230,204	\$34,549,186	\$4,318,982	14.29 %
Total OTO	\$0	\$3,840,000	\$3,840,000	100.00 %

Page Reference

Legislative Budget Analysis, A-1.

Agency Highlights

Legislative Branch Major Budget Highlights	
<ul style="list-style-type: none"> The legislature adopted an increase to the Legislative Branch's total ongoing biennial appropriation of approximately \$4.3 million or 14.3% compared to the 2019 biennium ongoing appropriation <ul style="list-style-type: none"> The legislature adopted increases in general fund and state special revenue for statewide present law adjustments for personal services, fixed costs, and inflation/deflation The legislature adopted increases in general fund and state special revenue for information technology hardware and software replacement, Legislative Branch audit costs, actuarial services, and fraud hotline software In addition to the ongoing appropriations, the legislature adopted one-time-only, general fund appropriations for: <ul style="list-style-type: none"> The final phase of the session systems replacement project (SSR), which includes the bill draft editor, chamber, and legislator portal projects The final phase of an upgrade to change vote display boards from analog to digital displays The replacement of chairs on the House Floor and Senate furniture 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	139.89	139.89	141.89	141.89
Personal Services	10,804,581	11,243,949	12,256,789	12,899,932	12,889,304
Operating Expenses	2,820,823	3,172,020	2,986,301	4,736,409	3,942,704
Equipment & Intangible Assets	172,307	172,308	100,000	2,325,000	1,297,000
Transfers	138,710	150,178	148,659	149,419	149,418
Total Expenditures	\$13,936,421	\$14,738,455	\$15,491,749	\$20,110,760	\$18,278,426
General Fund	11,940,778	12,538,240	13,260,319	17,297,015	16,140,502
State/Other Special Rev. Funds	1,995,643	2,200,215	2,231,430	2,813,745	2,137,924
Total Funds	\$13,936,421	\$14,738,455	\$15,491,749	\$20,110,760	\$18,278,426
Total Ongoing	\$13,936,421	\$14,738,455	\$15,491,749	\$17,490,760	\$17,058,426
Total OTO	\$0	\$0	\$0	\$2,620,000	\$1,220,000

Page Reference

Legislative Budget Analysis, A-2.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	139.89	141.89	141.89	0.00	141.89	141.89	0.00	0.00
Personal Services	12,256,789	12,953,584	12,899,932	(53,652)	12,942,956	12,889,304	(53,652)	(107,304)
Operating Expenses	2,986,301	4,286,707	4,736,409	449,702	3,993,002	3,942,704	(50,298)	399,404
Equipment & Intangible Assets	100,000	2,025,000	2,325,000	300,000	1,297,000	1,297,000	0	300,000
Transfers	148,659	149,419	149,419	0	149,418	149,418	0	0
Total Costs	\$15,491,749	\$19,414,710	\$20,110,760	\$696,050	\$18,382,376	\$18,278,426	(\$103,950)	\$592,100
General Fund	13,260,319	16,871,159	17,297,015	425,856	16,224,419	16,140,502	(83,917)	341,939
State/other Special Rev. Funds	2,231,430	2,543,551	2,813,745	270,194	2,157,957	2,137,924	(20,033)	250,161
Total Funds	\$15,491,749	\$19,414,710	\$20,110,760	\$696,050	\$18,382,376	\$18,278,426	(\$103,950)	\$592,100
Total Ongoing	\$15,491,749	\$17,614,710	\$17,490,760	(\$123,950)	\$17,182,376	\$17,058,426	(\$123,950)	(\$247,900)
Total OTO	\$0	\$1,800,000	\$2,620,000	\$820,000	\$1,200,000	\$1,220,000	\$20,000	\$840,000

The legislature adopted ongoing appropriations that are approximately \$248,000 lower than the proposed appropriations for the 2021 biennium. The legislature adopted one-time-only appropriations that are \$840,000 higher than the proposed appropriation for the 2021 biennium.

The major differences in the legislative budget compared to the proposed budget include:

- The legislature adopted one-time-only, biennial, general fund appropriations of \$300,000 over the biennium for the chamber design project, which is part of the session systems replacement project. This appropriation was moved from HB 1 to HB 2
- The legislature adopted one-time-only, biennial, general fund appropriations of \$200,000 over the biennium for the replacement of chairs on the House Floor and Senate furniture
- The legislature adopted one-time-only, state special revenue appropriations of \$300,000 for hosting the Council of State Governments conference
- The legislature adopted reductions to operating expenses and personal services of approximately \$345,000 for the Legislative Services Division and Legislative Audit Division
- The legislature adopted general fund appropriations of approximately \$136,000 over the biennium for dues and travel associated with attending Energy Council conferences

Funding

The following table shows agency funding by source of authority.

Total Legislative Branch Funding by Source of Authority 2021 Biennium Budget Request - Legislative Branch						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	29,908,649	3,528,868	0	0	33,437,517	87.10 %
State Special Total	4,640,537	311,132	0	0	4,951,669	12.90 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$34,549,186	\$3,840,000	\$0	\$0	\$38,389,186	
Percent - Total All Sources	90.00 %	10.00 %	0.00 %	0.00 %		

The Legislative Branch is primarily funded with general fund. State special revenues support the costs associated with the state broadcasting service; the preparation, publication, and distribution of the Montana Code Annotated; and a portion of the activities of the Legislative Audit Division.

While not shown in the table above, the Legislative Branch has statutory appropriation authority for the Legislative Branch reserve account. This account receives unexpended and unencumbered money included in the "feed bill" (the bill that funds the legislative session each year) and remaining carryforward appropriation for the divisions. The funds may be used for major Legislative Branch information technology projects including hardware, software, consulting services for new initiatives, and replacing and upgrading of existing systems. All projects and funding from the reserve account must be approved by the Legislative Council. During the November 2017 Special Session, the legislature approved a transfer of \$500,000 from the reserve account to the general fund.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	13,260,319	13,260,319	26,520,638	79.31 %	15,491,749	15,491,749	30,983,498	80.71 %
SWPL Adjustments	495,038	605,754	1,100,792	3.29 %	521,629	481,594	1,003,223	2.61 %
PL Adjustments	1,136,788	969,931	2,106,719	6.30 %	1,392,512	1,000,585	2,393,097	6.23 %
New Proposals	2,404,870	1,304,498	3,709,368	11.09 %	2,704,870	1,304,498	4,009,368	10.44 %
Total Budget	\$17,297,015	\$16,140,502	\$33,437,517		\$20,110,760	\$18,278,426	\$38,389,186	

Language and Statutory Authority

All appropriations for the Legislative Branch are biennial.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	11,671,266	12,683,715	1,012,449	8.67 %
Operating Expenses	4,564,894	6,356,820	1,791,926	39.25 %
Equipment & Intangible Assets	272,308	3,622,000	3,349,692	1,230.11 %
Transfers	298,837	298,837	0	0.00 %
Total Expenditures	\$16,807,305	\$22,961,372	\$6,154,067	36.62 %
General Fund	15,995,604	22,237,584	6,241,980	39.02 %
State/Other Special Rev. Funds	811,701	723,788	(87,913)	(10.83)%
Total Funds	\$16,807,305	\$22,961,372	\$6,154,067	36.62 %
Total Ongoing	\$16,807,305	\$19,461,372	\$2,654,067	15.79 %
Total OTO	\$0	\$3,500,000	\$3,500,000	100.00 %

Page Reference

Legislative Budget Analysis, A-7.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	65.67	65.67	67.67	67.67
Personal Services	5,440,462	5,649,251	6,022,015	6,313,043	6,370,672
Operating Expenses	2,083,648	2,341,988	2,222,906	3,369,610	2,987,210
Equipment & Intangible Assets	172,307	172,308	100,000	2,325,000	1,297,000
Transfers	138,710	150,178	148,659	149,419	149,418
Total Expenditures	\$7,835,127	\$8,313,725	\$8,493,580	\$12,157,072	\$10,804,300
General Fund	7,456,684	7,874,586	8,121,018	11,630,679	10,606,905
State/Other Special Rev. Funds	378,443	439,139	372,562	526,393	197,395
Total Funds	\$7,835,127	\$8,313,725	\$8,493,580	\$12,157,072	\$10,804,300
Total Ongoing	\$7,835,127	\$8,313,725	\$8,493,580	\$9,857,072	\$9,604,300
Total OTO	\$0	\$0	\$0	\$2,300,000	\$1,200,000

Page Reference

Legislative Budget Analysis, A-8.

Funding

The Legislative Services Division is mainly funded with general fund. State special revenue funding supports the costs associated with the state broadcasting service and the preparation, publication, and distribution of the Montana Code Annotated.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	8,121,018	8,121,018	16,242,036	73.04 %	8,493,580	8,493,580	16,987,160	73.98 %
SWPL Adjustments	335,934	511,033	846,967	3.81 %	358,546	383,527	742,073	3.23 %
PL Adjustments	836,793	738,292	1,575,085	7.08 %	968,012	690,631	1,658,643	7.22 %
New Proposals	2,336,934	1,236,562	3,573,496	16.07 %	2,336,934	1,236,562	3,573,496	15.56 %
Total Budget	\$11,630,679	\$10,606,905	\$22,237,584		\$12,157,072	\$10,804,300	\$22,961,372	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	117,798	22,296	0	140,094	0.00	325,799	(127,704)	0	198,095
DP 2 - Fixed Costs	0.00	218,111	316	0	218,427	0.00	185,203	198	0	185,401
DP 3 - Inflation Deflation	0.00	25	0	0	25	0.00	31	0	0	31
DP 4 - Present Law Adjustment	0.00	836,793	131,142	0	967,935	0.00	738,292	(47,709)	0	690,583
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	77	0	77	0.00	0	48	0	48
Grand Total All Present Law Adjustments	0.00	\$1,172,727	\$153,831	\$0	\$1,326,558	0.00	\$1,249,325	(\$175,167)	\$0	\$1,074,158

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Present Law Adjustment -

The legislature adopted an increase in general fund and state special revenue funds in FY 2020 and an increase in general fund and decrease in state special revenue funds in FY 2021. This request includes:

- Increases in general fund of approximately \$760,000 in FY 2020 and \$685,000 in FY 2021 for information technology costs and state broadcasting
 - Increases for information technology costs are related to the replacement of declining hardware and software. This includes contracted services for network support and programming related to the LAWS II system and the restoration of budget reductions from the November 2017 Special Session

- Increases for state broadcasting are due to increases in contracted services to produce, broadcast, and stream the legislature during session and the interim. The branch is working to formalize ongoing maintenance and replacement costs
- Increases in general fund of approximately \$43,000 in FY 2020 and \$18,000 in FY 2021 for training
- Increases in general fund of approximately \$34,000 in FY 2020 and \$35,000 in FY 2021 for operating expenses. This includes office supplies, printing, and miscellaneous services to support the Legislative Branch that were reduced during the 2017 Regular Session and November 2017 Special Session
- An increase in state special revenue of approximately \$155,000 in FY 2020 for a cyclical adjustment for the costs related to producing the Montana Code Annotated (MCA) and ancillary publications, and a decrease in state special revenue of approximately \$48,000 in FY 2021 related to the anticipated reduction in printing costs for the MCA
- A decrease in state special revenue of approximately \$24,000 in FY 2020 due to an anticipated decrease in revenue that supports the state broadcasting service

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 5 - FTE Request Net Admin, IT BA	2.00	150,934	0	0	150,934	2.00	150,562	0	0	150,562
DP 6 - Bill Draft Editor Project (BIEN/OTO)	0.00	500,000	0	0	500,000	0.00	0	0	0	0
DP 7 - Chamber Project (BIEN/OTO)	0.00	600,000	0	0	600,000	0.00	600,000	0	0	600,000
DP 8 - Legislator Portal Project (BIEN/OTO)	0.00	0	0	0	0	0.00	300,000	0	0	300,000
DP 9 - Digital Vote Boards (BIEN/OTO)	0.00	700,000	0	0	700,000	0.00	300,000	0	0	300,000
DP 2001 - Chamber Design (BIEN/OTO)	0.00	300,000	0	0	300,000	0.00	0	0	0	0
DP 2002 - Operating Expense Reduction	0.00	(114,000)	0	0	(114,000)	0.00	(114,000)	0	0	(114,000)
DP 2003 - House Chairs and Senate Furniture Replacement (RST/BIEN/OTO)	0.00	200,000	0	0	200,000	0.00	0	0	0	0
Total	2.00	\$2,336,934	\$0	\$0	\$2,336,934	2.00	\$1,236,562	\$0	\$0	\$1,236,562

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - FTE Request Net Admin, IT BA -

The legislature adopted general fund for 2.00 FTE. This appropriation is for one network administrator and one business analyst. Increased workload in the information technology area, due to large information technology (IT) projects, increased complexity of the IT environment, and growing business requirements, has created the need for two additional full-time positions for the division.

DP 6 - Bill Draft Editor Project (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund appropriations in FY 2020 for the Bill Draft Editor Project. This project is a continuation and a component of the final phase of the session systems replacement project which began in 2013. When completed, SSR implements a system that will provide enterprise content management of the fully versioned MCA datastore and system functionality for bill and amendment drafting and chamber business processes. This project

includes development of the bill draft editor solution, system integration testing of the bill draft editor solution, training, user acceptance testing, and production that will go-live in the summer of 2020 for the 2021 Legislative Session.

DP 7 - Chamber Project (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund appropriations in FY 2020 and FY 2021 for the Chamber Project. This project is a continuation and a component of the final phase of the session systems replacement project which began in 2013. Funding is for detail design and integration, testing and delivery of automation of the chamber processes, including agenda process for second and third reading, the journal, committee reports and minutes, and the amendments of bills on second reading.

DP 8 - Legislator Portal Project (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund appropriations for the Legislative Portal Project. This project is a continuation and a component of the final phase of the session systems replacement project which began in 2013. This project provides integration with the legislative website and individual legislator pages that eventually will allow legislators to access and receive notices regarding their bill drafts, introduction of bills, floor agendas, and committee and other notices.

DP 9 - Digital Vote Boards (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund for voting displays. Upgrades to the hardware and software for the House and Senate vote systems have been completed. The voting displays, which are analog technology, need to be upgraded to digital displays in order to complete the vote system replacement project.

DP 2001 - Chamber Design (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund appropriations in FY 2020 for the Chamber Design Project. This project is a continuation and a component of the final phase of the session systems replacement project which began in 2013. This detail design analysis is necessary to specifically accomplish the Chamber Project (DP 7) which takes the detail design to implement, integrate, and deliver the design.

DP 2002 - Operating Expense Reduction -

The legislature adopted general fund reductions in FY 2020 and FY 2021. These reductions were to operating expenses.

DP 2003 - House Chairs and Senate Furniture Replacement (RST/BIEN/OTO) -

The legislature adopted a restricted, one-time-only, biennial general fund appropriation in FY 2020 for the replacement of chairs on the House Floor and Senate furniture.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	206,766	297,484	90,718	43.87 %
Operating Expenses	1,059,221	1,655,164	595,943	56.26 %
Total Expenditures	\$1,265,987	\$1,952,648	\$686,661	54.24 %
General Fund	1,265,987	1,652,648	386,661	30.54 %
State/Other Special Rev. Funds	0	300,000	300,000	0.00 %
Total Funds	\$1,265,987	\$1,952,648	\$686,661	54.24 %
Total Ongoing	\$1,265,987	\$1,652,648	\$386,661	30.54 %
Total OTO	\$0	\$300,000	\$300,000	100.00 %

Page Reference

Legislative Budget Analysis, A-14.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	0.97	0.97	0.97	0.97
Personal Services	117,468	121,907	84,859	180,925	116,559
Operating Expenses	503,221	559,612	499,609	1,022,921	632,243
Total Expenditures	\$620,689	\$681,519	\$584,468	\$1,203,846	\$748,802
General Fund	620,689	681,519	584,468	903,846	748,802
State/Other Special Rev. Funds	0	0	0	300,000	0
Total Funds	\$620,689	\$681,519	\$584,468	\$1,203,846	\$748,802
Total Ongoing	\$620,689	\$681,519	\$584,468	\$903,846	\$748,802
Total OTO	\$0	\$0	\$0	\$300,000	\$0

Page Reference

Legislative Budget Analysis, A-15.

Funding

Legislative Committees and Activities is primarily funded with general fund.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	584,468	584,468	1,168,936	70.73 %	584,468	584,468	1,168,936	59.86 %
SWPL Adjustments	78,602	14,236	92,838	5.62 %	78,602	14,236	92,838	4.75 %
PL Adjustments	172,840	82,162	255,002	15.43 %	172,840	82,162	255,002	13.06 %
New Proposals	67,936	67,936	135,872	8.22 %	367,936	67,936	435,872	22.32 %
Total Budget	\$903,846	\$748,802	\$1,652,648		\$1,203,846	\$748,802	\$1,952,648	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	78,602	0	0	78,602	0.00	14,236	0	0	14,236
DP 4 - Present Law Adjustment	0.00	160,192	0	0	160,192	0.00	69,514	0	0	69,514
DP 10 - Health Ins Prem Int Comm Secretary Pos	0.00	12,648	0	0	12,648	0.00	12,648	0	0	12,648
Grand Total All Present Law Adjustments	0.00	\$251,442	\$0	\$0	\$251,442	0.00	\$96,398	\$0	\$0	\$96,398

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 4 - Present Law Adjustment -

The legislature adopted general fund increases in FY 2020 and FY 2021. This change includes:

- Increases of approximately \$8,000 in FY 2020 and \$5,000 in FY 2021 related the Districting and Apportionment Committee. This committee is statutorily required in each session preceding each federal population census
- Increases of \$27,000 in FY 2020 and \$18,000 in FY 2021 to restore budget reductions experienced during the 2017 Regular Session and the November 2017 Special Session. This includes funding for travel, the Legislative Council's budget for emerging issues, and consulting services
- Increases of approximately \$125,000 in FY 2020 and \$46,000 in FY 2021 for an additional meeting for each interim committee

DP 10 - Health Ins Prem Int Comm Secretary Pos -

The legislature adopted an increase in general fund in FY 2020 and FY 2021 for employer health insurance premiums for the interim committee secretary position. Based on the work cycle and number of hours for this position, and pursuant to federal requirements, the Legislative Branch is required to provide health insurance.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2102 - Energy Council	0.00	67,936	0	0	67,936	0.00	67,936	0	0	67,936
DP 2103 - Council of State Governments Conference (OTO)	0.00	0	300,000	0	300,000	0.00	0	0	0	0
Total	0.00	\$67,936	\$300,000	\$0	\$367,936	0.00	\$67,936	\$0	\$0	\$67,936

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2102 - Energy Council -

The legislature adopted a general fund appropriation in FY 2020 and FY 2021 for dues and travel associated with attending Energy Council conferences.

DP 2103 - Council of State Governments Conference (OTO) -

The legislature adopted a one-time-only state special revenue appropriation in FY 2020 for hosting the Council of State Governments conference. This state special revenue appropriation provides Legislative Committees and Activities the authority to spend funding transferred from the Department of Justice's consumer protection account established in 30-14-143, MCA.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,648,084	4,004,268	356,184	9.76 %
Operating Expenses	183,424	195,343	11,919	6.50 %
Total Expenditures	\$3,831,508	\$4,199,611	\$368,103	9.61 %
General Fund	3,831,508	4,199,611	368,103	9.61 %
Total Funds	\$3,831,508	\$4,199,611	\$368,103	9.61 %
Total Ongoing	\$3,831,508	\$4,199,611	\$368,103	9.61 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-18.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	20.50	20.50	20.50	20.50
Personal Services	1,662,995	1,722,371	1,925,713	2,002,631	2,001,637
Operating Expenses	61,773	82,700	100,724	85,657	109,686
Total Expenditures	\$1,724,768	\$1,805,071	\$2,026,437	\$2,088,288	\$2,111,323
General Fund	1,724,768	1,805,071	2,026,437	2,088,288	2,111,323
Total Funds	\$1,724,768	\$1,805,071	\$2,026,437	\$2,088,288	\$2,111,323
Total Ongoing	\$1,724,768	\$1,805,071	\$2,026,437	\$2,088,288	\$2,111,323
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-19.

Funding

The Legislative Fiscal Division is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,026,437	2,026,437	4,052,874	96.51 %	2,026,437	2,026,437	4,052,874	96.51 %
SWPL Adjustments	76,827	75,862	152,689	3.64 %	76,827	75,862	152,689	3.64 %
PL Adjustments	(14,976)	9,024	(5,952)	(0.14)%	(14,976)	9,024	(5,952)	(0.14)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,088,288	\$2,111,323	\$4,199,611		\$2,088,288	\$2,111,323	\$4,199,611	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	76,918	0	0	76,918	0.00	75,924	0	0	75,924
DP 2 - Fixed Costs	0.00	(212)	0	0	(212)	0.00	(212)	0	0	(212)
DP 3 - Inflation Deflation	0.00	121	0	0	121	0.00	150	0	0	150
DP 4 - Present Law Adjustment	0.00	(14,976)	0	0	(14,976)	0.00	9,024	0	0	9,024
Grand Total All Present Law Adjustments	0.00	\$61,851	\$0	\$0	\$61,851	0.00	\$84,886	\$0	\$0	\$84,886

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Present Law Adjustment -

The legislature adopted a general fund decrease in FY 2020 and a general fund increase in FY 2021. These changes primarily include:

- A decrease of approximately \$9,300 in FY 2020 and an increase of approximately \$9,300 in FY 2021 for printing and supplies
- A decrease of approximately \$5,700 in FY 2020 for travel

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	7,974,622	8,803,769	829,147	10.40 %
Operating Expenses	350,782	471,786	121,004	34.50 %
Total Expenditures	\$8,325,404	\$9,275,555	\$950,151	11.41 %
General Fund	4,705,460	5,347,674	642,214	13.65 %
State/Other Special Rev. Funds	3,619,944	3,927,881	307,937	8.51 %
Total Funds	\$8,325,404	\$9,275,555	\$950,151	11.41 %
Total Ongoing	\$8,325,404	\$9,235,555	\$910,151	10.93 %
Total OTO	\$0	\$40,000	\$40,000	100.00 %

Page Reference

Legislative Budget Analysis, A-21.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	52.75	52.75	52.75	52.75
Personal Services	3,583,656	3,750,420	4,224,202	4,403,333	4,400,436
Operating Expenses	172,181	187,720	163,062	258,221	213,565
Total Expenditures	\$3,755,837	\$3,938,140	\$4,387,264	\$4,661,554	\$4,614,001
General Fund	2,138,637	2,177,064	2,528,396	2,674,202	2,673,472
State/Other Special Rev. Funds	1,617,200	1,761,076	1,858,868	1,987,352	1,940,529
Total Funds	\$3,755,837	\$3,938,140	\$4,387,264	\$4,661,554	\$4,614,001
Total Ongoing	\$3,755,837	\$3,938,140	\$4,387,264	\$4,641,554	\$4,594,001
Total OTO	\$0	\$0	\$0	\$20,000	\$20,000

Page Reference

Legislative Budget Analysis, A-24.

Funding

The Legislative Audit Division is funded with general fund and state special revenue. The state special revenue funds are generated through a charge to agencies of a billing rate calculated in accordance with federal regulations for audit services.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,528,396	2,528,396	5,056,792	94.56 %	4,387,264	4,387,264	8,774,528	94.60 %
SWPL Adjustments	3,675	4,623	8,298	0.16 %	7,654	7,969	15,623	0.17 %
PL Adjustments	142,131	140,453	282,584	5.28 %	266,636	218,768	485,404	5.23 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,674,202	\$2,673,472	\$5,347,674		\$4,661,554	\$4,614,001	\$9,275,555	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	3,280	3,551	0	6,831	0.00	4,031	2,917	0	6,948
DP 3 - Inflation Deflation	0.00	395	428	0	823	0.00	592	429	0	1,021
DP 4 - Present Law Adjustment	0.00	25,650	19,350	0	45,000	0.00	0	0	0	0
DP 50 - Personal Services Adjustment	0.00	86,029	93,102	0	179,131	0.00	114,096	62,138	0	176,234
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	505	0	505	0.00	0	534	0	534
DP 2802 - Present Law Adjustment- Pro License Fees	0.00	1,710	1,290	0	3,000	0.00	1,740	1,260	0	3,000
DP 2804 - Present Law Adjustment- Restoration of Reductions	0.00	5,700	4,300	0	10,000	0.00	5,800	4,200	0	10,000
DP 2810 - Present Law Adjustment - Fraud Hotline Software	0.00	7,151	1,849	0	9,000	0.00	5,840	3,160	0	9,000
DP 2811 - Present Law Adjustment - IT Training (OTO)	0.00	15,891	4,109	0	20,000	0.00	12,977	7,023	0	20,000
Grand Total All Present Law Adjustments	0.00	\$145,806	\$128,484	\$0	\$274,290	0.00	\$145,076	\$81,661	\$0	\$226,737

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Present Law Adjustment -

The legislature adopted general fund and state special revenue appropriations in FY 2020. This request includes:

- An increase of \$15,000 for the Legislative Branch audit, which is a cyclical, contracted service
- An increase of \$16,000 for a Government Accountability Office (GAO) required Peer Review. This peer review is a contracted service that occurs every three years

- An increase of \$14,000 for other post-employment benefits (OPEB) actuary services, which are contracted services

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 2802 - Present Law Adjustment- Pro License Fees -

The legislature adopted an increase in general fund and state special revenue funds for professional license fees for staff that are Certified Public Accountants (CPA) and lawyers.

DP 2804 - Present Law Adjustment- Restoration of Reductions -

The legislature adopted general fund and state special revenue appropriations for the restoration of reduced operating authority from the 2017 session. This includes travel and other operating costs.

DP 2810 - Present Law Adjustment - Fraud Hotline Software -

The legislature adopted general fund and state special revenue funds for FY 2020 and FY 2021 for the Legislative Audit Division's fraud hotline software.

DP 2811 - Present Law Adjustment - IT Training (OTO) -

The legislature adopted one-time-only general fund and state special revenue appropriations for FY 2020 and FY 2021 for information technology training related to Legislative Audit SABHRS support.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,292,963	1,326,456	33,493	2.59 %
Operating Expenses	1,969,046	1,977,106	8,060	0.41 %
Total Expenditures	\$3,262,009	\$3,303,562	\$41,553	1.27 %
State/Other Special Rev. Funds	3,262,009	3,303,562	41,553	1.27 %
Total Funds	\$3,262,009	\$3,303,562	\$41,553	1.27 %
Total Ongoing	\$3,262,009	\$3,303,562	\$41,553	1.27 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-28.

Agency Highlights

Montana Consumer Counsel Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted an increase to the Consumer Counsel's total biennial appropriation of approximately \$42,000 or 1.3% compared to the 2019 biennium appropriation • The legislature adopted increases in state special revenue for statewide present law adjustments for personal services, fixed costs, and inflation/deflation • The legislature adopted increases in state special revenue for a present law adjustment. This adjustment was primarily related to anticipated increases in rent, public hearing transcription costs, and agency subscriptions

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.54	5.54	5.54	5.54
Personal Services	564,451	636,860	656,103	664,074	662,382
Operating Expenses	662,739	984,499	984,547	988,010	989,096
Total Expenditures	\$1,227,190	\$1,621,359	\$1,640,650	\$1,652,084	\$1,651,478
State/Other Special Rev. Funds	1,227,190	1,621,359	1,640,650	1,652,084	1,651,478
Total Funds	\$1,227,190	\$1,621,359	\$1,640,650	\$1,652,084	\$1,651,478
Total Ongoing	\$1,227,190	\$1,621,359	\$1,640,650	\$1,652,084	\$1,651,478
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-29.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	5.54	5.54	5.54	0.00	5.54	5.54	0.00	0.00
Personal Services	656,103	664,074	664,074	0	662,382	662,382	0	0
Operating Expenses	984,547	988,010	988,010	0	989,096	989,096	0	0
Total Costs	\$1,640,650	\$1,652,084	\$1,652,084	\$0	\$1,651,478	\$1,651,478	\$0	\$0
State/other Special Rev. Funds	1,640,650	1,652,084	1,652,084	0	1,651,478	1,651,478	0	0
Total Funds	\$1,640,650	\$1,652,084	\$1,652,084	\$0	\$1,651,478	\$1,651,478	\$0	\$0
Total Ongoing	\$1,640,650	\$1,652,084	\$1,652,084	\$0	\$1,651,478	\$1,651,478	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted present law adjustments and statewide present law adjustments for personal services, fixed costs, and inflation/deflation as proposed. The legislature designated \$150,000 each fiscal year as a biennial appropriation for unanticipated caseload contingency.

Funding

The following table shows agency funding by source of authority.

Total Consumer Counsel Funding by Source of Authority 2021 Biennium Budget Request - Consumer Counsel						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
State Special Total	3,303,562	0	0	0	3,303,562	100.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$3,303,562	\$0	\$0	\$0	\$3,303,562	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %	0.00 %		

The Montana Consumer Counsel is funded by state special revenue generated by fees imposed on all regulated entities under the jurisdiction of the Public Service Commission. The funding formula is specified in 69-1-223, MCA. Each year the Department of Revenue determines the total gross operating revenue generated by all regulated activities within the state for the previous fiscal year. The Department of Revenue then computes the percentage tax necessary to yield an amount equal to the current appropriation, with no excess funds. If collection of excess revenue occurs, the amount charged to the regulated utilities for the following year is reduced.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	1,640,650	1,640,650	3,281,300	99.33 %
SWPL Adjustments	0	0	0	0.00 %	8,176	6,522	14,698	0.44 %
PL Adjustments	0	0	0	0.00 %	3,258	4,306	7,564	0.23 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$1,652,084	\$1,651,478	\$3,303,562	

Page Reference

Legislative Budget Analysis, A-28.

Page Reference

Legislative Budget Analysis, A-29.

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	7,971	0	7,971	0.00	0	6,279	0	6,279
DP 2 - Fixed Costs	0.00	0	53	0	53	0.00	0	54	0	54
DP 3 - Inflation Deflation	0.00	0	152	0	152	0.00	0	189	0	189
DP 4 - Present Law	0.00	0	3,258	0	3,258	0.00	0	4,306	0	4,306
Grand Total All Present Law Adjustments	0.00	\$0	\$11,434	\$0	\$11,434	0.00	\$0	\$10,828	\$0	\$10,828

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Present Law -

The legislature adopted increases in state special revenue for anticipated increases in operating costs. This is primarily due to anticipated increases in rent, public hearing transcript costs, and agency subscriptions.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,033,672	11,230,431	1,196,759	11.93 %
Operating Expenses	2,631,492	2,826,054	194,562	7.39 %
Equipment & Intangible Assets	71,250	0	(71,250)	(100.00)%
Total Expenditures	\$12,736,414	\$14,056,485	\$1,320,071	10.36 %
General Fund	12,336,414	14,056,485	1,720,071	13.94 %
State/Other Special Rev. Funds	400,000	0	(400,000)	(100.00)%
Total Funds	\$12,736,414	\$14,056,485	\$1,320,071	10.36 %
Total Ongoing	\$12,336,414	\$14,056,485	\$1,720,071	13.94 %
Total OTO	\$400,000	\$0	(\$400,000)	(100.00)%

Page Reference

Legislative Budget Analysis, A-34.

Agency Highlights

Governor's Office Major Budget Highlights	
<ul style="list-style-type: none"> The legislature adopted an increase to the Governor's Office's total ongoing biennial appropriation of approximately \$1.7 million or 13.9% compared to the 2019 biennium ongoing appropriation The legislature adopted increases in general fund for statewide present law adjustments for personal services, fixed costs, and inflation/deflation 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	58.07	58.07	58.07	58.07
Personal Services	4,778,880	4,886,910	5,146,762	5,619,642	5,610,789
Operating Expenses	999,621	1,151,554	1,479,938	1,441,720	1,384,334
Equipment & Intangible Assets	71,250	71,250	0	0	0
Total Expenditures	\$5,849,751	\$6,109,714	\$6,626,700	\$7,061,362	\$6,995,123
General Fund	5,715,960	5,909,714	6,426,700	7,061,362	6,995,123
State/Other Special Rev. Funds	133,791	200,000	200,000	0	0
Total Funds	\$5,849,751	\$6,109,714	\$6,626,700	\$7,061,362	\$6,995,123
Total Ongoing	\$5,715,960	\$5,909,714	\$6,426,700	\$7,061,362	\$6,995,123
Total OTO	\$133,791	\$200,000	\$200,000	\$0	\$0

Page Reference

Legislative Budget Analysis, A-35.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	58.07	57.07	58.07	1.00	57.07	58.07	1.00	1.00
Personal Services	5,146,762	5,618,870	5,619,642	772	5,609,957	5,610,789	832	1,604
Operating Expenses	1,479,938	1,441,630	1,441,720	90	1,384,244	1,384,334	90	180
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$6,626,700	\$7,060,500	\$7,061,362	\$862	\$6,994,201	\$6,995,123	\$922	\$1,784
General Fund	6,426,700	7,060,500	7,061,362	862	6,994,201	6,995,123	922	1,784
State/other Special Rev. Funds	200,000	0	0	0	0	0	0	0
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$6,626,700	\$7,060,500	\$7,061,362	\$862	\$6,994,201	\$6,995,123	\$922	\$1,784
Total Ongoing	\$6,426,700	\$7,060,500	\$7,061,362	\$862	\$6,994,201	\$6,995,123	\$922	\$1,784
Total OTO	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted ongoing appropriations that are approximately \$2,000 higher than the proposed executive appropriations for the 2021 biennium.

The major differences in the legislative budget compared to the executive budget include:

- The legislature adopted reductions related to the proposed reinstatement of personal services of approximately \$161,000 over the biennium in the Executive Office Program, Air Transportation Program, and Office of Budget and Program Planning

- The legislature did not adopt the proposed reductions of approximately \$163,000 and 1.00 FTE over the biennium in the Mental Disabilities Board of Visitors and the Mental Health Ombudsman's Office

Funding

The following table shows agency funding by source of authority.

Total Governor's Office Funding by Source of Authority 2021 Biennium Budget Request - Governor's Office						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	14,056,485	0	0	0	14,056,485	100.00 %
State Special Total	0	0	0	0	0	0.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$14,056,485	\$0	\$0	\$0	\$14,056,485	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %	0.00 %		

The Governor's Office is funded entirely with general fund.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,426,700	6,426,700	12,853,400	91.44 %	6,426,700	6,426,700	12,853,400	91.44 %
SWPL Adjustments	295,706	237,385	533,091	3.79 %	295,706	237,385	533,091	3.79 %
PL Adjustments	338,956	331,038	669,994	4.77 %	338,956	331,038	669,994	4.77 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$7,061,362	\$6,995,123	\$14,056,485		\$7,061,362	\$6,995,123	\$14,056,485	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,118,135	4,696,138	578,003	14.04 %
Operating Expenses	1,476,761	1,406,852	(69,909)	(4.73)%
Total Expenditures	\$5,594,896	\$6,102,990	\$508,094	9.08 %
General Fund	5,194,896	6,102,990	908,094	17.48 %
State/Other Special Rev. Funds	400,000	0	(400,000)	(100.00)%
Total Funds	\$5,594,896	\$6,102,990	\$508,094	9.08 %
Total Ongoing	\$5,194,896	\$6,102,990	\$908,094	17.48 %
Total OTO	\$400,000	\$0	(\$400,000)	(100.00)%

Page Reference

Legislative Budget Analysis, A-40.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	24.00	24.00	24.00	24.00
Personal Services	1,934,655	2,016,111	2,102,024	2,350,911	2,345,227
Operating Expenses	555,004	613,068	863,693	701,792	705,060
Total Expenditures	\$2,489,659	\$2,629,179	\$2,965,717	\$3,052,703	\$3,050,287
General Fund	2,355,868	2,429,179	2,765,717	3,052,703	3,050,287
State/Other Special Rev. Funds	133,791	200,000	200,000	0	0
Total Funds	\$2,489,659	\$2,629,179	\$2,965,717	\$3,052,703	\$3,050,287
Total Ongoing	\$2,355,868	\$2,429,179	\$2,765,717	\$3,052,703	\$3,050,287
Total OTO	\$133,791	\$200,000	\$200,000	\$0	\$0

Page Reference

Legislative Budget Analysis, A-41.

Funding

The Executive Office Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,765,717	2,765,717	5,531,434	90.63 %	2,765,717	2,765,717	5,531,434	90.63 %
SWPL Adjustments	38,099	41,367	79,466	1.30 %	38,099	41,367	79,466	1.30 %
PL Adjustments	248,887	243,203	492,090	8.06 %	248,887	243,203	492,090	8.06 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,052,703	\$3,050,287	\$6,102,990		\$3,052,703	\$3,050,287	\$6,102,990	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	36,836	0	0	36,836	0.00	39,800	0	0	39,800
DP 3 - Inflation Deflation	0.00	1,263	0	0	1,263	0.00	1,567	0	0	1,567
DP 50 - Personal Services Adjustment	0.00	248,887	0	0	248,887	0.00	243,203	0	0	243,203
Grand Total All Present Law Adjustments	0.00	\$286,986	\$0	\$0	\$286,986	0.00	\$284,570	\$0	\$0	\$284,570

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	209,202	212,814	3,612	1.73 %
Operating Expenses	131,705	133,572	1,867	1.42 %
Total Expenditures	\$340,907	\$346,386	\$5,479	1.61 %
General Fund	340,907	346,386	5,479	1.61 %
Total Funds	\$340,907	\$346,386	\$5,479	1.61 %
Total Ongoing	\$340,907	\$346,386	\$5,479	1.61 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-45.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1.57	1.57	1.57	1.57
Personal Services	104,190	105,062	104,140	106,043	106,771
Operating Expenses	64,777	68,611	63,094	66,725	66,847
Total Expenditures	\$168,967	\$173,673	\$167,234	\$172,768	\$173,618
General Fund	168,967	173,673	167,234	172,768	173,618
Total Funds	\$168,967	\$173,673	\$167,234	\$172,768	\$173,618
Total Ongoing	\$168,967	\$173,673	\$167,234	\$172,768	\$173,618
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-46.

Funding

The Executive Residence Operations Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	167,234	167,234	334,468	96.56 %	167,234	167,234	334,468	96.56 %
SWPL Adjustments	5,534	6,384	11,918	3.44 %	5,534	6,384	11,918	3.44 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$172,768	\$173,618	\$346,386		\$172,768	\$173,618	\$346,386	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,903	0	0	1,903	0.00	2,631	0	0	2,631
DP 2 - Fixed Costs	0.00	3,327	0	0	3,327	0.00	3,375	0	0	3,375
DP 3 - Inflation Deflation	0.00	304	0	0	304	0.00	378	0	0	378
Grand Total All Present Law Adjustments	0.00	\$5,534	\$0	\$0	\$5,534	0.00	\$6,384	\$0	\$0	\$6,384

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	269,490	280,175	10,685	3.96 %
Operating Expenses	272,077	334,233	62,156	22.85 %
Equipment & Intangible Assets	71,250	0	(71,250)	(100.00)%
Total Expenditures	\$612,817	\$614,408	\$1,591	0.26 %
General Fund	612,817	614,408	1,591	0.26 %
Total Funds	\$612,817	\$614,408	\$1,591	0.26 %
Total Ongoing	\$612,817	\$614,408	\$1,591	0.26 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-49.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1.50	1.50	1.50	1.50
Personal Services	119,528	120,311	149,179	139,435	140,740
Operating Expenses	103,418	105,587	166,490	167,104	167,129
Equipment & Intangible Assets	71,250	71,250	0	0	0
Total Expenditures	\$294,196	\$297,148	\$315,669	\$306,539	\$307,869
General Fund	294,196	297,148	315,669	306,539	307,869
Total Funds	\$294,196	\$297,148	\$315,669	\$306,539	\$307,869
Total Ongoing	\$294,196	\$297,148	\$315,669	\$306,539	\$307,869
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-50.

Funding

The Air Transportation Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	315,669	315,669	631,338	102.76 %	315,669	315,669	631,338	102.76 %
SWPL Adjustments	614	639	1,253	0.20 %	614	639	1,253	0.20 %
PL Adjustments	(9,744)	(8,439)	(18,183)	(2.96)%	(9,744)	(8,439)	(18,183)	(2.96)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$306,539	\$307,869	\$614,408		\$306,539	\$307,869	\$614,408	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	614	0	0	614	0.00	639	0	0	639
DP 50 - Personal Services Adjustment	0.00	(9,744)	0	0	(9,744)	0.00	(8,439)	0	0	(8,439)
Grand Total All Present Law Adjustments	0.00	(\$9,130)	\$0	\$0	(\$9,130)	0.00	(\$7,800)	\$0	\$0	(\$7,800)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,859,536	4,189,889	330,353	8.56 %
Operating Expenses	521,323	649,255	127,932	24.54 %
Total Expenditures	\$4,380,859	\$4,839,144	\$458,285	10.46 %
General Fund	4,380,859	4,839,144	458,285	10.46 %
Total Funds	\$4,380,859	\$4,839,144	\$458,285	10.46 %
Total Ongoing	\$4,380,859	\$4,839,144	\$458,285	10.46 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-53.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	21.00	21.00	21.00	21.00
Personal Services	1,854,356	1,862,545	1,996,991	2,096,714	2,093,175
Operating Expenses	179,605	250,657	270,666	355,635	293,620
Total Expenditures	\$2,033,961	\$2,113,202	\$2,267,657	\$2,452,349	\$2,386,795
General Fund	2,033,961	2,113,202	2,267,657	2,452,349	2,386,795
Total Funds	\$2,033,961	\$2,113,202	\$2,267,657	\$2,452,349	\$2,386,795
Total Ongoing	\$2,033,961	\$2,113,202	\$2,267,657	\$2,452,349	\$2,386,795
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-54.

Funding

The Office of Budget and Program Planning is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,267,657	2,267,657	4,535,314	93.72 %	2,267,657	2,267,657	4,535,314	93.72 %
SWPL Adjustments	84,879	22,864	107,743	2.23 %	84,879	22,864	107,743	2.23 %
PL Adjustments	99,813	96,274	196,087	4.05 %	99,813	96,274	196,087	4.05 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,452,349	\$2,386,795	\$4,839,144		\$2,452,349	\$2,386,795	\$4,839,144	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	84,848	0	0	84,848	0.00	22,825	0	0	22,825
DP 3 - Inflation Deflation	0.00	31	0	0	31	0.00	39	0	0	39
DP 50 - Personal Services Adjustment	0.00	99,723	0	0	99,723	0.00	96,184	0	0	96,184
DP 55 - SWPL Fixed Cost Adjustment	0.00	90	0	0	90	0.00	90	0	0	90
Grand Total All Present Law Adjustments	0.00	\$184,692	\$0	\$0	\$184,692	0.00	\$119,138	\$0	\$0	\$119,138

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	287,010	356,966	69,956	24.37 %
Operating Expenses	55,159	65,706	10,547	19.12 %
Total Expenditures	\$342,169	\$422,672	\$80,503	23.53 %
General Fund	342,169	422,672	80,503	23.53 %
Total Funds	\$342,169	\$422,672	\$80,503	23.53 %
Total Ongoing	\$342,169	\$422,672	\$80,503	23.53 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-57.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	2.00	2.00	2.00	2.00
Personal Services	122,814	123,537	163,473	178,712	178,254
Operating Expenses	27,100	29,228	25,931	32,736	32,970
Total Expenditures	\$149,914	\$152,765	\$189,404	\$211,448	\$211,224
General Fund	149,914	152,765	189,404	211,448	211,224
Total Funds	\$149,914	\$152,765	\$189,404	\$211,448	\$211,224
Total Ongoing	\$149,914	\$152,765	\$189,404	\$211,448	\$211,224
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-58.

Funding

The Office of Indian Affairs is entirely funded with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	189,404	189,404	378,808	89.62 %	189,404	189,404	378,808	89.62 %
SWPL Adjustments	22,044	21,820	43,864	10.38 %	22,044	21,820	43,864	10.38 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$211,448	\$211,224	\$422,672		\$211,448	\$211,224	\$422,672	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	15,239	0	0	15,239	0.00	14,781	0	0	14,781
DP 2 - Fixed Costs	0.00	6,451	0	0	6,451	0.00	6,600	0	0	6,600
DP 3 - Inflation Deflation	0.00	354	0	0	354	0.00	439	0	0	439
Grand Total All Present Law Adjustments	0.00	\$22,044	\$0	\$0	\$22,044	0.00	\$21,820	\$0	\$0	\$21,820

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	585,805	623,519	37,714	6.44 %
Operating Expenses	76,254	79,654	3,400	4.46 %
Total Expenditures	\$662,059	\$703,173	\$41,114	6.21 %
General Fund	662,059	703,173	41,114	6.21 %
Total Funds	\$662,059	\$703,173	\$41,114	6.21 %
Total Ongoing	\$662,059	\$703,173	\$41,114	6.21 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-61.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.00	3.00	3.00	3.00
Personal Services	281,971	288,142	297,663	311,971	311,548
Operating Expenses	39,263	40,279	35,975	39,639	40,015
Total Expenditures	\$321,234	\$328,421	\$333,638	\$351,610	\$351,563
General Fund	321,234	328,421	333,638	351,610	351,563
Total Funds	\$321,234	\$328,421	\$333,638	\$351,610	\$351,563
Total Ongoing	\$321,234	\$328,421	\$333,638	\$351,610	\$351,563
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-62.

Funding

The Office of the Lieutenant Governor is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	333,638	333,638	667,276	94.90 %	333,638	333,638	667,276	94.90 %
SWPL Adjustments	17,972	17,925	35,897	5.10 %	17,972	17,925	35,897	5.10 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$351,610	\$351,563	\$703,173		\$351,610	\$351,563	\$703,173	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	14,308	0	0	14,308	0.00	13,885	0	0	13,885
DP 2 - Fixed Costs	0.00	2,366	0	0	2,366	0.00	2,429	0	0	2,429
DP 3 - Inflation Deflation	0.00	1,298	0	0	1,298	0.00	1,611	0	0	1,611
Grand Total All Present Law Adjustments	0.00	\$17,972	\$0	\$0	\$17,972	0.00	\$17,925	\$0	\$0	\$17,925

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	704,494	870,930	166,436	23.62 %
Operating Expenses	98,213	156,782	58,569	59.63 %
Total Expenditures	\$802,707	\$1,027,712	\$225,005	28.03 %
General Fund	802,707	1,027,712	225,005	28.03 %
Total Funds	\$802,707	\$1,027,712	\$225,005	28.03 %
Total Ongoing	\$802,707	\$1,027,712	\$225,005	28.03 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-65.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	361,366	371,202	333,292	435,856	435,074
Operating Expenses	30,454	44,124	54,089	78,089	78,693
Total Expenditures	\$391,820	\$415,326	\$387,381	\$513,945	\$513,767
General Fund	391,820	415,326	387,381	513,945	513,767
Total Funds	\$391,820	\$415,326	\$387,381	\$513,945	\$513,767
Total Ongoing	\$391,820	\$415,326	\$387,381	\$513,945	\$513,767
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-66.

Funding

The Mental Disabilities Board of Visitors and Mental Health Ombudsman are funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	387,381	387,381	774,762	75.39 %	387,381	387,381	774,762	75.39 %
SWPL Adjustments	126,564	126,386	252,950	24.61 %	126,564	126,386	252,950	24.61 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$513,945	\$513,767	\$1,027,712		\$513,945	\$513,767	\$1,027,712	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	102,564	0	0	102,564	0.00	101,782	0	0	101,782
DP 2 - Fixed Costs	0.00	23,612	0	0	23,612	0.00	24,122	0	0	24,122
DP 3 - Inflation Deflation	0.00	388	0	0	388	0.00	482	0	0	482
Grand Total All Present Law Adjustments	0.00	\$126,564	\$0	\$0	\$126,564	0.00	\$126,386	\$0	\$0	\$126,386

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	937,894	1,051,830	113,936	12.15 %
Operating Expenses	484,068	687,237	203,169	41.97 %
Total Expenditures	\$1,421,962	\$1,739,067	\$317,105	22.30 %
General Fund	1,421,962	1,739,067	317,105	22.30 %
Total Funds	\$1,421,962	\$1,739,067	\$317,105	22.30 %
Total Ongoing	\$1,242,786	\$1,514,572	\$271,786	21.87 %
Total OTO	\$179,176	\$224,495	\$45,319	25.29 %

Page Reference

Legislative Budget Analysis, page A-70

Agency Highlights

Commissioner of Political Practices Major Budget Highlights
<ul style="list-style-type: none"> The legislature adopted an increase to the Commissioner of Political Practice's total biennial appropriation of approximately \$317,000 or 22.3% compared to the 2019 biennium appropriation <ul style="list-style-type: none"> This biennial growth is influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 15.7% Changes adopted by the legislature include: <ul style="list-style-type: none"> Decreases in general fund for the statewide present law adjustment for personal services Increases in general fund for statewide present law adjustments for fixed costs and inflation/deflation A one-time-only increase in general fund for the reauthorization of 1.00 FTE for legal counsel A one-time-only increase in general fund in FY 2021 only for personal services funding related to the implementation of Legislative Referendum 129

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	6.00	6.00	7.00	7.00
Personal Services	430,061	432,618	505,276	513,598	538,232
Operating Expenses	194,081	237,508	246,560	349,827	337,410
Total Expenditures	\$624,142	\$670,126	\$751,836	\$863,425	\$875,642
General Fund	624,142	670,126	751,836	863,425	875,642
Total Funds	\$624,142	\$670,126	\$751,836	\$863,425	\$875,642
Total Ongoing	\$534,628	\$580,571	\$662,215	\$763,640	\$750,932
Total OTO	\$89,514	\$89,555	\$89,621	\$99,785	\$124,710

Page Reference

Legislative Budget Analysis, page A-71

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	6.00	7.00	7.00	0.00	7.00	7.00	0.00	0.00
Personal Services	505,276	513,598	513,598	0	513,048	538,232	25,184	25,184
Operating Expenses	246,560	349,827	349,827	0	337,410	337,410	0	0
Total Costs	\$751,836	\$863,425	\$863,425	\$0	\$850,458	\$875,642	\$25,184	\$25,184
General Fund	751,836	863,425	863,425	0	850,458	875,642	25,184	25,184
State/other Special Rev. Funds	0	0	0	0	0	0	0	0
Total Funds	\$751,836	\$863,425	\$863,425	\$0	\$850,458	\$875,642	\$25,184	\$25,184
Total Ongoing	\$662,215	\$863,425	\$763,640	(\$99,785)	\$850,458	\$750,932	(\$99,526)	(\$199,311)
Total OTO	\$89,621	\$0	\$99,785	\$99,785	\$0	\$124,710	\$124,710	\$224,495

The legislature adopted a budget that is approximately \$25,000 more than the proposed executive budget for the 2021 biennium. The major difference in the legislative budget compared to the executive budget request is a one-time-only appropriation for personal services related to the implementation of Legislative Referendum 129.

Legislative Referendum 129 (LR 129) was approved in the November 2018 General Election. This referendum added the Montana Ballot Interference Prevention Act under Montana Code Annotated Title 13, Chapter 35, part 7. The act limits who can collect and convey a ballot belonging to another person to a polling place or to the election administrator's office. Investigations and enforcement of the Act are the responsibility of the Commissioner of Political Practices in conjunction with the county attorneys (see 13-37-111(1), MCA). The legislature approved a one-time-only appropriation of approximately \$25,000 for a full-time position for six months in FY 2021 only (July 2020 – Dec 2020). The position is intended to be utilized two months prior and one month following the primary and general election period to collect the forms and to create and maintain a tracking database.

Additionally, the legislature adopted a proposal for 1.00 FTE for legal counsel for the Commissioner of Political Practices as a one-time-only appropriation, though it was proposed by the executive as an ongoing appropriation.

Funding

The following table shows agency funding by source of authority.

Total Commissioner of Political Practices Funding by Source of Authority 2021 Biennium Budget Request - Commissioner of Political Practices						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,514,572	224,495	0	0	1,739,067	100.00 %
State Special Total	0	0	0	0	0	0.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$1,514,572	\$224,495	\$0	\$0	\$1,739,067	
Percent - Total All Sources	87.09 %	12.91 %	0.00 %	0.00 %		

HB 2 Funding

The Office of the Commissioner of Political Practices is funded entirely with general fund. A small amount of revenue is generated from nominal fees for printing and distribution, as well as civil fines for violations of campaign laws. Both are deposited into the general fund.

In addition, the agency collects a \$150 lobbyist filing fee. Of this amount, \$50 is deposited into the general fund and \$100 is transferred to a state special revenue account. This state special revenue account is used for the development, operation, and maintenance of the state broadcasting system, Montana Public Affairs Network (MPAN).

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	662,215	662,215	1,324,430	76.16 %	662,215	662,215	1,324,430	76.16 %
SWPL Adjustments	101,425	88,717	190,142	10.93 %	101,425	88,717	190,142	10.93 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	99,785	124,710	224,495	12.91 %	99,785	124,710	224,495	12.91 %
Total Budget	\$863,425	\$875,642	\$1,739,067		\$863,425	\$875,642	\$1,739,067	

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Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
	0.00	(1,842)	0	0	(1,842)	0.00	(2,133)	0	0	(2,133)
DP 2 - Fixed Costs										
	0.00	103,205	0	0	103,205	0.00	90,774	0	0	90,774
DP 3 - Inflation Deflation										
	0.00	62	0	0	62	0.00	76	0	0	76
Grand Total All Present Law Adjustments										
	0.00	\$101,425	\$0	\$0	\$101,425	0.00	\$88,717	\$0	\$0	\$88,717

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3202 - Legal Counsel (OTO)	1.00	99,785	0	0	99,785	1.00	99,526	0	0	99,526
DP 3203 - Personal Services LR 129 (OTO)	0.00	0	0	0	0	0.00	25,184	0	0	25,184
Total	1.00	\$99,785	\$0	\$0	\$99,785	1.00	\$124,710	\$0	\$0	\$124,710

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3202 - Legal Counsel (OTO) -

The legislature adopted a one-time-only appropriation of general fund for the 2021 biennium for the reestablishment of 1.00 FTE for legal counsel for the Commissioner of Political Practices.

DP 3203 - Personal Services LR 129 (OTO) -

The legislature adopted a one-time-only appropriation of general fund in FY 2021 only for personal services related to the implementation of Legislative Referendum 129.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	13,014,385	13,227,579	213,194	1.64 %
Operating Expenses	3,608,749	4,604,125	995,376	27.58 %
Equipment & Intangible Assets	15,988	15,988	0	0.00 %
Total Expenditures	\$16,639,122	\$17,847,692	\$1,208,570	7.26 %
State/Other Special Rev. Funds	16,639,122	17,847,692	1,208,570	7.26 %
Total Funds	\$16,639,122	\$17,847,692	\$1,208,570	7.26 %
Total Ongoing	\$16,639,122	\$17,222,692	\$583,570	3.51 %
Total OTO	\$0	\$625,000	\$625,000	100.00 %

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Agency Highlights

State Auditor's Office Major Budget Highlights	
<ul style="list-style-type: none"> The legislature adopted an increase to the State Auditor's Office's total biennial appropriation of approximately \$1.2 million or 7.3% compared to the 2019 biennium appropriation Changes adopted by the legislature include: <ul style="list-style-type: none"> Increases in state special revenue for statewide present law adjustments for personal services, fixed costs, and inflation/deflation Increases in state special revenue for insurance contract examiners, market conduct examination contracts, and securities contract examinations An increase in state special revenue for captive insurance authority, contingent on the passage of SB 55 A restricted, biennial, and one-time-only appropriation of state special revenue for agency retirement payouts A reduction of 7.11 FTE and associated state special revenue funding for personal services. This reduction is partially offset by a one-time-only, biennial increase in operating expenses 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	81.11	81.11	74.00	74.00
Personal Services	5,522,689	6,380,421	6,633,964	6,753,530	6,474,049
Operating Expenses	1,490,234	1,825,011	1,783,738	2,274,723	2,329,402
Equipment & Intangible Assets	9,725	7,994	7,994	7,994	7,994
Total Expenditures	\$7,022,648	\$8,213,426	\$8,425,696	\$9,036,247	\$8,811,445
State/Other Special Rev. Funds	7,022,648	8,213,426	8,425,696	9,036,247	8,811,445
Total Funds	\$7,022,648	\$8,213,426	\$8,425,696	\$9,036,247	\$8,811,445
Total Ongoing	\$7,022,648	\$8,213,426	\$8,425,696	\$8,586,247	\$8,636,445
Total OTO	\$0	\$0	\$0	\$450,000	\$175,000

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	81.11	81.11	74.00	(7.11)	81.11	74.00	(7.11)	(7.11)
Personal Services	6,633,964	6,839,809	6,753,530	(86,279)	6,839,088	6,474,049	(365,039)	(451,318)
Operating Expenses	1,783,738	2,041,019	2,274,723	233,704	2,092,148	2,329,402	237,254	470,958
Equipment & Intangible Assets	7,994	7,994	7,994	0	7,994	7,994	0	0
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$8,425,696	\$8,888,822	\$9,036,247	\$147,425	\$8,939,230	\$8,811,445	(\$127,785)	\$19,640
General Fund	0	0	0	0	0	0	0	0
State/other Special Rev. Funds	8,425,696	8,888,822	9,036,247	147,425	8,939,230	8,811,445	(127,785)	19,640
Total Funds	\$8,425,696	\$8,888,822	\$9,036,247	\$147,425	\$8,939,230	\$8,811,445	(\$127,785)	\$19,640
Total Ongoing	\$8,425,696	\$8,888,822	\$8,586,247	(\$302,575)	\$8,939,230	\$8,636,445	(\$302,785)	(\$605,360)
Total OTO	\$0	\$0	\$450,000	\$450,000	\$0	\$175,000	\$175,000	\$625,000

The legislature adopted a budget that is approximately \$20,000 more than the proposed executive budget for the 2021 biennium. There are two major differences in the legislative budget as compared to the executive budget:

- A restricted, biennial, and one-time-only appropriation for agency retirement payouts
- An increase in captive insurance authority, contingent on the passage of SB 55
- A reduction of 7.11 FTE and associated funding. This decrease in personal services funding is partially offset by an increase in operating expenses

The State Auditor's Office has 28.00 FTE eligible to retire in the 2021 biennium, comprising approximately 34.6% of the agency's total 81.00 FTE. The office estimates that 15.0% of current employees will retire in the next biennium, and the legislature adopted a one-time-only appropriation of \$275,000 in state special revenue for retirement payouts.

The executive budget proposal included a request to reduce captive insurance authority by approximately \$70,000 in state special revenue each fiscal year in order to match revenue projections for the 2021 biennium. However, the State Auditor's elected official request proposed an increase in captive insurance authority, contingent on the passage of SB 55. If passed and approved, SB 55 would increase the percentage of captive insurance premium tax deposited into the captive account pursuant to 33-28-120, MCA from 5.0% to 10.0%. The legislature adopted an increase of approximately \$140,000 in state special revenue in both FY 2020 and FY 2021, instead of the decrease proposed by the executive.

The legislature also approved a reduction of 7.11 FTE throughout the agency and the reduction \$1.0 million of state special revenue in associated personal services funding over the biennium. This reduction is partially offset by a one-time-only, biennial increase in operating expenses of \$175,000 state special revenue in each fiscal year.

Funding

The following table shows agency funding by source of authority.

Total State Auditor's Office Funding by Source of Authority 2021 Biennium Budget Request - State Auditor's Office						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	70,955,956	70,955,956	79.63 %
State Special Total	17,222,692	625,000	0	300,000	18,147,692	20.37 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$17,222,692	\$625,000	\$0	\$71,255,956	\$89,103,648	
Percent - Total All Sources	19.33 %	0.70 %	0.00 %	79.97 %		

HB 2 Funding

The operations of the State Auditor's Office are funded entirely with state special revenue. There are two state special revenue funds that account for the majority of the funding for the office: the insurance fee account and the securities fee account. These funds will be discussed in further detail in the individual programs that utilize the funds.

Statutory Authority

The State Auditor's Office is responsible for passing through funding for local police and firefighter retirement programs. The retirement programs are funded from general insurance (33-2-705, MCA) and fire insurance premium taxes (50-3-109, MCA). Because these funds are statutorily appropriated, the expenditures are not included in the general appropriations act.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	8,425,696	8,425,696	16,851,392	94.42 %
SWPL Adjustments	0	0	0	0.00 %	257,792	203,200	460,992	2.58 %
PL Adjustments	0	0	0	0.00 %	695,038	523,588	1,218,626	6.83 %
New Proposals	0	0	0	0.00 %	(342,279)	(341,039)	(683,318)	(3.83)%
Total Budget	\$0	\$0	\$0		\$9,036,247	\$8,811,445	\$17,847,692	

Language and Statutory Authority

If SB 55 is not passed and approved, the appropriation for Captive Insurance Adjustments is void.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,917,724	2,967,226	49,502	1.70 %
Operating Expenses	1,335,935	1,288,376	(47,559)	(3.56)%
Equipment & Intangible Assets	3,366	3,366	0	0.00 %
Total Expenditures	\$4,257,025	\$4,258,968	\$1,943	0.05 %
State/Other Special Rev. Funds	4,257,025	4,258,968	1,943	0.05 %
Total Funds	\$4,257,025	\$4,258,968	\$1,943	0.05 %
Total Ongoing	\$4,257,025	\$4,238,968	(\$18,057)	(0.42)%
Total OTO	\$0	\$20,000	\$20,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	18.00	18.00	17.00	17.00
Personal Services	1,179,760	1,434,711	1,483,013	1,494,069	1,473,157
Operating Expenses	512,689	673,429	662,506	649,101	639,275
Equipment & Intangible Assets	9,725	1,683	1,683	1,683	1,683
Total Expenditures	\$1,702,174	\$2,109,823	\$2,147,202	\$2,144,853	\$2,114,115
State/Other Special Rev. Funds	1,702,174	2,109,823	2,147,202	2,144,853	2,114,115
Total Funds	\$1,702,174	\$2,109,823	\$2,147,202	\$2,144,853	\$2,114,115
Total Ongoing	\$1,702,174	\$2,109,823	\$2,147,202	\$2,124,853	\$2,114,115
Total OTO	\$0	\$0	\$0	\$20,000	\$0

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Funding

HB 2 Funding

The Centralized Management Division is funded entirely from state special revenue. Insurance and securities fees are the two sources of funding, and the insurance fee account supports the majority of total division costs.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	2,147,202	2,147,202	4,294,404	100.83 %	
SWPL Adjustments	0	0	0	0.00 %	19,223	8,397	27,620	0.65 %	
PL Adjustments	0	0	0	0.00 %	20,160	160	20,320	0.48 %	
New Proposals	0	0	0	0.00 %	(41,732)	(41,644)	(83,376)	(1.96)%	
Total Budget	\$0	\$0	\$0		\$2,144,853	\$2,114,115	\$4,258,968		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	32,788	0	32,788	0.00	0	31,788	0	31,788
DP 2 - Fixed Costs	0.00	0	(13,604)	0	(13,604)	0.00	0	(23,439)	0	(23,439)
DP 3 - Inflation Deflation	0.00	0	39	0	39	0.00	0	48	0	48
DP 4 - Agency Retirement Payouts (RST/BIEN/OTO)	0.00	0	20,000	0	20,000	0.00	0	0	0	0
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	160	0	160	0.00	0	160	0	160
Grand Total All Present Law Adjustments	0.00	\$0	\$39,383	\$0	\$39,383	0.00	\$0	\$8,557	\$0	\$8,557

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Agency Retirement Payouts (RST/BIEN/OTO) -

The legislature adopted a restricted, biennial, and one-time-only appropriation of state special revenue for retirement payouts for sick and vacation leave balances during FY 2020 and FY 2021.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - FTE Reduction										
	(1.00)	0	(41,732)	0	(41,732)	(1.00)	0	(41,644)	0	(41,644)
Total	(1.00)	\$0	(\$41,732)	\$0	(\$41,732)	(1.00)	\$0	(\$41,644)	\$0	(\$41,644)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11 - FTE Reduction -

The legislature approved a reduction of 1.00 FTE and the associated personal services funding.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	8,036,758	8,170,048	133,290	1.66 %
Operating Expenses	2,035,195	3,025,029	989,834	48.64 %
Equipment & Intangible Assets	10,218	10,218	0	0.00 %
Total Expenditures	\$10,082,171	\$11,205,295	\$1,123,124	11.14 %
State/Other Special Rev. Funds	10,082,171	11,205,295	1,123,124	11.14 %
Total Funds	\$10,082,171	\$11,205,295	\$1,123,124	11.14 %
Total Ongoing	\$10,082,171	\$10,665,295	\$583,124	5.78 %
Total OTO	\$0	\$540,000	\$540,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	51.50	51.50	46.00	46.00
Personal Services	3,510,979	3,934,168	4,102,590	4,181,705	3,988,343
Operating Expenses	813,566	1,029,323	1,005,872	1,476,859	1,548,170
Equipment & Intangible Assets	0	5,109	5,109	5,109	5,109
Total Expenditures	\$4,324,545	\$4,968,600	\$5,113,571	\$5,663,673	\$5,541,622
State/Other Special Rev. Funds	4,324,545	4,968,600	5,113,571	5,663,673	5,541,622
Total Funds	\$4,324,545	\$4,968,600	\$5,113,571	\$5,663,673	\$5,541,622
Total Ongoing	\$4,324,545	\$4,968,600	\$5,113,571	\$5,298,673	\$5,366,622
Total OTO	\$0	\$0	\$0	\$365,000	\$175,000

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Funding

HB 2 Funding

The Insurance Division is funded entirely with state special revenue. The majority of funding is from the insurance fee account, which is supported by insurance licensure fees, examination fees, and penalties. The Insurance Division also receives funding from the captive account which allows the State Auditor to administer the captive insurance program. Fees and assessments are deposited in this account, while fines and penalties are deposited in the general fund. At the end of the fiscal year, the balance of the captive account is transferred to the general fund.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	5,113,571	5,113,571	10,227,142	91.27 %	
SWPL Adjustments	0	0	0	0.00 %	234,900	198,215	433,115	3.87 %	
PL Adjustments	0	0	0	0.00 %	579,763	493,313	1,073,076	9.58 %	
New Proposals	0	0	0	0.00 %	(264,561)	(263,477)	(528,038)	(4.71)%	
Total Budget	\$0	\$0	\$0		\$5,663,673	\$5,541,622	\$11,205,295		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	218,676	0	218,676	0.00	0	214,230	0	214,230
DP 2 - Fixed Costs	0.00	0	16,027	0	16,027	0.00	0	(16,260)	0	(16,260)
DP 3 - Inflation Deflation	0.00	0	197	0	197	0.00	0	245	0	245
DP 4 - Agency Retirement Payouts (RST/BIEN/OTO)	0.00	0	190,000	0	190,000	0.00	0	0	0	0
DP 5 - Insurance Contract Examiners	0.00	0	100,000	0	100,000	0.00	0	200,000	0	200,000
DP 6 - Market Conduct Examination Contracts	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
DP 13 - Captive Insurance Adjustments	0.00	0	139,250	0	139,250	0.00	0	142,800	0	142,800
Grand Total All Present Law Adjustments	0.00	\$0	\$814,150	\$0	\$814,150	0.00	\$0	\$691,015	\$0	\$691,015

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Agency Retirement Payouts (RST/BIEN/OTO) -

The legislature adopted a restricted, biennial, and one-time-only appropriation of state special revenue for retirement payouts for sick and vacation leave balances during FY 2020 and FY 2021.

DP 5 - Insurance Contract Examiners -

The legislature adopted an appropriation of state special revenue, which will be reimbursed to the agency. The State Auditor's Office will examine each authorized insurer not less frequently than every 5 years. Section 33-1-408(4), MCA, allows that the Commissioner may retain attorneys, appraisers, independent actuaries, independent certified public accountants, or other professionals and specialist as examiners. The amount of funding required per fiscal year to retain contracted services is a function of the examination schedule established by the Commissioner. The year-to-year funding requirement can fluctuate, based on the number of companies to be examined and the size and complexity of those companies.

DP 6 - Market Conduct Examination Contracts -

The legislature adopted an appropriation of state special revenue authority for market conduct exams of regulated insurance companies. Section 33-1-408(4), MCA, allows that the Commissioner may retain attorneys, appraisers, independent actuaries, independent certified public accountants, or other professionals and specialists as examiners. The amount of funding required per fiscal year to retain contracted services is a function of the examination schedule established by the Commissioner. The year-to-year funding requirement can fluctuate, based on the number of companies to be examined and the size and complexity of those companies. The cost of these examinations will be borne by the companies and insurers being examined and will be reimbursed to the agency.

DP 13 - Captive Insurance Adjustments -

The legislature adopted an increase in captive insurance authority, contingent on the passage of SB 55.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - FTE Reduction	(5.50)	0	(439,561)	0	(439,561)	(5.50)	0	(438,477)	0	(438,477)
DP 12 - Operating Adjustments (BIEN/OTO)	0.00	0	175,000	0	175,000	0.00	0	175,000	0	175,000
Total	(5.50)	\$0	(\$264,561)	\$0	(\$264,561)	(5.50)	\$0	(\$263,477)	\$0	(\$263,477)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11 - FTE Reduction -

The legislature approved a reduction of 5.50 FTE and the associated personal services funding.

DP 12 - Operating Adjustments (BIEN/OTO) -

The legislature adopted a one-time-only, biennial increase in operating expenses to partially offset the reduction of FTE and associated personal services funding.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,059,903	2,090,305	30,402	1.48 %
Operating Expenses	237,619	290,720	53,101	22.35 %
Equipment & Intangible Assets	2,404	2,404	0	0.00 %
Total Expenditures	\$2,299,926	\$2,383,429	\$83,503	3.63 %
State/Other Special Rev. Funds	2,299,926	2,383,429	83,503	3.63 %
Total Funds	\$2,299,926	\$2,383,429	\$83,503	3.63 %
Total Ongoing	\$2,299,926	\$2,318,429	\$18,503	0.80 %
Total OTO	\$0	\$65,000	\$65,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	11.61	11.61	11.00	11.00
Personal Services	831,950	1,011,542	1,048,361	1,077,756	1,012,549
Operating Expenses	163,979	122,259	115,360	148,763	141,957
Equipment & Intangible Assets	0	1,202	1,202	1,202	1,202
Total Expenditures	\$995,929	\$1,135,003	\$1,164,923	\$1,227,721	\$1,155,708
State/Other Special Rev. Funds	995,929	1,135,003	1,164,923	1,227,721	1,155,708
Total Funds	\$995,929	\$1,135,003	\$1,164,923	\$1,227,721	\$1,155,708
Total Ongoing	\$995,929	\$1,135,003	\$1,164,923	\$1,162,721	\$1,155,708
Total OTO	\$0	\$0	\$0	\$65,000	\$0

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Funding

HB 2 Funding

The Securities Division is funded entirely with state special revenue. The majority of funding is from the securities fee account, which is supported by portfolio notice filing fees and examination charges. The State Auditor pays for expenses associated with the regulation of portfolio activities.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	1,164,923	1,164,923	2,329,846	97.75 %	
SWPL Adjustments	0	0	0	0.00 %	3,669	(3,412)	257	0.01 %	
PL Adjustments	0	0	0	0.00 %	95,115	30,115	125,230	5.25 %	
New Proposals	0	0	0	0.00 %	(35,986)	(35,918)	(71,904)	(3.02)%	
Total Budget	\$0	\$0	\$0		\$1,227,721	\$1,155,708	\$2,383,429		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	381	0	381	0.00	0	106	0	106
DP 2 - Fixed Costs	0.00	0	3,188	0	3,188	0.00	0	(3,642)	0	(3,642)
DP 3 - Inflation Deflation	0.00	0	100	0	100	0.00	0	124	0	124
DP 4 - Agency Retirement Payouts (RST/BIEN/OTO)	0.00	0	65,000	0	65,000	0.00	0	0	0	0
DP 7 - Securities Contract Examinations	0.00	0	30,000	0	30,000	0.00	0	30,000	0	30,000
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	115	0	115	0.00	0	115	0	115
Grand Total All Present Law Adjustments	0.00	\$0	\$98,784	\$0	\$98,784	0.00	\$0	\$26,703	\$0	\$26,703

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Agency Retirement Payouts (RST/BIEN/OTO) -

The legislature adopted a restricted, biennial, and one-time-only appropriation of state special revenue for retirement payouts for sick and vacation leave balances during FY 2020 and FY 2021.

DP 7 - Securities Contract Examinations -

The legislature adopted an appropriation of state special revenue authority for securities contract examinations. The State Auditor's Office conducts routine and for-cause examinations of broker-dealer branch offices, investment advisory firms, and issuers to ensure compliance with the Montana Securities Act and to resolve deficiencies and determine the need for further investigation. The securities examination section of the office employs only two individuals with the requisite knowledge and skills to conduct examinations. To fulfill its obligation to protect Montana investors, the State Auditor's Office also uses an independent contractor to perform routine examinations. The cost of these examinations will be borne by the firms and issuers being examined and will be reimbursed to the agency.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - FTE Reduction	(0.61)	0	(35,986)	0	(35,986)	(0.61)	0	(35,918)	0	(35,918)
Total	(0.61)	\$0	(\$35,986)	\$0	(\$35,986)	(0.61)	\$0	(\$35,918)	\$0	(\$35,918)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11 - FTE Reduction -

The legislature approved a reduction of 0.61 FTE and the associated personal services funding.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	83,212,489	89,923,259	6,710,770	8.06 %
Operating Expenses	27,835,047	30,327,748	2,492,701	8.96 %
Equipment & Intangible Assets	83,108	61,108	(22,000)	(26.47)%
Transfers	8,579	3,000	(5,579)	(65.03)%
Debt Service	88,428	21,770	(66,658)	(75.38)%
Total Expenditures	\$111,227,651	\$120,336,885	\$9,109,234	8.19 %
General Fund	102,158,050	110,714,128	8,556,078	8.38 %
State/Other Special Rev. Funds	1,920,361	1,979,898	59,537	3.10 %
Federal Spec. Rev. Funds	525,344	549,977	24,633	4.69 %
Proprietary Funds	6,623,896	7,092,882	468,986	7.08 %
Total Funds	\$111,227,651	\$120,336,885	\$9,109,234	8.19 %
Total Ongoing	\$110,977,651	\$120,086,885	\$9,109,234	8.21 %
Total OTO	\$250,000	\$250,000	\$0	0.00 %

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Agency Highlights

Department of Revenue Major Budget Highlights
<ul style="list-style-type: none"> The legislature adopted an increase to the Department of Revenue's total biennial appropriation of approximately \$9.1 million or 8.2% compared to the 2019 biennium appropriation <ul style="list-style-type: none"> This biennial growth is influenced by the FY 2018 appropriation reductions. Compared to the FY 2019 base appropriation, the growth is 4.8% The legislature adopted a reduction in 7.85 FTE, making permanent certain SB 261 reductions enacted by the 2017 Legislature The legislature adopted an additional reduction of 25.00 FTE in the Property Assessment Division The legislature adopted restricted/one-time-only appropriations for overtime and termination payouts in the Alcoholic Beverage Control Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	654.52	654.52	621.67	621.67
Personal Services	40,679,466	40,819,501	42,392,988	44,967,995	44,955,264
Operating Expenses	12,564,698	12,897,067	14,937,980	15,256,420	15,071,328
Equipment & Intangible Assets	29,062	52,554	30,554	30,554	30,554
Transfers	5,589	7,079	1,500	1,500	1,500
Debt Service	37,623	46,064	42,364	10,885	10,885
Total Expenditures	\$53,316,438	\$53,822,265	\$57,405,386	\$60,267,354	\$60,069,531
General Fund	49,108,344	49,334,221	52,823,829	55,458,744	55,255,384
State/Other Special Rev. Funds	958,540	958,539	961,822	989,944	989,954
Federal Spec. Rev. Funds	262,352	262,351	262,993	275,070	274,907
Proprietary Funds	2,987,202	3,267,154	3,356,742	3,543,596	3,549,286
Total Funds	\$53,316,438	\$53,822,265	\$57,405,386	\$60,267,354	\$60,069,531
Total Ongoing	\$53,278,281	\$53,697,265	\$57,280,386	\$60,142,354	\$59,944,531
Total OTO	\$38,157	\$125,000	\$125,000	\$125,000	\$125,000

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
Budget Item	Fiscal 2019	Fiscal 2020	Fiscal 2020	Fiscal 2020	Fiscal 2021	Fiscal 2021	Fiscal 2021	Fiscal 20-21
FTE	654.52	646.67	621.67	(25.00)	646.67	621.67	(25.00)	(25.00)
Personal Services	42,392,988	46,292,338	44,967,995	(1,324,343)	46,279,607	44,955,264	(1,324,343)	(2,648,686)
Operating Expenses	14,937,980	15,255,919	15,256,420	501	15,070,827	15,071,328	501	1,002
Equipment & Intangible Assets	30,554	30,554	30,554	0	30,554	30,554	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Transfers	1,500	1,500	1,500	0	1,500	1,500	0	0
Debt Service	42,364	7,528	10,885	3,357	7,528	10,885	3,357	6,714
Total Costs	\$57,405,386	\$61,587,839	\$60,267,354	(\$1,320,485)	\$61,390,016	\$60,069,531	(\$1,320,485)	(\$2,640,970)
General Fund	52,823,829	56,700,890	55,458,744	(1,242,146)	56,497,530	55,255,384	(1,242,146)	(2,484,292)
State/other Special Rev. Funds	961,822	1,007,932	989,944	(17,988)	1,007,942	989,954	(17,988)	(35,976)
Federal Spec. Rev. Funds	262,993	282,961	275,070	(7,891)	282,798	274,907	(7,891)	(15,782)
Other	3,356,742	3,596,056	3,543,596	(52,460)	3,601,746	3,549,286	(52,460)	(104,920)
Total Funds	\$57,405,386	\$61,587,839	\$60,267,354	(\$1,320,485)	\$61,390,016	\$60,069,531	(\$1,320,485)	(\$2,640,970)
Total Ongoing	\$57,280,386	\$61,462,839	\$60,142,354	(\$1,320,485)	\$61,265,016	\$59,944,531	(\$1,320,485)	(\$2,640,970)
Total OTO	\$125,000	\$125,000	\$125,000	\$0	\$125,000	\$125,000	\$0	\$0

The legislature adopted a budget that is approximately \$2.6 million less than the proposed executive budget for the 2021 biennium. The major differences in the legislative budget compared to the proposed executive budget are:

- The legislature adopted a reduction of the proposed reinstatement of personal services

- The legislature adopted an increase in the statewide cost allocation plan

Funding

The following table shows agency funding by source of authority.

Total Department of Revenue Funding by Source of Authority 2021 Biennium Budget Request - Department of Revenue						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	110,714,128	0	0	267,610,616	378,324,744	74.77 %
State Special Total	1,979,898	0	0	117,606,050	119,585,948	23.63 %
Federal Special Total	549,977	0	0	0	549,977	0.11 %
Proprietary Total	6,842,882	250,000	439,124	0	7,532,006	1.49 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$120,086,885	\$250,000	\$439,124	\$385,216,666	\$505,992,675	
Percent - Total All Sources	23.73 %	0.05 %	0.09 %	76.13 %		

The Department of Revenue receives most of its funding, outside of the proprietary funds for the Alcoholic Beverage Control Division, from the general fund, with small amounts coming from state special and federal special revenue.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	52,823,829	52,823,829	105,647,658	95.42 %	57,280,386	57,280,386	114,560,772	95.20 %
SWPL Adjustments	269,089	79,197	348,286	0.31 %	283,103	98,011	381,114	0.32 %
PL Adjustments	2,595,091	2,580,475	5,175,566	4.67 %	2,917,179	2,903,300	5,820,479	4.84 %
New Proposals	(229,265)	(228,117)	(457,382)	(0.41)%	(213,314)	(212,166)	(425,480)	(0.35)%
Total Budget	\$55,458,744	\$55,255,384	\$110,714,128		\$60,267,354	\$60,069,531	\$120,336,885	

Language and Statutory Authority

Alcoholic Beverage Control Division proprietary funds necessary to maintain adequate inventories, pay freight charges, and transfer profits and taxes to appropriate accounts are appropriated from the liquor enterprise fund to the department in the amounts not to exceed \$154.5 million in FY 2020 and \$154.5 million in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	14,945,236	15,740,774	795,538	5.32 %
Operating Expenses	12,117,911	13,628,856	1,510,945	12.47 %
Equipment & Intangible Assets	11,000	0	(11,000)	(100.00)%
Transfers	3,000	3,000	0	0.00 %
Debt Service	9,000	9,000	0	0.00 %
Total Expenditures	\$27,086,147	\$29,381,630	\$2,295,483	8.47 %
General Fund	26,091,527	28,356,245	2,264,718	8.68 %
State/Other Special Rev. Funds	244,743	253,045	8,302	3.39 %
Proprietary Funds	749,877	772,340	22,463	3.00 %
Total Funds	\$27,086,147	\$29,381,630	\$2,295,483	8.47 %
Total Ongoing	\$27,086,147	\$29,381,630	\$2,295,483	8.47 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	85.19	85.19	84.19	84.19
Personal Services	7,333,767	7,335,085	7,610,151	7,871,480	7,869,294
Operating Expenses	5,149,466	5,326,497	6,791,414	6,907,406	6,721,450
Equipment & Intangible Assets	10,135	11,000	0	0	0
Transfers	10	1,500	1,500	1,500	1,500
Debt Service	1,857	4,500	4,500	4,500	4,500
Total Expenditures	\$12,495,235	\$12,678,582	\$14,407,565	\$14,784,886	\$14,596,744
General Fund	11,999,328	12,182,675	13,908,852	14,272,171	14,084,074
State/Other Special Rev. Funds	121,670	121,670	123,073	126,528	126,517
Proprietary Funds	374,237	374,237	375,640	386,187	386,153
Total Funds	\$12,495,235	\$12,678,582	\$14,407,565	\$14,784,886	\$14,596,744
Total Ongoing	\$12,495,235	\$12,678,582	\$14,407,565	\$14,784,886	\$14,596,744
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

Funding for the Director's Office HB 2 budget comes primarily from the general fund. State special revenue from tobacco settlement funds supports the dedicated attorney that supports tobacco tax compliance activities. State special revenue from medical marijuana license fees supports administration and fee collection related to that program.

Proprietary Funding

Proprietary funding is from a direct appropriation of the Alcoholic Beverage Control Division proprietary fund and is for the Alcoholic Beverage Control Division share of Director's Office support costs. The allocation is calculated as a percentage of the program's budget. Alcoholic Beverage Control Division proprietary funds are an indirect use of general fund since net liquor revenues are deposited in the general fund after operating costs are deducted.

Statutory Appropriations

Total funding for the Director's Office also includes two general fund statutory appropriations:

- The largest of the statutory appropriations is a pass-through general fund appropriation for the state entitlement shares, as provided in 15-1-121, MCA. This distribution resulted from HB 124 in the 2001 Legislative Session, which reallocated revenue received by local governments, school districts, and some state special revenue accounts to the general fund and replaced foregone revenue with permanent state entitlement grants to counties and cities
- A statutory appropriation for out of state travel costs for tax audits, which is provided for in 15-1-218, MCA

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	13,908,852	13,908,852	27,817,704	98.10 %	14,407,565	14,407,565	28,815,130	98.07 %
SWPL Adjustments	114,313	(71,643)	42,670	0.15 %	114,313	(71,643)	42,670	0.15 %
PL Adjustments	267,213	264,804	532,017	1.88 %	278,249	275,795	554,044	1.89 %
New Proposals	(18,207)	(17,939)	(36,146)	(0.13)%	(15,241)	(14,973)	(30,214)	(0.10)%
Total Budget	\$14,272,171	\$14,084,074	\$28,356,245		\$14,784,886	\$14,596,744	\$29,381,630	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	113,723	0	0	113,723	0.00	(72,375)	0	0	(72,375)
DP 3 - Inflation Deflation	0.00	590	0	0	590	0.00	732	0	0	732
DP 50 - Personal Services Adjustment	(1.00)	267,213	2,309	0	276,570	(1.00)	264,804	2,298	0	274,116
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	414	0	1,679	0.00	0	414	0	1,679
Grand Total All Present Law Adjustments	(1.00)	\$381,526	\$2,723	\$0	\$392,562	(1.00)	\$193,161	\$2,712	\$0	\$204,152

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include a reduction of 1.00 FTE.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 12 - FTE Reductions	(1.00)	(102,741)	0	0	(102,741)	(1.00)	(102,473)	0	0	(102,473)
DP 14 - SFC Partial Restoration of DP 50	1.00	84,534	732	0	87,500	1.00	84,534	732	0	87,500
Total	0.00	(\$18,207)	\$732	\$0	(\$15,241)	0.00	(\$17,939)	\$732	\$0	(\$14,973)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 12 - FTE Reductions -

The legislature adopted a reduction of 1.00 FTE in the Director's Office Program to make permanent certain reductions from SB 261 passed by the 2017 legislature.

DP 14 - SFC Partial Restoration of DP 50 -

The legislature adopted a partial restoration of \$87,500 and 1.00 FTE in each fiscal year to offset the reductions to the statewide present law adjustment for personal services.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,597,869	5,011,270	413,401	8.99 %
Operating Expenses	1,062,799	1,164,446	101,647	9.56 %
Equipment & Intangible Assets	61,108	61,108	0	0.00 %
Transfers	5,579	0	(5,579)	(100.00)%
Debt Service	66,658	0	(66,658)	(100.00)%
Total Expenditures	\$5,794,013	\$6,236,824	\$442,811	7.64 %
Proprietary Funds	5,794,013	6,236,824	442,811	7.64 %
Total Funds	\$5,794,013	\$6,236,824	\$442,811	7.64 %
Total Ongoing	\$5,544,013	\$5,986,824	\$442,811	7.99 %
Total OTO	\$250,000	\$250,000	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-112

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	31.75	31.75	31.75	31.75
Personal Services	2,126,749	2,255,092	2,342,777	2,505,251	2,506,019
Operating Expenses	396,722	526,510	536,289	579,750	584,696
Equipment & Intangible Assets	8,792	30,554	30,554	30,554	30,554
Transfers	5,579	5,579	0	0	0
Debt Service	35,120	35,179	31,479	0	0
Total Expenditures	\$2,572,962	\$2,852,914	\$2,941,099	\$3,115,555	\$3,121,269
Proprietary Funds	2,572,962	2,852,914	2,941,099	3,115,555	3,121,269
Total Funds	\$2,572,962	\$2,852,914	\$2,941,099	\$3,115,555	\$3,121,269
Total Ongoing	\$2,534,805	\$2,727,914	\$2,816,099	\$2,990,555	\$2,996,269
Total OTO	\$38,157	\$125,000	\$125,000	\$125,000	\$125,000

Page Reference

Legislative Budget Analysis, A-113

Funding

The division is funded with a direct appropriation of Alcoholic Beverage Control Division proprietary funds. Net revenues from liquor sales are transferred to the general fund after operating costs are deducted from gross revenues. Consequently, any proposals funded through this program are an indirect use of state general fund. The HB 2 OTO funding is for DPs 6 and 7 for anticipated termination payouts and overtime funding.

The budget proposal includes a language appropriation for up to \$309.0 million over the biennium for liquor inventories, freight charges, and to transfer profits and taxes to appropriate accounts.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	2,816,099	2,816,099	5,632,198	90.31 %
SWPL Adjustments	0	0	0	0.00 %	10,958	15,904	26,862	0.43 %
PL Adjustments	0	0	0	0.00 %	288,498	289,266	577,764	9.26 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$3,115,555	\$3,121,269	\$6,236,824	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

-----Fiscal 2020-----					-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	9,494	0.00	0	0	0	14,088
DP 3 - Inflation Deflation	0.00	0	0	1,464	0.00	0	0	0	1,816
DP 6 - Overtime-ABCD (Restricted/OTO)	0.00	0	0	65,000	0.00	0	0	0	65,000
DP 7 - Term Payout-ABCD (Restricted/OTO)	0.00	0	0	60,000	0.00	0	0	0	60,000
DP 13 - Technical Amendment Adjustment	0.00	0	0	3,357	0.00	0	0	0	3,357
DP 50 - Personal Services Adjustment	0.00	0	0	162,474	0.00	0	0	0	163,242
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	(2,333)	0.00	0	0	0	(2,333)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$299,456	0.00	\$0	\$0	\$0	\$305,170

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 6 - Overtime-ABCD (Restricted/OTO) -

The legislature adopted restricted, one-time-only appropriations of \$65,000 in FY 2018 and FY 2019. This funding is necessary to pay for overtime and temporary staff to meet the increase in demand for liquor products especially during peaks periods, holiday weeks, and to back fill personnel while out on vacation or sick leave.

DP 7 - Term Payout-ABCD (Restricted/OTO) -

The legislature adopted restricted, one-time-only appropriations of \$60,000 in FY 2018 and FY 2019 to pay out accrued leave balances for employees retiring and/or leaving the division.

DP 13 - Technical Amendment Adjustment -

This adjustment provides \$3,357 additional proprietary authority in each fiscal year to offset an unintentional negative adjustment in DP 2.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,656,677	12,177,451	1,520,774	14.27 %
Operating Expenses	5,171,788	5,364,635	192,847	3.73 %
Total Expenditures	\$15,828,465	\$17,542,086	\$1,713,621	10.83 %
General Fund	15,337,697	17,028,540	1,690,843	11.02 %
State/Other Special Rev. Funds	410,762	429,828	19,066	4.64 %
Proprietary Funds	80,006	83,718	3,712	4.64 %
Total Funds	\$15,828,465	\$17,542,086	\$1,713,621	10.83 %
Total Ongoing	\$15,828,465	\$17,542,086	\$1,713,621	10.83 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-116

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	99.95	99.95	99.95	99.95
Personal Services	4,954,773	4,954,808	5,701,869	6,088,416	6,089,035
Operating Expenses	2,432,648	2,440,855	2,730,933	2,683,140	2,681,495
Total Expenditures	\$7,387,421	\$7,395,663	\$8,432,802	\$8,771,556	\$8,770,530
General Fund	7,142,037	7,150,279	8,187,418	8,514,813	8,513,727
State/Other Special Rev. Funds	205,381	205,381	205,381	214,889	214,939
Proprietary Funds	40,003	40,003	40,003	41,854	41,864
Total Funds	\$7,387,421	\$7,395,663	\$8,432,802	\$8,771,556	\$8,770,530
Total Ongoing	\$7,387,421	\$7,395,663	\$8,432,802	\$8,771,556	\$8,770,530
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-117

Funding

The Citizens Services and Resource Management Division is funded primarily with general fund. State special revenue funds the division's administration of the livestock per capita fee and medical marijuana tax, and for support of the unclaimed property program. The finances of the Collections Services Program are not shown in the HB 2 tables because it is funded with proprietary funds. The Collections Services Program is discussed in the Proprietary Rates Section that follows the HB 2 discussion. The Citizen Services and Resource Management program is also responsible for the statutorily appropriated distributions of various tax revenues to local and tribal governments.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	8,187,418	8,187,418	16,374,836	96.16 %	8,432,802	8,432,802	16,865,604	96.14 %
SWPL Adjustments	(47,831)	(49,476)	(97,307)	(0.57)%	(47,831)	(49,476)	(97,307)	(0.55)%
PL Adjustments	205,361	205,920	411,281	2.42 %	211,585	212,204	423,789	2.42 %
New Proposals	169,865	169,865	339,730	2.00 %	175,000	175,000	350,000	2.00 %
Total Budget	\$8,514,813	\$8,513,727	\$17,028,540		\$8,771,556	\$8,770,530	\$17,542,086	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	(47,835)	0	0	(47,835)	0.00	(49,481)	0	0	(49,481)
DP 3 - Inflation Deflation	0.00	4	0	0	4	0.00	5	0	0	5
DP 50 - Personal Services Adjustment	(2.00)	205,361	5,178	0	211,547	(2.00)	205,920	5,228	0	212,166
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	32	0	38	0.00	0	32	0	38
Grand Total All Present Law Adjustments	(2.00)	\$157,530	\$5,210	\$0	\$163,754	(2.00)	\$156,444	\$5,260	\$0	\$162,728

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include a reduction of 2.00 FTE.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 14 - SFC Partial Restoration of DP 50										
	2.00	169,865	4,298	0	175,000	2.00	169,865	4,298	0	175,000
Total	2.00	\$169,865	\$4,298	\$0	\$175,000	2.00	\$169,865	\$4,298	\$0	\$175,000

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 14 - SFC Partial Restoration of DP 50 -

The legislature adopted a partial restoration of \$175,000 and 2.00 FTE in each fiscal year to offset the reductions to the statewide present law adjustment for personal services.

**Other Issues -
Proprietary Rates****06554 Collection Services Program*****Program Description***

Montana law authorizes the Department of Revenue to assist other agencies in the collection of delinquent accounts. The department retains a percentage of these collections for the costs of assistance in conjunction with 17-4-103 (3)(a), MCA. The department established the Collections Services Program, which includes 3.50 FTE, to administer its statutory responsibilities under Title 17, chapter 4, MCA. These responsibilities include providing collection services for the purpose of centralizing debt collection for the State of Montana.

Revenues and Expenses

DOR is currently authorized to charge a commission rate up to 5.0% for its collection services excluding the collection of overpaid child support payments made to custodial parents and collection of delinquent child support payments from noncustodial parents. The commissions collected are used to pay the expenses of the Collection Services Program. Approximately 84.0% of the expenditures are paid in salaries and benefits with the remaining expenditures representing operating expenses of the program.

Administration of this program has required a minimum of a 9-month working capital balance due to the timing of program collections through offset of other state monies, as the program collects the largest amount of revenues on delinquent accounts during the income tax season and the hunting permitting season.

Rates and Rate Explanation

The legislature approved a commission rate of 5.0% in FY 2020 and a rate of 4.5% in FY 2021. Exempted from this rate is collection of overpaid child support payments made to custodial parents or collection of delinquent child support payments from noncustodial parents. Commissions associated with child support payments are charged against a separate general fund appropriation designated by the legislature in a prior legislative session.

Approved Rates for Internal Service or Enterprise Funds						
Fee/Rate Information						
	Actual FY 16	Actual FY 17	Estimated FY 18	Estimated FY 19	Approved FY 20	Approved FY 21
Fee Description:	1.5%	1.5%	5.0%	5.0%	5.0%	4.5%

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	18,847,017	19,677,707	830,690	4.41 %
Operating Expenses	2,672,624	3,395,726	723,102	27.06 %
Total Expenditures	\$21,519,641	\$23,073,433	\$1,553,792	7.22 %
General Fund	19,758,043	21,254,994	1,496,951	7.58 %
State/Other Special Rev. Funds	1,236,254	1,268,462	32,208	2.61 %
Federal Spec. Rev. Funds	525,344	549,977	24,633	4.69 %
Total Funds	\$21,519,641	\$23,073,433	\$1,553,792	7.22 %
Total Ongoing	\$21,519,641	\$23,073,433	\$1,553,792	7.22 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-122

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	135.86	135.86	135.86	135.86
Personal Services	9,238,307	9,246,567	9,600,450	9,839,015	9,838,692
Operating Expenses	1,213,938	1,220,319	1,452,305	1,703,572	1,692,154
Total Expenditures	\$10,452,245	\$10,466,886	\$11,052,755	\$11,542,587	\$11,530,846
General Fund	9,572,705	9,587,348	10,170,695	10,633,277	10,621,717
State/Other Special Rev. Funds	617,188	617,187	619,067	634,240	634,222
Federal Spec. Rev. Funds	262,352	262,351	262,993	275,070	274,907
Total Funds	\$10,452,245	\$10,466,886	\$11,052,755	\$11,542,587	\$11,530,846
Total Ongoing	\$10,452,245	\$10,466,886	\$11,052,755	\$11,542,587	\$11,530,846
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-123

Funding

The Business and Income Taxes Division is primarily funded with general fund, with some state special revenue and federal special revenue. State special revenue comes from the unclaimed property fund for program support, tobacco settlement funds that support tobacco tax compliance activities, and the accommodations tax which funds expenses for administering that tax. Federal special revenue comes from reimbursements for performing mineral royalty audits.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	10,170,695	10,170,695	20,341,390	95.70 %	11,052,755	11,052,755	22,105,510	95.80 %
SWPL Adjustments	245,423	234,151	479,574	2.26 %	248,479	237,061	485,540	2.10 %
PL Adjustments	137,509	137,221	274,730	1.29 %	153,853	153,530	307,383	1.33 %
New Proposals	79,650	79,650	159,300	0.75 %	87,500	87,500	175,000	0.76 %
Total Budget	\$10,633,277	\$10,621,717	\$21,254,994		\$11,542,587	\$11,530,846	\$23,073,433	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	243,604	0	3,056	246,660	0.00	231,894	0	2,910	234,804
DP 3 - Inflation Deflation	0.00	1,819	0	0	1,819	0.00	2,257	0	0	2,257
DP 50 - Personal Services Adjustment	(1.00)	137,509	8,369	5,187	151,065	(1.00)	137,221	8,351	5,170	150,742
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	1,957	831	2,788	0.00	0	1,957	831	2,788
Grand Total All Present Law Adjustments	(1.00)	\$382,932	\$10,326	\$9,074	\$402,332	(1.00)	\$371,372	\$10,308	\$8,911	\$390,591

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include a reduction of 1.00 FTE.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 14 - SFC Partial Restoration of DP 50	1.00	79,650	4,847	3,003	87,500	1.00	79,650	4,847	3,003	87,500
Total	1.00	\$79,650	\$4,847	\$3,003	\$87,500	1.00	\$79,650	\$4,847	\$3,003	\$87,500

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 14 - SFC Partial Restoration of DP 50 -

The legislature adopted a partial restoration of \$87,500 and 1.00 FTE in each fiscal year to offset the reductions to the statewide present law adjustment for personal services.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	34,165,690	37,316,057	3,150,367	9.22 %
Operating Expenses	6,809,925	6,774,085	(35,840)	(0.53)%
Equipment & Intangible Assets	11,000	0	(11,000)	(100.00)%
Debt Service	12,770	12,770	0	0.00 %
Total Expenditures	\$40,999,385	\$44,102,912	\$3,103,527	7.57 %
General Fund	40,970,783	44,074,349	3,103,566	7.58 %
State/Other Special Rev. Funds	28,602	28,563	(39)	(0.14)%
Total Funds	\$40,999,385	\$44,102,912	\$3,103,527	7.57 %
Total Ongoing	\$40,999,385	\$44,102,912	\$3,103,527	7.57 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-126

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	301.77	301.77	269.92	269.92
Personal Services	17,025,870	17,027,949	17,137,741	18,663,833	18,652,224
Operating Expenses	3,371,924	3,382,886	3,427,039	3,382,552	3,391,533
Equipment & Intangible Assets	10,135	11,000	0	0	0
Debt Service	646	6,385	6,385	6,385	6,385
Total Expenditures	\$20,408,575	\$20,428,220	\$20,571,165	\$22,052,770	\$22,050,142
General Fund	20,394,274	20,413,919	20,556,864	22,038,483	22,035,866
State/Other Special Rev. Funds	14,301	14,301	14,301	14,287	14,276
Total Funds	\$20,408,575	\$20,428,220	\$20,571,165	\$22,052,770	\$22,050,142
Total Ongoing	\$20,408,575	\$20,428,220	\$20,571,165	\$22,052,770	\$22,050,142
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-127

Funding

Funding for the Property Assessment Division is almost entirely from the general fund. State special revenue is for the administration of the livestock per capita fee.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	20,556,864	20,556,864	41,113,728	93.28 %	20,571,165	20,571,165	41,142,330	93.29 %
SWPL Adjustments	(42,816)	(33,835)	(76,651)	(0.17)%	(42,816)	(33,835)	(76,651)	(0.17)%
PL Adjustments	1,985,008	1,972,530	3,957,538	8.98 %	1,984,994	1,972,505	3,957,499	8.97 %
New Proposals	(460,573)	(459,693)	(920,266)	(2.09)%	(460,573)	(459,693)	(920,266)	(2.09)%
Total Budget	\$22,038,483	\$22,035,866	\$44,074,349		\$22,052,770	\$22,050,142	\$44,102,912	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	(88,571)	0	0	(88,571)	0.00	(90,616)	0	0	(90,616)
DP 3 - Inflation Deflation	0.00	45,755	0	0	45,755	0.00	56,781	0	0	56,781
DP 50 - Personal Services Adjustment	(25.00)	1,985,008	1,657	0	1,986,665	(25.00)	1,972,530	1,646	0	1,974,176
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	(1,671)	0	(1,671)	0.00	0	(1,671)	0	(1,671)
Grand Total All Present Law Adjustments	(25.00)	\$1,942,192	(\$14)	\$0	\$1,942,178	(25.00)	\$1,938,695	(\$25)	\$0	\$1,938,670

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include a reduction of 25.00 FTE.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----						-----Fiscal 2021-----			
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 12 - FTE Reductions	(6.85)	(460,573)	0	0	(460,573)	(6.85)	(459,693)	0	0	(459,693)
Total	(6.85)	(\$460,573)	\$0	\$0	(\$460,573)	(6.85)	(\$459,693)	\$0	\$0	(\$459,693)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 12 - FTE Reductions -

The legislature adopted a reduction of 6.85 FTE in the Property Assessment Division to make permanent certain reductions from SB 261 passed by the 2017 legislature.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	22,594,383	26,734,480	4,140,097	18.32 %
Operating Expenses	12,319,471	16,587,700	4,268,229	34.65 %
Equipment & Intangible Assets	39,000	100,000	61,000	156.41 %
Capital Outlay	18,735	0	(18,735)	(100.00)%
Local Assistance	53,958	57,958	4,000	7.41 %
Transfers	3,306,000	0	(3,306,000)	(100.00)%
Total Expenditures	\$38,331,547	\$43,480,138	\$5,148,591	13.43 %
General Fund	13,713,154	18,359,040	4,645,886	33.88 %
State/Other Special Rev. Funds	13,169,753	14,490,353	1,320,600	10.03 %
Federal Spec. Rev. Funds	1,194,407	28,268	(1,166,139)	(97.63)%
Proprietary Funds	10,254,233	10,602,477	348,244	3.40 %
Total Funds	\$38,331,547	\$43,480,138	\$5,148,591	13.43 %
Total Ongoing	\$35,025,547	\$43,405,138	\$8,379,591	23.92 %
Total OTO	\$3,306,000	\$75,000	(\$3,231,000)	(97.73)%

Page Reference

Legislative Budget Analysis, A-130.

Agency Highlights

**Department of Administration
Major Budget Highlights**

- The legislature adopted an increase to the Department of Administration's total biennial appropriations of \$5.1 million or 13.4% compared to the 2019 biennium appropriations
- The legislature adopted increases in general fund, state special revenue, and proprietary fund appropriations for statewide present law adjustments for personal services, fixed costs, and inflation/deflation
- The legislature adopted increases in general fund appropriations and 10.00 FTE for the State Information Technology Services Division's Montana cybersecurity enhancement project
- The legislature adopted increases in state special revenue appropriations and 1.00 FTE for the statewide Facility Condition Assessment Program
- Approximately 63.0% of the Department of Administration's budget is non-budgeted proprietary funds. The legislature adopted slight increases in rates for the Statewide Accounting, Budgeting, and Human Resources System (SABHRS), warrant writing, rent and maintenance, and Human Resources Information System (HRIS). The legislature also adopted an increase in state agency costs for information technology services

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	139.66	139.66	148.66	148.66
Personal Services	10,494,233	10,949,006	11,645,377	13,369,961	13,364,519
Operating Expenses	5,172,798	6,506,826	5,812,645	8,358,922	8,228,778
Equipment & Intangible Assets	18,054	19,500	19,500	50,000	50,000
Capital Outlay	18,735	18,735	0	0	0
Local Assistance	22,651	26,979	26,979	28,979	28,979
Transfers	1,649,000	1,649,000	1,657,000	0	0
Total Expenditures	\$17,375,471	\$19,170,046	\$19,161,501	\$21,807,862	\$21,672,276
General Fund	6,320,046	6,446,152	7,267,002	9,176,143	9,182,897
State/Other Special Rev. Funds	6,064,698	6,502,061	6,667,692	7,249,571	7,240,782
Federal Spec. Rev. Funds	53,418	1,078,083	116,324	14,134	14,134
Proprietary Funds	4,937,309	5,143,750	5,110,483	5,368,014	5,234,463
Total Funds	\$17,375,471	\$19,170,046	\$19,161,501	\$21,807,862	\$21,672,276
Total Ongoing	\$15,726,471	\$17,521,046	\$17,504,501	\$21,807,862	\$21,597,276
Total OTO	\$1,649,000	\$1,649,000	\$1,657,000	\$0	\$75,000

Page Reference

Legislative Budget Analysis, A-131.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	139.66	139.66	148.66	9.00	139.66	148.66	9.00	9.00
Personal Services	11,645,377	12,439,590	13,369,961	930,371	12,434,148	13,364,519	930,371	1,860,742
Operating Expenses	5,812,645	6,181,711	8,358,922	2,177,211	6,026,567	8,228,778	2,202,211	4,379,422
Equipment & Intangible Assets	19,500	50,000	50,000	0	50,000	50,000	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Local Assistance	26,979	28,979	28,979	0	28,979	28,979	0	0
Transfers	1,657,000	0	0	0	0	0	0	0
Total Costs	\$19,161,501	\$18,700,280	\$21,807,862	\$3,107,582	\$18,539,694	\$21,672,276	\$3,132,582	\$6,240,164
General Fund	7,267,002	6,186,920	9,176,143	2,989,223	6,168,674	9,182,897	3,014,223	6,003,446
State/other Special Rev. Funds	6,667,692	7,132,276	7,249,571	117,295	7,123,487	7,240,782	117,295	234,590
Federal Spec. Rev. Funds	116,324	14,134	14,134	0	14,134	14,134	0	0
Other	5,110,483	5,366,950	5,368,014	1,064	5,233,399	5,234,463	1,064	2,128
Total Funds	\$19,161,501	\$18,700,280	\$21,807,862	\$3,107,582	\$18,539,694	\$21,672,276	\$3,132,582	\$6,240,164
Total Ongoing	\$17,504,501	\$18,700,280	\$21,807,862	\$3,107,582	\$18,489,694	\$21,597,276	\$3,107,582	\$6,215,164
Total OTO	\$1,657,000	\$0	\$0	\$0	\$50,000	\$75,000	\$25,000	\$25,000

The legislature adopted appropriations that are approximately \$6.2 million higher than the proposed executive appropriations for the 2021 biennium.

The major differences in the legislative budget compared to the executive budget include:

- The legislature adopted \$6.3 million and 10.00 FTE over the biennium in the State Information Technology Services Division (SITSD) for the Montana cybersecurity enhancement project
- The legislature adopted approximately \$202,000 and 1.00 FTE over the biennium for the statewide Facility Condition Assessment Program in the Architecture and Engineering Division
- The legislature adopted reductions related to the proposed reinstatement of personal services of approximately \$342,000 and 1.00 FTE over the biennium in the State Financial Services Division and State Human Resource Division
- The legislature adopted a reduction of 1.00 FTE in the Montana State Lottery
- The legislature adopted an increase of \$25,000 over the biennium for the Governor Elect Program

Funding

The following table shows agency funding by source of authority.

Total Department of Administration Funding by Source of Authority 2021 Biennium Budget Request - Department of Administration						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	18,284,040	75,000	0	184,698,436	203,057,476	18.95 %
State Special Total	14,490,353	0	0	47,917,000	62,407,353	5.82 %
Federal Special Total	28,268	0	0	36,284,000	36,312,268	3.39 %
Proprietary Total	10,602,477	0	676,553,738	82,596,208	769,752,423	71.84 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$43,405,138	\$75,000	\$676,553,738	\$351,495,644	\$1,071,529,520	
Percent - Total All Sources	4.05 %	0.01 %	63.14 %	32.80 %		

The majority of the Department of Administration is funded with proprietary funds. These funds support the operations of the Director's Office, State Financial Services Division, General Services Division, State Information Technology Services Division, Healthcare and Benefits Division, State Human Resources Division, Risk Management and Tort Defense, and Montana State Lottery.

Statutory Appropriations also comprise a significant portion of appropriations for the Department of Administration. These primarily include appropriations related to transfers to the teachers' retirement and public employees' retirement system, and lottery prizes.

HB 2 appropriations of general fund, state special revenue funds, federal special revenue funds, and proprietary funds will be discussed in further detail at the program level.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	5,610,002	5,610,002	11,220,004	61.11 %	17,504,501	17,504,501	35,009,002	80.52 %
SWPL Adjustments	87,830	19,910	107,740	0.59 %	536,159	324,230	860,389	1.98 %
PL Adjustments	318,311	392,985	711,296	3.87 %	506,054	582,397	1,088,451	2.50 %
New Proposals	3,160,000	3,160,000	6,320,000	34.42 %	3,261,148	3,261,148	6,522,296	15.00 %
Total Budget	\$9,176,143	\$9,182,897	\$18,359,040		\$21,807,862	\$21,672,276	\$43,480,138	

Language and Statutory Authority

Montana Cybersecurity Enhancement Project is restricted to expenditures for: next generation antivirus software; cybersecurity staff; cybersecurity student programs; web application firewall; e-mail security gateway; security information and event management; analytics-driven security and continuous monitoring for threats; governance, risk, and compliance software; enterprise risk assessment; digital forensics lab; source code repository; security orchestration, automation and response; and outsourced professional services.

The State Information Technology Services Division shall report to the legislative finance committee quarterly on the Montana Cybersecurity Enhancement Project.

It is the intent of the legislature that funding for the Montana Cybersecurity Enhancement Project be moved to the State Information Technology Services Division's proprietary rates in the 2023 biennium if the project is successful.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	595,997	737,708	141,711	23.78 %
Operating Expenses	207,043	202,190	(4,853)	(2.34)%
Local Assistance	28,592	28,592	0	0.00 %
Transfers	3,306,000	0	(3,306,000)	(100.00)%
Total Expenditures	\$4,137,632	\$968,490	(\$3,169,142)	(76.59)%
General Fund	4,112,218	943,076	(3,169,142)	(77.07)%
Federal Spec. Rev. Funds	25,414	25,414	0	0.00 %
Total Funds	\$4,137,632	\$968,490	(\$3,169,142)	(76.59)%
Total Ongoing	\$831,632	\$968,490	\$136,858	16.46 %
Total OTO	\$3,306,000	\$0	(\$3,306,000)	(100.00)%

Page Reference

Legislative Budget Analysis, A-137.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.50	3.50	3.50	3.50
Personal Services	276,254	257,605	338,392	368,630	369,078
Operating Expenses	81,725	136,979	70,064	136,253	65,937
Local Assistance	7,795	14,296	14,296	14,296	14,296
Transfers	1,649,000	1,649,000	1,657,000	0	0
Total Expenditures	\$2,014,774	\$2,057,880	\$2,079,752	\$519,179	\$449,311
General Fund	2,006,979	2,045,173	2,067,045	506,472	436,604
Federal Spec. Rev. Funds	7,795	12,707	12,707	12,707	12,707
Total Funds	\$2,014,774	\$2,057,880	\$2,079,752	\$519,179	\$449,311
Total Ongoing	\$365,774	\$408,880	\$422,752	\$519,179	\$449,311
Total OTO	\$1,649,000	\$1,649,000	\$1,657,000	\$0	\$0

Page Reference

Legislative Budget Analysis, A-138.

Funding

HB 2

The general fund appropriations in HB 2 support the following functions:

- Burial Preservation Board
- Office of Labor Relations

Federal special revenue provides for the administrative functions that support the allocation of federal flood control payments. These funds are received by the department from the U.S. Army Corps of Engineers. It is directed to specific counties for reimbursement for 75.0% of receipts from the leasing of lands acquired for flood control, navigation, and allied purposes pursuant to 33 USC 701c3.

Non-Budgeted Proprietary

The majority of the Director's Office functions are supported by proprietary funds.

Statutory Appropriations

In the Director's Office, statutory appropriations account for the majority of appropriations from all sources of authority. The figure below provides FY 2018 actual expenditures, FY 2019 appropriations, and current HJR 2 estimates for FY 2020 and FY 2021 appropriations, which are slightly below executive estimates at this point in time.

Figure 3

Department of Administration Director's Office Statutory Appropriations				
	FY 2018 Actual	FY 2019 Appropriated	FY 2020 Estimated	FY 2021 Estimated
General Fund				
Debt Service	\$ 12,395,476	\$ 9,270,551	\$ 8,145,083	\$ 6,887,515
Local Government PERD Contribution	445,877	574,401	463,890	473,168
School District PERD Contribution	522,760	605,284	543,879	554,757
TRS GABA	909,308	973,507	909,308	909,308
TRS Supplemental Contribution	44,096,364	45,289,354	45,246,186	45,853,571
State Fund Dividend - Federal Share	213,475	396,431	170,000	170,000
Public Employees Retirement Transfers	<u>31,386,000</u>	<u>31,958,000</u>	<u>32,277,580</u>	<u>32,600,356</u>
Total General Fund	89,969,260	89,067,528	87,755,926	87,448,675
State Special Revenues				
Mineral Impact Fees	<u>5,778,774</u>	<u>8,186,000</u>	<u>6,963,687</u>	<u>6,849,095</u>
Total State Special Revenues	5,778,774	8,186,000	6,963,687	6,849,095
Federal Special Revenue				
Taylor Grazing Fees	154,442	125,000	125,000	125,000
Forest Reserve Funds	<u>15,119,644</u>	<u>18,017,000</u>	<u>18,017,000</u>	<u>18,017,000</u>
Total Federal Special Revenue	15,274,086	18,142,000	18,142,000	18,142,000
Total Statutory Appropriations	\$111,022,120	\$115,395,528	\$112,861,613	\$112,439,770

As reflected in the figure above, there is a reduction in the appropriation for debt service which is due to declining costs for debt service.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	410,045	410,045	820,090	86.96 %	422,752	422,752	845,504	87.30 %
SWPL Adjustments	97,105	27,237	124,342	13.18 %	97,105	27,237	124,342	12.84 %
PL Adjustments	(678)	(678)	(1,356)	(0.14)%	(678)	(678)	(1,356)	(0.14)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$506,472	\$436,604	\$943,076		\$519,179	\$449,311	\$968,490	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	30,238	0	0	30,238	0.00	30,686	0	0	30,686
DP 2 - Fixed Costs	0.00	66,867	0	0	66,867	0.00	(3,449)	0	0	(3,449)
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	(678)	0	0	(678)	0.00	(678)	0	0	(678)
Grand Total All Present Law Adjustments	0.00	\$96,427	\$0	\$0	\$96,427	0.00	\$26,559	\$0	\$0	\$26,559

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted a decrease in general fund due to a reduction in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

Other Issues -**Proprietary Rates**

There are two proprietary funds in the Director's Office, which include:

- **Management Services Fund** – The Director's Office provides management services to other divisions within the agency and services for state agencies related to labor relations
- **Continuity and Emergency Management** – The Director's Office prepares to manage and coordinate state government in the event of a major catastrophic disruption

These programs are funded with internal service type proprietary funds. As such, the legislature approves the maximum rates that the programs can charge during the biennium.

Management Services Fund – 06534

Proprietary Program Description

In addition to oversight, support, and coordination, the services provided by the Director's Office with the management services fund include:

- Office of Human Resources
 - Processes payroll
 - Assists with recruitment, selection, and orientation of new employees
 - Classifies positions
 - Develops policies for the department
- Office of Legal Services
 - Advises on legal matters
- Office of Finance and Budget
 - Prepares and presents the biennial budget
 - Processes budget change documents
 - Monitors budgets for compliance with state law and legislative intent
 - Provides accounting assistance

Proprietary Program Narrative

Expenses

Overall, there is an increase in personal services and operating expenses of approximately \$104,000 in FY 2020 and \$98,000 in FY 2021. This increase is primarily due to increases in statewide present law adjustments for personal services and fixed costs.

Revenues

All divisions of the agency and some administratively attached boards and agencies, use the services provided by the Director's Office. Administratively attached agencies or boards are not charged a fee if they do not use some of the services because they have staff to perform these functions.

The revenues for this program are allocated in three ways:

- The human resource function allocation is based on the annual amount per FTE served
- The legal unit is allocated based on a time use study
- The remaining portion is allocated on the proportional size of the division budget to the total of all served

Proprietary Rates

The figure below shows the adopted rates for the 2021 biennium.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Total Allocation of Costs	\$1,499,893	\$1,499,500	\$1,408,903	\$1,408,903
FTE Component	\$891	\$891	\$947	\$947

This program is funded with an internal service type proprietary fund. As such, the legislature approves the maximum rate the program may charge during the biennium. They are not the rates the program must charge.

Continuity and Emergency Management – 06535*Proprietary Program Description*

The Department of Administration is responsible for providing centralized management and coordination of the Continuity and Emergency Management Program for state agencies to ensure the ability to protect and recover essential functions of state government in the event of catastrophic loss.

*Proprietary Program Narrative*Expenses

There is an increase in personal services and operating expenses of approximately \$36,000 in FY 2020 and \$33,000 in FY 2021. This increase is primarily due to increases in statewide present law adjustments for personal services and fixed costs.

Revenues

The Continuity and Emergency Management Program (CEMP) bills the State Information Technology Services Division (SITSD) and General Services Division (GSD) quarterly for their services. Because these two divisions are funded through charges to state agencies, CEMP is essentially funded by all state agencies.

SITSD pays approximately \$546,000 and GSD pays approximately \$212,000 annually in the 2021 biennium for this function.

Proprietary Rates

The figure below shows the adopted rates for the 2021 biennium.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Total Allocation of Costs	\$728,874	\$728,817	\$758,029	\$757,972

This program is funded with an internal service type proprietary fund. As such, the legislature approves the maximum rate the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Operating Expenses	0	75,000	75,000	0.00 %
Total Expenditures	\$0	\$75,000	\$75,000	0.00 %
General Fund	0	75,000	75,000	0.00 %
Total Funds	\$0	\$75,000	\$75,000	0.00 %
Total Ongoing	\$0	\$0	\$0	100.00 %
Total OTO	\$0	\$75,000	\$75,000	100.00 %

Page Reference

Legislative Budget Analysis, A-147.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Operating Expenses	0	0	0	0	75,000
Total Expenditures	\$0	\$0	\$0	\$0	\$75,000
General Fund	0	0	0	0	75,000
Total Funds	\$0	\$0	\$0	\$0	\$75,000
Total Ongoing	\$0	\$0	\$0	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$75,000

Page Reference

Legislative Budget Analysis, A-147.

Funding

The Governor Elect Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	0	0	0	0.00 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	75,000	75,000	100.00 %	0	75,000	75,000	100.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$75,000	\$75,000		\$0	\$75,000	\$75,000	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 201 - Governor-Elect Appropriation - OTO										
0.00	0	0	0	0		0.00	75,000	0	0	75,000
Grand Total All Present Law Adjustments										
0.00	\$0	\$0	\$0	\$0		0.00	\$75,000	\$0	\$0	\$75,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 201 - Governor-Elect Appropriation - OTO -

The legislature adopted a one-time-only general fund appropriation for the Governor Elect Program. Montana Statute (2-15-221, MCA) requires the department to provide funding to a Governor-elect and his or her staff for the period between the general election and the inauguration because there will be a change in office as a result of the 2020 general election.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,977,073	4,686,278	709,205	17.83 %
Operating Expenses	1,051,398	1,526,975	475,577	45.23 %
Capital Outlay	18,735	0	(18,735)	(100.00)%
Total Expenditures	\$5,047,206	\$6,213,253	\$1,166,047	23.10 %
General Fund	4,558,311	5,733,691	1,175,380	25.79 %
State/Other Special Rev. Funds	375,295	365,962	(9,333)	(2.49)%
Federal Spec. Rev. Funds	2,854	2,854	0	0.00 %
Proprietary Funds	110,746	110,746	0	0.00 %
Total Funds	\$5,047,206	\$6,213,253	\$1,166,047	23.10 %
Total Ongoing	\$5,047,206	\$6,213,253	\$1,166,047	23.10 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-150.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	28.92	28.92	28.92	28.92
Personal Services	1,917,841	1,919,400	2,057,673	2,343,297	2,342,981
Operating Expenses	311,935	318,570	732,828	763,102	763,873
Capital Outlay	18,735	18,735	0	0	0
Total Expenditures	\$2,248,511	\$2,256,705	\$2,790,501	\$3,106,399	\$3,106,854
General Fund	2,015,468	2,016,124	2,542,187	2,866,734	2,866,957
State/Other Special Rev. Funds	176,795	183,781	191,514	182,865	183,097
Federal Spec. Rev. Funds	878	1,427	1,427	1,427	1,427
Proprietary Funds	55,370	55,373	55,373	55,373	55,373
Total Funds	\$2,248,511	\$2,256,705	\$2,790,501	\$3,106,399	\$3,106,854
Total Ongoing	\$2,248,511	\$2,256,705	\$2,790,501	\$3,106,399	\$3,106,854
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-152.

Funding**HB 2**

General fund is the primary funding source for the functions approved in HB 2. General fund supports the development of statewide accounting standards, treasury functions, procurement functions, accounting assistance for local governments, and the State Social Security Administrator function.

State special revenue from procurement and term contract rebates fund procurement functions related to administering term contracts, the eMarket Center, and the procurement and fuel card programs. There is a 1.5% to 2.0% fee that is assessed to businesses participating in the eMarket Center as well as any vendors who have a term contract with the state.

Federal special revenues provide for cash management services related to the federal Cash Management Improvement Act. These funds are deposited into the general fund.

Proprietary funding in HB 2 is a direct appropriation from the Board of Investments (BOI) proprietary fund for services the Treasury Unit provides to the BOI.

Non-Budgeted Proprietary Funds

Approximately half of the State Financial Services Division (SFSD) functions are supported with non-budgeted proprietary funds.

Statutory Appropriations

Part of the funding in SFSD is statutorily appropriated for use by the state treasurer. The state treasurer may contract with a financial institution to provide general depository banking services. The cost of contracting for banking services is statutorily appropriated from the general fund. In addition, SFSD issues federal fund rebates for procard and fuel card rebates under 17-3-106, MCA. Rebates are for costs already paid by federal funds that are returned to the federal government.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,542,187	2,542,187	5,084,374	88.68 %	2,790,501	2,790,501	5,581,002	89.82 %
SWPL Adjustments	48,203	49,217	97,420	1.70 %	30,455	31,226	61,681	0.99 %
PL Adjustments	276,344	275,553	551,897	9.63 %	285,443	285,127	570,570	9.18 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,866,734	\$2,866,957	\$5,733,691		\$3,106,399	\$3,106,854	\$6,213,253	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments									
	-----Fiscal 2020-----					-----Fiscal 2021-----			
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Total Funds
DP 2 - Fixed Costs	0.00	47,996	(17,754)	0	30,242	0.00	48,958	(17,999)	30,959
DP 3 - Inflation Deflation	0.00	207	6	0	213	0.00	259	8	267
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	(285)	104	0	(181)	0.00	(285)	104	(181)
DP 51 - Personal Services Adjustment	0.00	276,629	8,995	0	285,624	0.00	275,838	9,470	285,308
Grand Total All Present Law Adjustments	0.00	\$324,547	(\$8,649)	\$0	\$315,898	0.00	\$324,770	(\$8,417)	\$316,353

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted a decrease in general fund and an increase in state special revenue funds due to indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 51 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the program. Specific adjustments include reducing a portion of the proposed reinstatement of personal services.

Other Issues -

Proprietary Rates

The State Financial Services Division provides the following functions with proprietary funds:

- Statewide Accounting, Budgeting, and Human Resources System (SABHRS)
- Warrant writer
- Local government audit and reporting

SABHRS - 06511

Proprietary Program Description

The Financial Services Technology Bureau (FSTB) is responsible for the operational support and maintenance of the enterprise financial (SABHRS Financials) and budget development information (IBARS) systems and for supporting the enterprise acquisition and contracting system (eMACS). FSTB is also responsible for providing database administration services, system architecture, and maintenance for the SABHRS HR information system for the HR Information Systems Bureau.

FSTB has a total of 21.00 FTE supporting these applications, including upgrades, enhancements, testing, user training, database maintenance, and system architecture.

Proprietary Program Narrative

Expenses

The increase in expenses in the SABHRS fund is approximately \$391,000 in FY 2020 and \$321,000 in FY 2021. These increases are primarily due to statewide present law adjustments for personal services and fixed costs.

Revenues

All state agencies are required to use the SABHRS Program to ensure consistent, accurate, and transparent financial and budgeting information. Revenues are based on:

- Costs to operate
- Maintaining a reasonable working capital balance of 60 days

Proprietary Rates

The table below shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
SABHRS Services	\$3,967,407	\$3,818,905	\$4,168,577	\$3,971,663

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Warrant Writer - 06564

Proprietary Program Description

The Warrant Writer Unit (WWU) provides payment processing services for most state agencies, including the university system. The WWU generates, tracks, and reconciles each approved agency payment generated in SABHRS. Warrant printing is provided to the WWU by Print and Mail Services within the General Services Division.

The services the WWU offer include direct deposit, warrant consolidation, stopping of payments, warrant cancellations, emergency warrants, duplicate warrants, warrant certification, warrant reissues, warrant research, supplier file maintenance, stale-dated payment processing, and IRS 1099-MISC and 1042 tax reporting.

The program funds 4.33 FTE and is authorized through 17-8-305, MCA.

Proprietary Program Narrative

Expenses

The increase in expenses in the warrant writing fund is approximately \$41,000 in FY 2020 and \$39,000 in FY 2021. These increases are primarily due to statewide present law adjustments for personal services and fixed costs.

Revenues

Revenues are derived from monthly billing based on the number of actual warrants issued. Budget authority to pay the costs is a fixed cost item in state agency budgets.

Proprietary Rates

The table below shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Mailer	\$0.80301	\$0.80179	\$0.83386	\$0.83386
Non-Mailer	\$0.34725	\$0.34672	\$0.36059	\$0.36059
Emergency	\$13.02172	\$13.00204	\$13.52212	\$13.52212
Duplicate	\$8.68115	\$8.66803	\$9.01475	\$9.01475
Payroll - Printed Warrants	\$0.14643	\$0.14621	\$0.15206	\$0.15206
External - University System	\$0.11720	\$0.11702	\$0.12170	\$0.12170
Direct Deposit Mailer	\$0.95493	\$0.95348	\$0.99162	\$0.99162
Direct Deposit Non-mailer	\$0.13022	\$0.13002	\$0.13522	\$0.13522
UI - Warrant Printing Only	\$0.11408	\$0.11391	\$0.11847	\$0.11847
UI - Direct Deposit	\$0.02872	\$0.02867	\$0.02982	\$0.02982

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,149,486	3,475,770	326,284	10.36 %
Operating Expenses	1,166,999	1,271,209	104,210	8.93 %
Total Expenditures	\$4,316,485	\$4,746,979	\$430,494	9.97 %
State/Other Special Rev. Funds	4,316,485	4,746,979	430,494	9.97 %
Total Funds	\$4,316,485	\$4,746,979	\$430,494	9.97 %
Total Ongoing	\$4,316,485	\$4,746,979	\$430,494	9.97 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-164.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	16.50	16.50	17.50	17.50
Personal Services	1,411,929	1,546,706	1,602,780	1,738,674	1,737,096
Operating Expenses	542,845	584,158	582,841	636,448	634,761
Total Expenditures	\$1,954,774	\$2,130,864	\$2,185,621	\$2,375,122	\$2,371,857
State/Other Special Rev. Funds	1,954,774	2,130,864	2,185,621	2,375,122	2,371,857
Total Funds	\$1,954,774	\$2,130,864	\$2,185,621	\$2,375,122	\$2,371,857
Total Ongoing	\$1,954,774	\$2,130,864	\$2,185,621	\$2,375,122	\$2,371,857
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-165.

Funding

The Architecture and Engineering Division is funded entirely with state special revenue funds. Funds are transferred from the long-range building capital projects fund to the state special revenue fund, which was established for administrative expenses related to the support of the state Long-Range Building Program.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	2,185,621	2,185,621	4,371,242	92.08 %	
SWPL Adjustments	0	0	0	0.00 %	72,619	69,354	141,973	2.99 %	
PL Adjustments	0	0	0	0.00 %	15,734	15,734	31,468	0.66 %	
New Proposals	0	0	0	0.00 %	101,148	101,148	202,296	4.26 %	
Total Budget	\$0	\$0	\$0		\$2,375,122	\$2,371,857	\$4,746,979		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	34,746	0	34,746	0.00	0	33,168	0	33,168
DP 2 - Fixed Costs	0.00	0	34,405	0	34,405	0.00	0	31,883	0	31,883
DP 3 - Inflation Deflation	0.00	0	3,468	0	3,468	0.00	0	4,303	0	4,303
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	0	359	0	359	0.00	0	359	0	359
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	15,375	0	15,375	0.00	0	15,375	0	15,375
Grand Total All Present Law Adjustments	0.00	\$0	\$88,353	\$0	\$88,353	0.00	\$0	\$85,088	\$0	\$85,088

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in state special revenue funds due to a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 401 - Facility Condition Assessment FTE	1.00	0	101,148	0	101,148	1.00	0	101,148	0	101,148
Total	1.00	\$0	\$101,148	\$0	\$101,148	1.00	\$0	\$101,148	\$0	\$101,148

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 401 - Facility Condition Assessment FTE -

The legislature adopted state special revenue appropriations for 1.00 FTE. This position will work in the statewide Facility Condition Assessment Program established in 17-7-202, MCA.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	9,603,447	9,723,212	119,765	1.25 %
Operating Expenses	33,821,964	35,095,752	1,273,788	3.77 %
Equipment & Intangible Assets	886,330	826,330	(60,000)	(6.77)%
Capital Outlay	98,968	0	(98,968)	(100.00)%
Transfers	320,000	320,000	0	0.00 %
Debt Service	426,908	384,826	(42,082)	(9.86)%
Total Expenditures	\$45,157,617	\$46,350,120	\$1,192,503	2.64 %
Proprietary Funds	45,157,617	46,350,120	1,192,503	2.64 %
Total Funds	\$45,157,617	\$46,350,120	\$1,192,503	2.64 %
Total Ongoing	\$45,157,617	\$46,350,120	\$1,192,503	2.64 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, GSD-1.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	72.35	72.35	72.35	72.35
Personal Services	4,644,204	4,970,930	4,632,517	4,859,409	4,863,803
Operating Expenses	15,289,859	16,541,577	17,280,387	17,489,450	17,606,302
Equipment & Intangible Assets	316,655	473,165	413,165	413,165	413,165
Capital Outlay	98,968	98,968	0	0	0
Transfers	228,629	160,000	160,000	160,000	160,000
Debt Service	262,124	234,495	192,413	192,413	192,413
Total Expenditures	\$20,840,439	\$22,479,135	\$22,678,482	\$23,114,437	\$23,235,683
Proprietary Funds	20,840,439	22,479,135	22,678,482	23,114,437	23,235,683
Total Funds	\$20,840,439	\$22,479,135	\$22,678,482	\$23,114,437	\$23,235,683
Total Ongoing	\$20,840,439	\$22,479,135	\$22,678,482	\$23,114,437	\$23,235,683
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, GSD-2.

Funding*Proprietary Funds*

The General Service Division is entirely supported through proprietary funds.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	22,678,482	22,678,482	45,356,964	97.86 %	
SWPL Adjustments	0	0	0	0.00 %	299,867	321,622	621,489	1.34 %	
PL Adjustments	0	0	0	0.00 %	136,088	235,579	371,667	0.80 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$23,114,437	\$23,235,683	\$46,350,120		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	226,892	0.00	0	0	0	231,286
DP 2 - Fixed Costs	0.00	0	0	0	72,965	0.00	0	0	0	90,324
DP 3 - Inflation Deflation	0.00	0	0	0	10	0.00	0	0	0	12
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	0	0	0	11,478	0.00	0	0	0	11,478
DP 5 - Increase in SCEMO Fees	0.00	0	0	0	8,163	0.00	0	0	0	8,163
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	4,456	0.00	0	0	0	4,456
DP 601 - Increase in Contracted Services cost	0.00	0	0	0	93,991	0.00	0	0	0	191,110
DP 602 - Increase in Taxes and Assessments	0.00	0	0	0	18,000	0.00	0	0	0	20,372
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$435,955	0.00	\$0	\$0	\$0	\$557,201

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature reviewed an increase in proprietary funds due because of a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 5 - Increase in SCEMO Fees -

The legislature reviewed an increase in proprietary funds for the General Services Division's portion of the costs paid to the State Continuity and Emergency Office.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature reviewed an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 601 - Increase in Contracted Services cost -

The legislature reviewed an increase in proprietary funds for several contracts related to the maintenance and management of the Capitol Complex buildings. These contracts include janitorial, mechanical, elevator, pest control, fire suppression, and security services.

DP 602 - Increase in Taxes and Assessments -

The legislature reviewed an increase in proprietary funds for assessments paid to the City of Helena.

Other Issues -**Proprietary Rates**

The General Services Division provides the following functions supported by proprietary rates:

- Capitol Facilities Management (rent and maintenance)
- Print and mail services
- Surplus property and recycling

Capitol Facilities Management – Rent and Maintenance (06528)*Proprietary Program Description*

Capitol Facilities Management is the custodian of all state property and grounds in the state capitol area, which is the geographic area within a 10-mile radius of the state Capitol. Services include providing all utilities on the complex (including water, sewer, electricity, natural gas, and garbage collection), locksmith services, repair and maintenance, construction, construction management, grounds maintenance, leasing services, emergency response and management, and security. The bureau manages several service contracts for the capitol complex including security, pest control, mechanical maintenance, janitorial services, elevator repair and maintenance, fire sprinkler systems maintenance, and access control.

Operational authority for the bureau is provided by Title 2, Chapter 17, Part 8, Section 811, MCA. The bureau currently has 34.85 FTE.

Proprietary Program Narrative

Expenses

The expenditures from the rent and maintenance proprietary fund increased by approximately \$385,000 in FY 2020 and \$516,000 in FY 2021. Increases due to statewide present law adjustment for personal services as well as increases in contracted services are primarily driving the change. The following figure shows the increases as proposed by the executive as reflected in the budgeting system.

Department of Administration General Services Division Capitol Facilities Management Increases for the 2021 Biennium in the Budgeting System		
	FY 2020	FY 2021
Personal Services		
Statewide Present Law Adjustment - Personal Services	<u>\$ 191,162</u>	<u>\$ 194,281</u>
Total Personal Services	191,162	194,281
Operating Expenses		
Statewide Present Law Adjustment - Fixed Costs	66,876	95,374
Statewide Present Law Adjustment - Inflation/Deflation	10	12
Statewide Present Law Fixed Cost Adjustment	2,353	2,353
Allocate Indirect/Administrative Costs	4,291	4,291
Increase State Continuity and Emergency Management Fees	8,163	8,163
Increase in Contracted Services Costs	93,991	191,110
Increase in Taxes and Assessments	<u>18,000</u>	<u>20,372</u>
Total Operating Expenses	193,684	321,675
Total Proposed Increases	<u>\$ 384,846</u>	<u>\$ 515,956</u>

Revenues

Revenues are based on square footage rental rates charged for office and non-office space billed to agencies occupying space in state owned buildings overseen by the Department of Administration.

Proprietary Rates

Rent is based on the number of square feet occupied and is assessed to each agency in the buildings controlled by the Department of Administration. The rates are established to cover the cost of personal services, operating expenses, maintenance and equipment. Grounds maintenance is included in the rate, with one exception.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Office Rent (per sq. ft.)	\$10.135	\$10.323	\$10.540	\$10.736
Non-office Rent (per sq. ft.)	\$5.330	\$5.330	\$5.546	\$5.546
Grounds Maintenance (per sq. ft.)			\$0.615	\$0.615
Project Mgmt. (In-house)	15%	15%	15%	15%
Project Mgmt. (Consultation)	Actual Cost	Actual Cost	Actual Cost	Actual Cost
State Employee Access ID Card	Actual Cost	Actual Cost	Actual Cost	Actual Cost

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Print and Mail Bureau - 06530

Proprietary Program Description

The State Print and Mail Bureau provides printing and mail services to all agencies within state government. The bureau has seven components: 1) internal printing; 2) external (contracted) printing; 3) managed print; 4) mail preparation; 5) central mail operations; 6) inter-agency (deadhead) mail; and 7) the postal station in the Capitol. All printing or purchasing of printing is requested through Print & Mail Services, which determines the most cost-effective method of project completion. Approximately 48.4% of printing expenditures are procured through commercial vendors.

Section 18-7-101, MCA, requires the Department of Administration to supervise and attend to all public printing within the state and to contract for any printing used by the state. Section 2-17-301, MCA, charges the department with the responsibility of administering the state Managed Print Program. Section 2-17-301, MCA, also requires the department to maintain and supervise any central mailing messenger service.

State Print and Mail has authority for 31.85 FTE.

Proprietary Program Narrative

Expenses

The expenditures from the print and mail proprietary fund increased by approximately \$29,000 in FY 2020 and \$20,000 in FY 2021. Increases are primarily due to statewide present law adjustments for personal services.

Revenues

All state agencies in Helena use the services of the State Print and Mail depending on their printing and mail needs. Printing revenue is based on the actual type and volume of printing provided and mail services is based on agency specified service frequency.

Proprietary Rates

All Print and Mail Services projects are unique, and Print and Mail Services has many rates to provide services to agencies. Direct and administrative overhead is allocated to each program, and costs are recovered by charging for each unit of service provided. External printing and the Managed Print Program recover costs by charging a percentage markup on the invoice for the printing job and/or multi-function device.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Internal Printing				
Impressions	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Ink	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Bindery work	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Pre-Press work	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
CD/DVD duplicating	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Variable data printing	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Large Format Color per ft.	Cost + 25%	Cost + 25%	Cost + 25%	Cost + 25%
Pick and Pack Fulfillment	\$1.00	\$1.00	\$1.00	\$1.00
Overtime	\$30.00	\$30.00	\$30.00	\$30.00
Desktop	\$75.00	\$75.00	\$75.00	\$75.00
Scan	\$9.52	\$9.52	Cost + 25%	Cost + 25%
IT Programming	\$95.00	\$95.00	\$95.00	\$95.00
File Transfer	\$25.00	\$25.00	\$25.00	\$25.00
Mainframe Print	\$0.071	\$0.071	\$0.071	\$0.071
Warrant Printing	\$0.25	\$0.25	\$0.25	\$0.25
Inventory Mark Up	20.0%	20.0%	20.0%	20.0%
External Printing				
Percent of Invoice Mark-Up	8.8%	8.8%	8.8%	8.8%
Managed Print				
Percent of Invoice Mark-Up	15.9%	15.9%	15.9%	15.9%
Mail Preparation				
Tabbing	\$ 0.023	\$ 0.023	\$ 0.023	\$ 0.023
Labeling	\$ 0.023	\$ 0.023	\$ 0.023	\$ 0.023
Ink Jet	\$ 0.036	\$ 0.036	\$ 0.036	\$ 0.036
Inserting	\$ 0.045	\$ 0.045	\$ 0.045	\$ 0.045
Waymark	\$ 0.069	\$ 0.069	\$ 0.069	\$ 0.069
Permit mailings	\$ 0.069	\$ 0.069	\$ 0.069	\$ 0.069
Mail Operations				
Service Type (each)				
Machinable	\$ 0.043	\$ 0.043	\$ 0.043	\$ 0.043
Non-Machinable	\$ 0.110	\$ 0.110	\$ 0.110	\$ 0.110

Seal Only	\$	0.020	\$	0.020	\$	0.020	\$	0.020
Post cards	\$	0.070	\$	0.070	\$	0.070	\$	0.070
Certified Mail	\$	0.620	\$	0.620	\$	0.620	\$	0.620
Registered Mail	\$	0.614	\$	0.614	\$	0.614	\$	0.614
Internatl Mail	\$	0.510	\$	0.510	\$	0.510	\$	0.510
Flats	\$	0.150	\$	0.150	\$	0.150	\$	0.150
Priority	\$	0.614	\$	0.614	\$	0.614	\$	0.614
Express Mail	\$	0.614	\$	0.614	\$	0.614	\$	0.614
USPS Parcels	\$	0.510	\$	0.510	\$	0.510	\$	0.510
Insured mail	\$	0.614	\$	0.614	\$	0.614	\$	0.614
Media Mail	\$	0.320	\$	0.320	\$	0.320	\$	0.320
Standard Mail	\$	0.200	\$	0.200	\$	0.200	\$	0.200
Postage Due	\$	0.061	\$	0.061	\$	0.061	\$	0.061
Fee Due	\$	0.061	\$	0.061	\$	0.061	\$	0.061
Tapes	\$	0.245	\$	0.245	\$	0.245	\$	0.245
Express Services	\$	0.500	\$	0.500	\$	0.500	\$	0.500
Mail tracking	\$	0.250	\$	0.250	\$	0.250	\$	0.250
Cass letters/postcards	\$	0.047	\$	0.047	\$	0.047	\$	0.047
Cass flats	\$	0.100	\$	0.100	\$	0.100	\$	0.100
Flat sorter	\$	0.250	\$	0.250	\$	0.250	\$	0.250
Inter-agency Mail								
Dollars-yearly		\$360,175		\$360,175		\$362,325		\$362,325
Postal Contract (Capitol)								
Dollars-yearly		\$38,976		\$38,976		\$38,976		\$38,976

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,159,308	3,044,695	1,885,387	162.63 %
Operating Expenses	1,353,652	4,709,000	3,355,348	247.87 %
Total Expenditures	\$2,512,960	\$7,753,695	\$5,240,735	208.55 %
General Fund	804,415	6,866,472	6,062,057	753.60 %
State/Other Special Rev. Funds	542,406	887,223	344,817	63.57 %
Federal Spec. Rev. Funds	1,166,139	0	(1,166,139)	(100.00)%
Total Funds	\$2,512,960	\$7,753,695	\$5,240,735	208.55 %
Total Ongoing	\$2,512,960	\$7,753,695	\$5,240,735	208.55 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-168.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.49	5.49	15.49	15.49
Personal Services	379,379	565,662	593,646	1,522,759	1,521,936
Operating Expenses	141,022	1,143,885	209,767	2,354,443	2,354,557
Total Expenditures	\$520,401	\$1,709,547	\$803,413	\$3,877,202	\$3,876,493
General Fund	309,136	377,611	426,804	3,433,080	3,433,392
State/Other Special Rev. Funds	166,520	267,987	274,419	444,122	443,101
Federal Spec. Rev. Funds	44,745	1,063,949	102,190	0	0
Total Funds	\$520,401	\$1,709,547	\$803,413	\$3,877,202	\$3,876,493
Total Ongoing	\$520,401	\$1,709,547	\$803,413	\$3,877,202	\$3,876,493
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-169.

Funding*HB 2*

General fund appropriations provide funding for the Montana cybersecurity enhancement project and the administrative portion of the Public Safety Bureau. State special revenue appropriations provide support for the administrative costs related to 911 services. Fees are imposed on a per month, per access line basis for each telephone subscriber in the state using either landline or wireless services.

Non-Budgeted Proprietary Funding

The majority of the functions within SITSD are funded with proprietary funds.

Statutory Appropriations

The majority of the state special revenue funding in the division is statutorily appropriated for 911 services. Surcharges for 911 are collected by the state and statutorily appropriated for distribution to counties and telecommunication providers.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	426,804	426,804	853,608	12.43 %	803,413	803,413	1,606,826	20.72 %
SWPL Adjustments	(154,338)	(154,026)	(308,364)	(4.49)%	(86,033)	(86,742)	(172,775)	(2.23)%
PL Adjustments	614	614	1,228	0.02 %	(178)	(178)	(356)	(0.00)%
New Proposals	3,160,000	3,160,000	6,320,000	92.04 %	3,160,000	3,160,000	6,320,000	81.51 %
Total Budget	\$3,433,080	\$3,433,392	\$6,866,472		\$3,877,202	\$3,876,493	\$7,753,695	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(122,331)	153,634	(102,190)	(70,887)	0.00	(122,474)	152,954	(102,190)	(71,710)
DP 2 - Fixed Costs	0.00	(32,267)	16,861	0	(15,406)	0.00	(31,875)	16,520	0	(15,355)
DP 3 - Inflation Deflation	0.00	260	0	0	260	0.00	323	0	0	323
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	614	(792)	0	(178)	0.00	614	(792)	0	(178)
Grand Total All Present Law Adjustments										
	0.00	(\$153,724)	\$169,703	(\$102,190)	(\$86,211)	0.00	(\$153,412)	\$168,682	(\$102,190)	(\$86,920)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in general fund and a decrease in state special revenue funds because of a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7002 - Montana Cybersecurity Enhancement Project (Restricted)	10.00	3,160,000	0	0	3,160,000	10.00	3,160,000	0	0	3,160,000
Total	10.00	\$3,160,000	\$0	\$0	\$3,160,000	10.00	\$3,160,000	\$0	\$0	\$3,160,000

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 7002 - Montana Cybersecurity Enhancement Project (Restricted) -

The legislature adopted general fund appropriations in FY 2020 and FY 2021 for the Montana cybersecurity enhancement project for operating expenses and personal services related to 10.00 FTE. This includes expenditures for:

- Next generation anti-virus
- Cybersecurity staff
- Cybersecurity student programs
- Web application firewall (WAF)
- Email security gateway
- Security information and event management (SIEM)
- Analytics-driven security and continuous monitoring for threats
- Governance, Risk, and Compliance (GRC) software
- Enterprise risk assessment
- Digital forensics lab
- Source code repository
- Security orchestration, automation, and response (SOAR), and outsourced professional services

Other Issues -**Proprietary Rates****SITSD Proprietary Fund – 06522***Proprietary Program Description*

SITSD is a proprietary program that provides central computing, data network, and telecommunications services to more than 100 government customers throughout the state. SITSD manages two data centers, a statewide data network, and provides information technology (IT) services to all branches of state government, the Commissioner of Higher Education, and various city and county municipalities. Responsibilities include:

- Information Systems Security
 - Ensure continuity of enterprise operations and security of data through risk assessment and mitigation, planning and monitoring, detailed recovery planning, incident response, and periodic testing
 - Coordination of security policies and procedures
- Network Technology Services
 - Manage the statewide network (SummitNet)
 - Provide voice, video, data, and wireless services
 - Develop and implement solutions to address network growth and expansion
 - Support customers' needs regarding increased bandwidth and connectivity

- Enterprise Support Services
 - Manage the service desk to assist customers regarding hardware and software applications
 - Manage desktop lifecycle for customers
- Montana Data Centers
 - Manage data centers in Helena and Miles City
 - Provide reliable, efficient, and secure file storage
- Application Technology Services
 - Support the state's mt.gov websites
 - Assist customers with designing and deploying customized applications and online services, including eGovernment applications
- Strategic Planning Services
 - Ensure IT operations are conducted through planning and periodic performance reports
 - Provide oversight of agency IT procurement and plans
- Business and Financial Services
 - Manage budget development, billing, and acquisition and procurement services for IT customers
- State IT Project Management Services
 - Provide expertise, assistance, tools, methodologies, and training to customers to ensure IT projects are conducted in an organized, deliberate, and cost-effective manner

Proprietary Program Narrative

Expenses

Overall, there is a slight increase in personal services. The statewide present law adjustment for personal services is offset by a 6.0% vacancy savings. There is a decrease in operating expenses and increase in debt services due to the division entering into equipment leases.

Revenues

Funding for SITSD services is mainly derived from charges to state agencies through the fixed cost process for services. Budget authority to pay the SITSD allocation is a fixed cost item in each agency's budget. The statewide fixed costs are \$1.8 million higher in FY 2020 and \$1.9 million higher in FY 2021 when compared to FY 2019 appropriations.

SITSD uses a methodology to identify and allocate the full costs of each service it offers to the users of that service. This is known as the full-cost transparency model (FTM). FTM has been in place since the 2011 biennium. Changes to state agency SITSD costs in the 2021 biennium are shown in the following table.

Department of Administration State Information Technology Services Division State Agency Fixed Costs					
	Budgeted FY 2019	Change FY 2020	Adopted FY 2020	Change FY 2021	Adopted FY 2021
Legislative Branch	\$658,343	\$205,201	\$863,544	\$153,356	\$811,698
Montana Consumer Counsel	15,702	7,772	23,474	7,772	23,474
Judicial Branch	2,338,236	(389,562)	1,948,674	(386,527)	1,951,709
Governor's Office	189,387	73,202	262,588	73,385	262,771
Secretary of State's Office	267,324	27,937	295,260	27,939	295,263
Comm of Political Practice	91,398	89,778	181,176	89,779	181,177
State Auditor's Office	209,486	(18,476)	191,010	(18,376)	191,111
Office of Public Instruction	509,337	86,157	595,495	86,345	595,683
Dept. of Justice	3,859,918	(371,593)	3,488,325	(369,523)	3,490,395
Board of Crime Control	89,429	(89,429)	0	(89,429)	0
Public Service Commission	78,946	102,610	181,556	102,610	181,556
Board of Public Education	8,378	3,049	11,428	3,049	11,428
Commissioner of Higher Ed	60,712	(58,993)	1,720	(58,993)	1,720
University Systems	772,965	(772,965)	0	(772,965)	0
School for the Deaf & Blind	39,659	60,747	100,406	60,747	100,406
Montana Arts Council	28,089	1,970	30,059	1,970	30,059
Montana State Library	309,628	38,254	347,882	38,254	347,882
Historical Society	195,408	20,483	215,891	20,483	215,891
Fish, Wildlife & Parks	1,362,838	336,044	1,698,883	336,056	1,698,894
Dept. of Environmental Quality	1,114,942	180,545	1,295,487	175,338	1,290,281
Montana Dept. of Transportation	4,933,446	148,475	5,081,920	90,894	5,024,340
Dept. of Livestock	152,800	100,719	253,519	100,760	253,560
Dept. Natural Resources & Conservation	1,568,259	712,491	2,280,750	818,353	2,386,612
Dept. of Revenue	2,171,194	57,579	2,228,772	58,290	2,229,484
Dept. of Administration	2,462,644	77,090	2,539,734	95,139	2,557,783
Office of Public Defender	686,636	219,931	906,567	225,070	911,706
Montana State Fund	608,899	95,014	703,913	95,210	704,109
MPERA	297,630	(10,527)	287,104	(10,527)	287,104
Teachers Retirement System	102,945	7,982	110,926	7,982	110,927
Dept. of Agriculture	277,908	43,504	321,412	37,257	315,166
Dept. of Corrections	2,507,880	371,220	2,879,100	492,277	3,000,158
Dept of Commerce	508,618	108,728	617,346	108,728	617,346
Dept. of Labor and Industry	3,104,721	8,880	3,113,601	9,863	3,114,584
Dept. of Military Affairs	81,907	101,677	183,584	101,677	183,584
Dept. Public Health & Human Services	<u>11,775,177</u>	<u>186,867</u>	<u>11,962,044</u>	<u>189,283</u>	<u>11,964,460</u>
Total	<u>\$43,440,787</u>	<u>\$1,762,362</u>	<u>\$45,203,149</u>	<u>\$1,901,532</u>	<u>\$45,342,319</u>

Proprietary Rates

The table below shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
Fee Description:	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
	30-Day Working Capital Reserve	30-Day Working Capital Reserve	30-Day Working Capital Reserve	30-Day Working Capital Reserve

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,179,801	6,595,075	415,274	6.72 %
Operating Expenses	1,755,766	1,895,114	139,348	7.94 %
Total Expenditures	\$7,935,567	\$8,490,189	\$554,622	6.99 %
State/Other Special Rev. Funds	7,935,567	8,490,189	554,622	6.99 %
Total Funds	\$7,935,567	\$8,490,189	\$554,622	6.99 %
Total Ongoing	\$7,935,567	\$8,490,189	\$554,622	6.99 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-178.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	34.00	34.00	34.00	34.00
Personal Services	2,784,126	3,039,795	3,140,006	3,298,689	3,296,386
Operating Expenses	982,483	879,634	876,132	948,773	946,341
Total Expenditures	\$3,766,609	\$3,919,429	\$4,016,138	\$4,247,462	\$4,242,727
State/Other Special Rev. Funds	3,766,609	3,919,429	4,016,138	4,247,462	4,242,727
Total Funds	\$3,766,609	\$3,919,429	\$4,016,138	\$4,247,462	\$4,242,727
Total Ongoing	\$3,766,609	\$3,919,429	\$4,016,138	\$4,247,462	\$4,242,727
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-179.

Funding

The Division of Banking and Financial Institutions is funded entirely by state special revenues generated from assessments, application fees, and examination fees paid by the regulated financial institutions.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	4,016,138	4,016,138	8,032,276	94.61 %	
SWPL Adjustments	0	0	0	0.00 %	189,146	181,911	371,057	4.37 %	
PL Adjustments	0	0	0	0.00 %	42,178	44,678	86,856	1.02 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$4,247,462	\$4,242,727	\$8,490,189		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	158,683	0	158,683	0.00	0	156,380	0	156,380
DP 2 - Fixed Costs	0.00	0	24,188	0	24,188	0.00	0	17,744	0	17,744
DP 3 - Inflation Deflation	0.00	0	6,275	0	6,275	0.00	0	7,787	0	7,787
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	0	37,506	0	37,506	0.00	0	37,506	0	37,506
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	772	0	772	0.00	0	772	0	772
DP 1401 - Increase in rent expense for off-campus space	0.00	0	3,900	0	3,900	0.00	0	6,400	0	6,400
Grand Total All Present Law Adjustments	0.00	\$0	\$231,324	\$0	\$231,324	0.00	\$0	\$226,589	\$0	\$226,589

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in state special revenue funds due to an increase in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 1401 - Increase in rent expense for off-campus space -

The legislature adopted an increase in state special revenue to provide the funding to pay contracted increases in rent expense.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,358,677	4,686,598	327,921	7.52 %
Operating Expenses	5,745,810	5,705,133	(40,677)	(0.71)%
Equipment & Intangible Assets	39,000	100,000	61,000	156.41 %
Total Expenditures	\$10,143,487	\$10,491,731	\$348,244	3.43 %
Proprietary Funds	10,143,487	10,491,731	348,244	3.43 %
Total Funds	\$10,143,487	\$10,491,731	\$348,244	3.43 %
Total Ongoing	\$10,143,487	\$10,491,731	\$348,244	3.43 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-182.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	31.50	31.50	30.50	30.50
Personal Services	2,096,616	2,134,156	2,224,521	2,343,952	2,342,646
Operating Expenses	2,767,269	2,934,721	2,811,089	2,918,689	2,786,444
Equipment & Intangible Assets	18,054	19,500	19,500	50,000	50,000
Total Expenditures	\$4,881,939	\$5,088,377	\$5,055,110	\$5,312,641	\$5,179,090
Proprietary Funds	4,881,939	5,088,377	5,055,110	5,312,641	5,179,090
Total Funds	\$4,881,939	\$5,088,377	\$5,055,110	\$5,312,641	\$5,179,090
Total Ongoing	\$4,881,939	\$5,088,377	\$5,055,110	\$5,312,641	\$5,179,090
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-183.

Funding**HB 2**

The lottery is funded entirely with proprietary funds derived from lottery game revenues. Net revenue of the lottery, up to \$12.363 million are transferred annually to the general fund. Net revenues above \$12.363 million are transferred to the Science, Technology, Engineering and Math (STEM) scholarship account.

Statutory Appropriations

The Montana State Lottery has statutory appropriations for expenditures in three main areas:

- Lottery prizes
- Commissions paid to lottery ticket or chance sales agents
- Lottery contractor fees

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	5,055,110	5,055,110	10,110,220	96.36 %
SWPL Adjustments	0	0	0	0.00 %	136,007	3,762	139,769	1.33 %
PL Adjustments	0	0	0	0.00 %	121,524	120,218	241,742	2.30 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$5,312,641	\$5,179,090	\$10,491,731	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

-----Fiscal 2020-----					-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	135,997	0.00	0	0	0	3,749
DP 3 - Inflation Deflation	0.00	0	0	10	0.00	0	0	0	13
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	0	0	1,029	0.00	0	0	0	1,029
DP 50 - Personal Services Adjustment (1.00)	0	0	0	108,656	(1.00)	0	0	0	107,350
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	1,064	0.00	0	0	0	1,064
DP 1501 - Increase Equipment with decrease in Operating Expense	0.00	0	0	0	0.00	0	0	0	0
DP 1502 - Overtime not included in SWPL-1	0.00	0	0	10,775	0.00	0	0	0	10,775
Grand Total All Present Law Adjustments	(1.00)	\$0	\$0	\$257,531	(1.00)	\$0	\$0	\$0	\$123,980

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in proprietary funds due to a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the program. Specific adjustments include reducing 1.00 FTE.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 1501 - Increase Equipment with decrease in Operating Expense -

The legislature adopted an increase in proprietary funds for equipment and a corresponding decrease in proprietary funds for operating expenses. This request is for anticipated vehicle needs in the program.

DP 1502 - Overtime not included in SWPL-1 -

The legislature adopted an increase in proprietary funds for overtime in personal services in FY 2020 and FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,529,125	3,663,956	134,831	3.82 %
Operating Expenses	31,468,551	30,858,759	(609,792)	(1.94)%
Benefits & Claims	410,607,965	439,414,460	28,806,495	7.02 %
Total Expenditures	\$445,605,641	\$473,937,175	\$28,331,534	6.36 %
Proprietary Funds	445,605,641	473,937,175	28,331,534	6.36 %
Total Funds	\$445,605,641	\$473,937,175	\$28,331,534	6.36 %
Total Ongoing	\$445,605,641	\$473,937,175	\$28,331,534	6.36 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, HCDB-1.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	20.87	20.87	20.87	20.87
Personal Services	1,704,152	1,757,681	1,771,444	1,832,804	1,831,152
Operating Expenses	14,422,899	15,742,393	15,726,158	15,432,582	15,426,177
Benefits & Claims	184,076,947	196,053,423	214,554,542	211,707,230	227,707,230
Total Expenditures	\$200,203,998	\$213,553,497	\$232,052,144	\$228,972,616	\$244,964,559
Proprietary Funds	200,203,998	213,553,497	232,052,144	228,972,616	244,964,559
Total Funds	\$200,203,998	\$213,553,497	\$232,052,144	\$228,972,616	\$244,964,559
Total Ongoing	\$200,203,998	\$213,553,497	\$232,052,144	\$228,972,616	\$244,964,559
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, HCBD-2.

Funding

The Health Care and Benefits Division is funded entirely with proprietary funds which are not appropriated in HB 2. The three funds provide for two programs and a third function within the HCBD:

- **Employee Benefits Program** – provides oversight and administrative functions for the state employee group health plan including administration of the health, dental, vision, and life insurance. It is funded from the group benefits claims proprietary fund, which is an account used for the administrative costs of the program as well as benefits and claims costs
- **Workers' Compensation Management Bureau** – is the central resource for state agencies in working to enhance worker safety, provide loss preventions, develop and provide return-to-work programs, and coordinate

workers' compensation coverage and policy management issues. It is funded from workers' compensation management program fees which are fixed costs allocated to each state agency

- **Flexible Spending Funds** – accounts for employee deductions for flexible spending including medical and childcare

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	232,052,144	232,052,144	464,104,288	97.93 %
SWPL Adjustments	0	0	0	0.00 %	(148,059)	(156,116)	(304,175)	(0.06)%
PL Adjustments	0	0	0	0.00 %	(2,931,469)	13,068,531	10,137,062	2.14 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$228,972,616	\$244,964,559	\$473,937,175	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services										
0.00	0	0	0	61,360	0.00	0	0	0	59,708	
DP 2 - Fixed Costs										
0.00	0	0	0	(209,775)	0.00	0	0	0	(216,266)	
DP 3 - Inflation Deflation										
0.00	0	0	0	356	0.00	0	0	0	442	
DP 4 - Allocate Department Indirect/Administrative Costs										
0.00	0	0	0	948	0.00	0	0	0	948	
DP 55 - SWPL Fixed Cost Adjustment										
0.00	0	0	0	782	0.00	0	0	0	782	
DP 2101 - Health Plan Administration and Claims Adjustment										
0.00	0	0	0	(2,847,312)	0.00	0	0	0	13,152,688	
DP 2102 - Flexible Spending Account Adjustment										
0.00	0	0	0	(85,887)	0.00	0	0	0	(85,887)	
Grand Total All Present Law Adjustments										
0.00	\$0	\$0	\$0	(\$3,079,528)	0.00	\$0	\$0	\$0	\$12,912,415	

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature reviewed an increase in proprietary funds due to a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature reviewed an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 2101 - Health Plan Administration and Claims Adjustment -

The legislature reviewed a decrease in proprietary funds in FY 2020 and an increase of proprietary funds in FY 2021 to align the budget with the division's administration and claims expense projections.

DP 2102 - Flexible Spending Account Adjustment -

The legislature reviewed a reduction in proprietary funds in each year of the biennium to match estimated revenues and expenses for the administration of the state's flexible benefits program.

Other Issues -**Proprietary Rates**

The Health Care and Benefits Division manages two proprietary programs:

- Employee benefits, which includes
 - State's health and other benefit insurance plans
 - Contract administration of the flexible spending account
- Management of the state agency workers' compensation insurance

Employee Benefits Program – Group Benefits and Claims – 06559*Proprietary Program Description*

The Employee Benefits Program is charged with providing state employees, retirees, members of the legislature, judges, Judicial Branch employees, and their families with adequate medical, dental, prescription drug, life, and other related group benefits in an efficient manner and at an affordable cost. The program operates a self-funded health, prescription drug, dental, and vision plan. Life and long-term disability are purchased from private sector vendors on a fully-insured basis.

The program contracts with private companies to provide claims processing services, health screenings, and wellness plan administration.

The core service provided by the program is a medical plan, which includes prescription drug, vision exam coverage, dental, and basic life insurance benefits. The medical plan is administered by Allegiance, the pharmacy plan is administered by Navitus, and the dental plan is administered by Delta Dental, through their provider networks. The life and long-term disability are fully insured products offered through Standard Insurance.

The division has developed on-site employee health centers in Helena, Billings, Missoula, Butte, and Anaconda. The division has contracted with CareHere to staff and operate the health centers.

The program is funded by the state contribution for group benefits and by contributions and fees paid by plan members. The program currently supports 17.87 FTE.

*Proprietary Program Narrative*Expenses

When comparing the FY 2019 base budget to expenses in FY 2020 and FY 2021, the legislature approved a reduction in expenses of approximately \$3.0 million in FY 2020 and an increase in expenses of approximately \$13.0 million in FY 2021. This is primarily due to the adjustments for benefits and claims related to the health plan.

When comparing estimated FY 2019 expenses to expenses in FY 2020 and FY 2021, there is an increase in benefits and claims. This increase is 8.0% each fiscal year or approximately \$14.0 million in FY 2020 and \$16.0 million in FY 2021. Primary cost drivers for both medical claims, dental claims and prescription drug payments are the cost of service and service utilization.

Total plan costs are at \$220.8 million in FY 2020 and \$236.8 million in FY 2021.

Revenues

The State Employee Group Benefit Plan (SEGBP) is self-funded, and as such is responsible for medical costs incurred by its members. SEGBP is funded through a combination of state share paid by the State of Montana as an employer and member (employee and retiree) contribution payments. The state share is \$1,054 per month and is established in 2-18-703(2), MCA. As a component of employee compensation, the state share contribution amount is a subject of collective bargaining and is negotiated as part of the overall pay package for state employees.

Plan revenue from premiums are estimated at approximately \$241.0 million each fiscal year.

Proprietary Rates

The table below shows the rates for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
State Share Contribution	\$1,054	\$1,054	\$1,054	\$1,054
Rates are established to maintain adequate reserves. Actual state share rates are set for each calendar year as opposed to a fiscal year. This table shows the average month state share rate for each fiscal year.				

The amounts shown as rates above are the state share contribution for each state employee each month. The state share contribution amounts are contained in statute. The various contribution costs for the program are not limited through the legislative process but are determined by the division based on actuarial estimates of the claim costs for each insurance type. Any difference between the state share contribution and actual costs are made up by employee and retiree contributions and investment income. As the plan year for the state employee health insurance is a calendar year, the revenues for the plans are a combination of contributions for two years.

Workers' Compensation Management Program – 06575*Proprietary Program Description*

The Health Care and Benefits Division manages the Workers' Compensation Management Program. The program assists employees and agencies in ensuring a safe working environment, reduces on-the-job injuries and accidents in the workplace, and assists employees who are injured in returning to meaningful and productive work. The program is the central resource in working with the state's workers' compensation insurer, Montana State Fund, to coordinate workers' compensation coverage and policy management issues.

The program is funded through a fixed cost rate charged to state agencies. The program currently supports 3.00 FTE.

*Proprietary Program Narrative*Expenses

The expenses in FY 2020 and FY 2021 are largely unchanged from FY 2019.

Revenues

The workers' compensation management program fees are composed of a fixed cost rate allocated to each state agency based on the average number of payroll warrants issued each pay period.

Proprietary Rates

The table below shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Workers' Compensation Management	\$0.95	\$0.95	\$0.95	\$0.95

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,258,944	2,497,259	238,315	10.55 %
Operating Expenses	774,755	880,079	105,324	13.59 %
Total Expenditures	\$3,033,699	\$3,377,338	\$343,639	11.33 %
General Fund	3,033,699	3,377,338	343,639	11.33 %
Total Funds	\$3,033,699	\$3,377,338	\$343,639	11.33 %
Total Ongoing	\$3,033,699	\$3,377,338	\$343,639	11.33 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-187.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	14.25	14.25	13.25	13.25
Personal Services	1,171,060	1,030,233	1,228,711	1,248,397	1,248,862
Operating Expenses	230,352	384,912	389,843	439,651	440,428
Total Expenditures	\$1,401,412	\$1,415,145	\$1,618,554	\$1,688,048	\$1,689,290
General Fund	1,401,412	1,415,145	1,618,554	1,688,048	1,689,290
Total Funds	\$1,401,412	\$1,415,145	\$1,618,554	\$1,688,048	\$1,689,290
Total Ongoing	\$1,401,412	\$1,415,145	\$1,618,554	\$1,688,048	\$1,689,290
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-188.

Funding*HB 2*

The general fund appropriations in HB 2 support the Human Resources Policy and Programs Bureau.

Non-Budgeted Proprietary

The majority of the State Human Resources Division's operation are supported by proprietary funds. This includes:

- Professional Development Center (PDC)
- Human Resource Information Services Bureau (HRIS)

The PDC is supported through fees in the form of tuition paid by state agencies that enroll employees in various classes provided by the PDC and fees for other services offered by the PDC. The HRIS Bureau is funded through a fee charged to state agencies for each employee payroll processed in a pay period. Both funds are considered and approved as rates charged to other state agencies.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,618,554	1,618,554	3,237,108	95.85 %	1,618,554	1,618,554	3,237,108	95.85 %
SWPL Adjustments	49,385	50,162	99,547	2.95 %	49,385	50,162	99,547	2.95 %
PL Adjustments	20,109	20,574	40,683	1.20 %	20,109	20,574	40,683	1.20 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,688,048	\$1,689,290	\$3,377,338		\$1,688,048	\$1,689,290	\$3,377,338	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	49,346	0	0	49,346	0.00	50,113	0	0	50,113
DP 3 - Inflation Deflation	0.00	39	0	0	39	0.00	49	0	0	49
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	423	0	0	423	0.00	423	0	0	423
DP 50 - Personal Services Adjustment	(1.00)	19,686	0	0	19,686	(1.00)	20,151	0	0	20,151
Grand Total All Present Law Adjustments	(1.00)	\$69,494	\$0	\$0	\$69,494	(1.00)	\$70,736	\$0	\$0	\$70,736

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in general fund due to a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services and funding for 1.00 FTE.

Other Issues -**Proprietary Rates**

The State Human Resources Division provides the following programs funded through proprietary rates:

- Professional Development Center
- Human Resources Information Services Bureau

Professional Development Center / Training Program - 06525*Proprietary Program Description*

The Professional Development Center (PDC) program provides training and related services throughout locations in the state of Montana. The PDC offers training directed towards improving state practices, meeting state and federal regulations, and providing professional services such as facilitation, mediation, or curriculum design. The statutory authority for this program comes from 2-18-102, MCA.

The PDC also contracts with individual agencies to provide training for their staff. The agency schedules, promotes, and provides the facility for training. The PDC provides the instruction and class materials.

The program is an internal service fund and has 3.00 FTE.

*Proprietary Program Narrative*Expenses

The increase in total expenses is approximately \$20,000 each fiscal year. This increase is primarily due to the statewide present law adjustment for personal services.

Revenues

Funding for the PDC is generated through two rates:

- Open-enrollment fees, which are a per-person tuition charged for attendance. Tuition rates are based on two factors: projected attendance and competitive pricing. Tuition rates for the 2021 biennium are based on the proportion of fixed and personal services costs to the overall anticipated program cost. The amount per person varies by length of the course and number of people attending from a single agency
- Contract fees, which are a flat fee charged for providing a service. The amount per service varies by length of the service and number of services arranged in a single contract

Proprietary Rates

The following table shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Open Enrollment Courses				
Two-Day Course (per participant)	\$190	\$190	\$190	\$190
One-Day Course (per participant)	\$123	\$123	\$123	\$123
Half-Day Course (per participant)	\$95	\$95	\$95	\$95
Eight-Day Management Series (per participant)	\$800	\$800	\$800	\$800
Six-Day Management Series (per participant)	\$600	\$600	\$600	\$600
Four-Day Administrative Assistant Series (per participant)	\$400	\$400	\$400	\$400
Contract Courses				
Full Day Training (flat fee)	\$830	\$830	\$830	\$830
Half Day Training (flat fee)	\$570	\$570	\$570	\$570
Computer Maintenance Charge (course specific)	\$10	\$10	\$10	\$10

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Human Resources Information System Bureau (HRIS) - 06563

Proprietary Program Description

The HRIS Bureau operates the SABHRS-HR payroll, benefits, and human resources system to process, distribute, report, and account for payroll, benefits, and associated withholding and deductions for almost 14,000 state employees in the executive, legislative, and judicial branches. The bureau is also responsible for the administration and maintenance of the State of Montana Recruitment System (SOMRS) which is used by all state agencies in the recruitment and selection of applicants.

The bureau establishes and maintains standards, processes, and procedures to be followed by state agencies in preparing and submitting payroll, benefits, and related HR data into the system. The system operated by the bureau provides information and processing in support of division and statewide functions and programs, including employee benefits (group insurance, FSA, ACA compliance, deferred compensation, and pension), classification, pay, labor relations, policy and training.

The program staff consists of 22.75 FTE. Statutory authority is 2-18-401, MCA, and 2-18-403, MCA.

Proprietary Program Narrative

Expenses

The increase total expenses is \$180,000 in FY 2020 and \$112,000 in FY 2021. The proposed increase is primarily due to statewide present law adjustments for personal services.

Revenues

HRIS rates are set as fixed costs and allocated to each agency based on the number of paychecks processed during the two prior fiscal years.

Proprietary Rates

The following table shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
HRIS Fees (per employee process per pay period)	\$8.55	\$8.55	\$8.89	\$8.89

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,100,489	3,353,896	253,407	8.17 %
Operating Expenses	17,305,092	17,922,166	617,074	3.57 %
Grants	1,040,226	1,040,226	0	0.00 %
Benefits & Claims	22,470,174	12,470,174	(10,000,000)	(44.50)%
Total Expenditures	\$43,915,981	\$34,786,462	(\$9,129,519)	(20.79)%
Proprietary Funds	43,915,981	34,786,462	(9,129,519)	(20.79)%
Total Funds	\$43,915,981	\$34,786,462	(\$9,129,519)	(20.79)%

Page Reference

Legislative Budget Analysis, A-197.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	17.00	17.00	17.00	17.00
Personal Services	1,502,722	1,540,892	1,559,597	1,675,888	1,678,008
Operating Expenses	6,870,709	8,656,586	8,648,506	8,965,248	8,956,918
Grants	228,051	520,113	520,113	520,113	520,113
Benefits & Claims	14,294,195	16,235,087	6,235,087	6,235,087	6,235,087
Total Expenditures	\$22,895,677	\$26,952,678	\$16,963,303	\$17,396,336	\$17,390,126
Proprietary Funds	22,895,677	26,952,678	16,963,303	17,396,336	17,390,126
Total Funds	\$22,895,677	\$26,952,678	\$16,963,303	\$17,396,336	\$17,390,126

Page Reference

Legislative Budget Analysis, A-198.

Funding*Non-Budgeted Proprietary*

The majority of the Risk Management and Tort Defense's (RMTD) budget is comprised of proprietary funds that are derived from premium assessments on insurance risks paid by state agencies and the Montana University System. These funds are considered and approved as rates charged to other state agencies.

Statutory Appropriations

Statutory appropriations are for the receipt of insurance proceeds for claims that fall above the amount that the state self-insures.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	16,963,303	16,963,303	33,926,606	97.53 %
SWPL Adjustments	0	0	0	0.00 %	432,055	425,845	857,900	2.47 %
PL Adjustments	0	0	0	0.00 %	978	978	1,956	0.01 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$17,396,336	\$17,390,126	\$34,786,462	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	0	0	0	116,291		0.00	0	0	0	118,411
DP 2 - Fixed Costs										
0.00	0	0	0	314,505		0.00	0	0	0	305,872
DP 3 - Inflation Deflation										
0.00	0	0	0	1,259		0.00	0	0	0	1,562
DP 4 - Allocate Department Indirect/Administrative Costs										
0.00	0	0	0	(88)		0.00	0	0	0	(88)
DP 55 - SWPL Fixed Cost Adjustment										
0.00	0	0	0	1,066		0.00	0	0	0	1,066
Grand Total All Present Law Adjustments										
0.00	\$0	\$0	\$0	\$433,033		0.00	\$0	\$0	\$0	\$426,823

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature reviewed a decrease in proprietary funds due to a reduction in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature reviewed an increase to the Statewide Cost Allocation Plan (SWCAP).

Other Issues -**Proprietary Rates****Agency Insurance Fund - 06532***Proprietary Program Description*

The Risk Management & Tort Defense Division administers a comprehensive plan of property/casualty insurance protection on behalf of state government. The division purchases commercial insurance, where cost-effective, to cover catastrophic losses above high deductibles.

State risks that are currently insured through commercial insurance carriers include aircraft, airports, boilers and machinery, bonds (various), crime, cyber/information security, fine art, foreign specialties, foster care, HIPAA, medical malpractice, property, professional liability, and other miscellaneous risks. The state self-insures most commercial insurance risks under \$1,500,000 per occurrence as well as auto, general liability, inland marine (i.e. property in-transit), and mobile/specialized equipment. The division also provides consultative services that include training, inspections, program reviews, contract administration, claims administration, and legal defense to prevent or minimize the adverse effects of physical or financial loss.

The division investigates, evaluates, and resolves tort liability claims (i.e. personal injury or property damage to third parties) and coordinates the adjudication and settlement of other claims involving property damage. This division operates under the authority of 2-9-101, MCA, through 2-9-305, MCA.

*Proprietary Program Narrative*Expenses

Overall, the increase in personal services and operating expenses is \$433,000 in FY 2020 and \$427,000 in FY 2021. The increases are primarily due to statewide present law adjustments for personal services and fixed costs. The fixed cost adjustment is mainly due to a technology upgrade for the system used for the underwriting process and to monitor and administer claims. The databases have been operating on an obsolete oracle server with outdated technology.

Revenues

Montana self-insures its insurance risks for automobile, general liability, and property via this program. All state agencies pay insurance premiums to the Risk Management and Tort Defense Division. The following figure shows insurance premiums for state agencies in the 2019 biennium and the 2021 biennium and changes in the costs between biennia.

Department of Administration Risk Management and Tort Defense Division State Agency Insurance Costs				
State Agency	2019 Biennium	2021 Biennium	Change	% Change
Legislative Branch	\$95,791	\$97,449	\$1,658	1.7%
Consumer Counsel	2,936	2,897	(39)	-1.3%
Judicial Branch	327,928	325,337	(2,591)	-0.8%
Governor's Office	60,560	58,519	(2,041)	-3.4%
Secretary of State's Office	31,402	30,393	(1,009)	-3.2%
Commissioner of Political Practices	3,322	3,302	(20)	-0.6%
State Auditor's Office	47,609	47,566	(43)	-0.1%
Office of Public Instruction	93,038	93,937	899	1.0%
Department of Justice	1,734,426	1,681,643	(52,783)	-3.0%
Public Service Regulation	34,479	33,908	(571)	-1.7%
Board of Public Education	2,088	1,835	(253)	-12.1%
Commissioner of Higher Ed	16,119,921	15,985,932	(133,989)	-0.8%
School for the Deaf and Blind	123,910	134,509	10,599	8.6%
Montana Arts Council	4,970	4,572	(398)	-8.0%
Montana State Library	34,070	30,805	(3,265)	-9.6%
Montana Historical Society	200,808	205,827	5,019	2.5%
Department of Fish Wildlife and Parks	1,069,046	1,100,857	31,811	3.0%
Department of Environmental Quality	691,345	696,181	4,836	0.7%
Department of Transportation	11,106,640	11,036,162	(70,478)	-0.6%
Department of Livestock	185,039	183,680	(1,359)	-0.7%
Department of Natural Resources and Conservation	935,295	981,006	45,711	4.9%
Department of Revenue	497,944	502,011	4,067	0.8%
Department of Administration	1,477,156	1,552,819	75,663	5.1%
Montana State Fund	1,078,953	1,074,562	(4,391)	-0.4%
Public Employees Retirement Board	34,987	33,480	(1,507)	-4.3%
Teachers Retirement Board	12,914	13,257	343	2.7%
Office of the Public Defender	182,799	201,731	18,932	10.4%
Department of Agriculture	173,476	172,945	(531)	-0.3%
Department of Corrections	3,538,976	3,555,391	16,415	0.5%
Department of Commerce	411,079	409,044	(2,035)	-0.5%
Department of Labor and Industry	625,832	621,233	(4,599)	-0.7%
Department of Military Affairs	578,548	594,709	16,161	2.8%
Department of Public Health and Human Services	<u>5,953,857</u>	<u>5,924,033</u>	<u>(29,824)</u>	<u>-0.5%</u>
Grand Total	<u>\$47,471,144</u>	<u>\$47,391,532</u>	<u>(\$79,612)</u>	<u>-0.2%</u>

Overall, revenues generated through premiums allocated to state agencies decreased by less than 1.0%.

Proprietary Rates

The following table shows the rates adopted for the 2021 biennium. The rates charged in the base year are shown for comparison purposes.

**Requested Rates for Internal Service or Enterprise Funds
Fee/Rate Information**

	Actual FY 18	Budgeted FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
Auto - Comprehensive/Collision	\$2,022,570	\$2,022,570	\$2,022,570	\$2,022,570
Aviation	\$169,961	\$169,961	\$169,961	\$169,961
General Liability	\$14,613,042	\$14,613,042	\$14,573,235	\$14,573,236
Property/Miscellaneous	\$6,930,000	\$6,930,000	\$6,930,000	\$6,930,000

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	915,097	1,011,097	96,000	10.49 %
Operating Expenses	264,048	323,000	58,952	22.33 %
Local Assistance	25,366	29,366	4,000	15.77 %
Total Expenditures	\$1,204,511	\$1,363,463	\$158,952	13.20 %
General Fund	1,204,511	1,363,463	158,952	13.20 %
Total Funds	\$1,204,511	\$1,363,463	\$158,952	13.20 %
Total Ongoing	\$1,204,511	\$1,363,463	\$158,952	13.20 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-206.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.50	5.50	5.50	5.50
Personal Services	457,028	455,449	459,648	505,563	505,534
Operating Expenses	115,167	123,967	140,081	161,563	161,437
Local Assistance	14,856	12,683	12,683	14,683	14,683
Total Expenditures	\$587,051	\$592,099	\$612,412	\$681,809	\$681,654
General Fund	587,051	592,099	612,412	681,809	681,654
Total Funds	\$587,051	\$592,099	\$612,412	\$681,809	\$681,654
Total Ongoing	\$587,051	\$592,099	\$612,412	\$681,809	\$681,654
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-207.

Funding

The Montana Tax Appeal Board (MTAB) is fully funded with general fund. General fund provides support for travel expenses, compensation, and all other incidental expenses of the county tax boards. Office space and equipment for the county tax appeal boards must be furnished by the county.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	612,412	612,412	1,224,824	89.83 %	612,412	612,412	1,224,824	89.83 %
SWPL Adjustments	47,475	47,320	94,795	6.95 %	47,475	47,320	94,795	6.95 %
PL Adjustments	21,922	21,922	43,844	3.22 %	21,922	21,922	43,844	3.22 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$681,809	\$681,654	\$1,363,463		\$681,809	\$681,654	\$1,363,463	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	45,915	0	0	45,915	0.00	45,886	0	0	45,886
DP 2 - Fixed Costs	0.00	1,532	0	0	1,532	0.00	1,399	0	0	1,399
DP 3 - Inflation Deflation	0.00	28	0	0	28	0.00	35	0	0	35
DP 4 - Allocate Department Indirect/Administrative Costs	0.00	332	0	0	332	0.00	332	0	0	332
DP 3701 - Increase in rent expense for off-campus space	0.00	12,090	0	0	12,090	0.00	12,090	0	0	12,090
DP 3702 - Restore County Funding	0.00	9,500	0	0	9,500	0.00	9,500	0	0	9,500
Grand Total All Present Law Adjustments	0.00	\$69,397	\$0	\$0	\$69,397	0.00	\$69,242	\$0	\$0	\$69,242

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Allocate Department Indirect/Administrative Costs -

The legislature adopted an increase in general fund due to a change in indirect costs. These are the costs recovered by the Department of Administration from divisions within the department for services provided, which include accounting, human resources, and legal support.

DP 3701 - Increase in rent expense for off-campus space -

The legislature adopted an increase in general fund to provide funding to pay for an increase in rent expenses.

DP 3702 - Restore County Funding -

The legislature adopted an increase in general fund to provide the funding for travel expenses and training related to county tax appeal hearings.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,983,414	8,106,514	1,123,100	16.08 %
Operating Expenses	9,552,957	10,627,560	1,074,603	11.25 %
Local Assistance	82,000	92,000	10,000	12.20 %
Grants	38,267,002	43,907,890	5,640,888	14.74 %
Benefits & Claims	697,842	0	(697,842)	(100.00)%
Transfers	1,810,000	1,599,999	(210,001)	(11.60)%
Total Expenditures	\$57,393,215	\$64,333,963	\$6,940,748	12.09 %
General Fund	6,840,108	11,161,429	4,321,321	63.18 %
State/Other Special Rev. Funds	14,371,527	11,045,712	(3,325,815)	(23.14)%
Federal Spec. Rev. Funds	36,181,580	42,126,822	5,945,242	16.43 %
Total Funds	\$57,393,215	\$64,333,963	\$6,940,748	12.09 %
Total Ongoing	\$53,243,215	\$59,620,417	\$6,377,202	11.98 %
Total OTO	\$4,150,000	\$4,713,546	\$563,546	13.58 %

Page Reference

Legislative Budget Analysis, A-210.

Agency Highlights

**Department of Commerce
Major Budget Highlights**

- The legislature adopted an increase to the Department of Commerce's total biennial appropriation of approximately \$6.9 million or 12.1% compared to the 2019 biennium appropriation
- The legislature adopted one-time-only general fund appropriations for the Primary Sector Workforce Training Grant Program and the Indian Country Economic Development Program
- The legislature adopted one-time-only, biennial general fund appropriations for the Native Language Preservation Program
- The legislature adopted one-time-only, biennial general fund appropriations for marketing related to the Decennial Census
- The legislature adopted the elimination of HB 2 state special revenue appropriations for the Food and Agriculture Development Centers, Office of Outdoor Recreation, and grants that address employment barriers. The legislature approved the reduction of funding related to 1.00 FTE
- The legislature adopted state special revenue appropriations for the Advanced Fuels Center at Montana State University - Northern
- The legislature adopted an increase in federal special revenue appropriations for the National Housing Trust Fund Program

Agency Actuals and Budget Comparison

Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	47.05	47.05	48.05	48.05
Personal Services	2,974,166	3,357,579	3,625,835	4,053,436	4,053,078
Operating Expenses	2,909,641	4,499,256	5,053,701	5,368,849	5,258,711
Local Assistance	0	36,000	46,000	46,000	46,000
Grants	6,193,931	19,368,903	18,898,099	21,928,945	21,978,945
Benefits & Claims	141,183	348,921	348,921	0	0
Transfers	905,000	905,000	905,000	799,999	800,000
Total Expenditures	\$13,123,921	\$28,515,659	\$28,877,556	\$32,197,229	\$32,136,734
General Fund	3,196,578	3,264,192	3,575,916	5,630,632	5,530,797
State/Other Special Rev. Funds	4,529,395	7,178,125	7,193,402	5,532,502	5,513,210
Federal Spec. Rev. Funds	5,397,948	18,073,342	18,108,238	21,034,095	21,092,727
Total Funds	\$13,123,921	\$28,515,659	\$28,877,556	\$32,197,229	\$32,136,734
Total Ongoing	\$11,112,621	\$26,440,659	\$26,802,556	\$29,790,353	\$29,830,064
Total OTO	\$2,011,300	\$2,075,000	\$2,075,000	\$2,406,876	\$2,306,670

Page Reference

Legislative Budget Analysis, A-211.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	47.05	49.05	48.05	(1.00)	49.05	48.05	(1.00)	(1.00)
Personal Services	3,625,835	4,053,436	4,053,436	0	4,053,078	4,053,078	0	0
Operating Expenses	5,053,701	5,489,210	5,368,849	(120,361)	5,384,463	5,258,711	(125,752)	(246,113)
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Local Assistance	46,000	46,000	46,000	0	46,000	46,000	0	0
Grants	18,898,099	21,928,945	21,928,945	0	21,978,945	21,978,945	0	0
Benefits & Claims	348,921	0	0	0	0	0	0	0
Transfers	905,000	600,000	799,999	199,999	600,000	800,000	200,000	399,999
Total Costs	\$28,877,556	\$32,117,591	\$32,197,229	\$79,638	\$32,062,486	\$32,136,734	\$74,248	\$153,886
General Fund	3,575,916	5,642,458	5,630,632	(11,826)	5,548,013	5,530,797	(17,216)	(29,042)
State/other Special Rev. Funds	7,193,402	5,422,138	5,532,502	110,364	5,402,846	5,513,210	110,364	220,728
Federal Spec. Rev. Funds	18,108,238	21,052,995	21,034,095	(18,900)	21,111,627	21,092,727	(18,900)	(37,800)
Total Funds	\$28,877,556	\$32,117,591	\$32,197,229	\$79,638	\$32,062,486	\$32,136,734	\$74,248	\$153,886
Total Ongoing	\$26,802,556	\$32,017,591	\$29,790,353	(\$2,227,238)	\$32,062,486	\$29,830,064	(\$2,232,422)	(\$4,459,660)
Total OTO	\$2,075,000	\$100,000	\$2,406,876	\$2,306,876	\$0	\$2,306,670	\$2,306,670	\$4,613,546

The legislature adopted appropriations that are approximately \$154,000 higher than the proposed executive appropriations for the 2021 biennium.

The major differences in the legislative budget compared to the executive budget include:

- The legislature adopted the proposed appropriations for the Primary Sector Workforce Training Grant Program, Indian Country Economic Development Program, and the Montana Indian Language Preservation Program as one-time-only appropriations
- The legislature adopted state special revenue appropriations of \$400,000 over the biennium for the Advanced Fuels Center at Montana State University – Northern
- The legislature adopted a reduction in state special revenue of \$150,000 over the biennium for the Mobile Home Revolving Loan Program
- The legislature adopted reductions in general fund of \$28,000 over the biennium in the Community Development Division. These reductions are related to proposed adjustment for printing and publication costs for the Community Technical Assistance Program, the replacement of computer hardware, rent, and indirect costs

Funding

The following table shows agency funding by source of authority.

Total Department of Commerce Funding by Source of Authority 2021 Biennium Budget Request - Department of Commerce						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	6,611,429	4,550,000	0	3,600,000	14,761,429	5.14 %
State Special Total	10,882,166	163,546	0	73,028,975	84,074,687	29.29 %
Federal Special Total	42,126,822	0	0	2,089,860	44,216,682	15.40 %
Proprietary Total	0	0	137,746,704	6,268,509	144,015,213	50.17 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$59,620,417	\$4,713,546	\$137,746,704	\$84,987,344	\$287,068,011	
Percent - Total All Sources	20.77 %	1.64 %	47.98 %	29.61 %		

Over 75.0% of the overall funding in the Department of Commerce is not budgeted through HB 2 but provided as either non-budgeted proprietary funding or as statutory appropriations. HB 2 appropriations of general fund, state special revenue, and federal special revenues comprise the remaining funding for the Department of Commerce and will be discussed in further detail at the program level.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,200,916	3,200,916	6,401,832	57.36 %	26,802,556	26,802,556	53,605,112	83.32 %
SWPL Adjustments	107,998	100,070	208,068	1.86 %	495,235	432,044	927,279	1.44 %
PL Adjustments	(3,282)	4,811	1,529	0.01 %	(227,438)	(124,536)	(351,974)	(0.55)%
New Proposals	2,325,000	2,225,000	4,550,000	40.77 %	5,126,876	5,026,670	10,153,546	15.78 %
Total Budget	\$5,630,632	\$5,530,797	\$11,161,429		\$32,197,229	\$32,136,734	\$64,333,963	

Language and Statutory Authority

Grants received from Indian Country Economic Development, Montana Indian Language Preservation, and Primary Business Sector Training may be used as matching funds for federal or private fund sources.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,493,898	3,628,087	134,189	3.84 %
Operating Expenses	5,490,364	6,277,010	786,646	14.33 %
Local Assistance	82,000	92,000	10,000	12.20 %
Grants	4,268,956	4,226,048	(42,908)	(1.01)%
Transfers	1,810,000	1,599,999	(210,001)	(11.60)%
Total Expenditures	\$15,145,218	\$15,823,144	\$677,926	4.48 %
General Fund	5,283,719	9,325,027	4,041,308	76.49 %
State/Other Special Rev. Funds	8,265,422	4,811,452	(3,453,970)	(41.79)%
Federal Spec. Rev. Funds	1,596,077	1,686,665	90,588	5.68 %
Total Funds	\$15,145,218	\$15,823,144	\$677,926	4.48 %
Total Ongoing	\$10,995,218	\$11,109,598	\$114,380	1.04 %
Total OTO	\$4,150,000	\$4,713,546	\$563,546	13.58 %

Page Reference

Legislative Budget Analysis, A-216.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	20.35	20.35	21.35	21.35
Personal Services	1,570,198	1,661,728	1,832,170	1,815,258	1,812,829
Operating Expenses	1,975,968	2,502,034	2,988,330	3,196,766	3,080,244
Local Assistance	0	36,000	46,000	46,000	46,000
Grants	2,183,253	2,373,646	1,895,310	2,113,024	2,113,024
Transfers	905,000	905,000	905,000	799,999	800,000
Total Expenditures	\$6,634,419	\$7,478,408	\$7,666,810	\$7,971,047	\$7,852,097
General Fund	2,468,316	2,534,360	2,749,359	4,710,502	4,614,525
State/Other Special Rev. Funds	3,498,438	4,147,893	4,117,529	2,423,067	2,388,385
Federal Spec. Rev. Funds	667,665	796,155	799,922	837,478	849,187
Total Funds	\$6,634,419	\$7,478,408	\$7,666,810	\$7,971,047	\$7,852,097
Total Ongoing	\$4,623,119	\$5,403,408	\$5,591,810	\$5,564,171	\$5,545,427
Total OTO	\$2,011,300	\$2,075,000	\$2,075,000	\$2,406,876	\$2,306,670

Page Reference

Legislative Budget Analysis, A-217.

Funding*HB 2 Funding*

General fund appropriations comprise approximately 58.9% of proposed HB 2 appropriations. This includes funding for Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR), Montana Manufacturing Extension Center (MMEC), Research and Information Services, Made in Montana Program, Small Business Development Center (SBDC), State Tribal Economic Development, and International Trade Export. Additionally, there is one-time-only appropriations for Primary Business Sector Training, Indian Country Economic Development, Montana Native Language Preservation, and marketing related to the 2020 census.

State special revenue appropriations comprise 30.4% of proposed HB 2 appropriations. These appropriations include authority for microbusiness loans, primary business sector training, private contributions for joint private/state targeted tourism advertising campaigns, and the State-Tribal Economic Development Program.

Federal special revenue appropriations comprise 10.7% of total proposed HB 2 appropriations and are for small business development centers.

Statutory Appropriations

The majority of statutory appropriations are from lodging and facility taxes and are used to support tourism and film promotion in the state. Statutory appropriations also include funding for the Distressed Wood Products Program, Research and Commercialization, and the Big Sky Economic Development Program. Statutorily appropriated general fund is used for business and economic development programs.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,374,359	2,374,359	4,748,718	50.92 %	5,591,810	5,591,810	11,183,620	70.68 %
SWPL Adjustments	14,063	9,993	24,056	0.26 %	71,722	22,594	94,316	0.60 %
PL Adjustments	(2,920)	5,173	2,253	0.02 %	105,639	136,023	241,662	1.53 %
New Proposals	2,325,000	2,225,000	4,550,000	48.79 %	2,201,876	2,101,670	4,303,546	27.20 %
Total Budget	\$4,710,502	\$4,614,525	\$9,325,027		\$7,971,047	\$7,852,097	\$15,823,144	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	4,169	5,636	336	10,141	0.00	3,347	4,524	269	8,140
DP 2 - Fixed Costs	0.00	8,866	48,271	3,416	60,553	0.00	5,370	5,657	2,151	13,178
DP 3 - Inflation Deflation	0.00	1,028	0	0	1,028	0.00	1,276	0	0	1,276
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	(6,023)	(2,220)	(8,243)	0.00	0	(6,023)	(2,220)	(8,243)
DP 5106 - OTBD Administrative Costs Adjustments	0.00	(2,920)	80,778	36,024	113,882	0.00	5,173	90,028	49,065	144,266
Grand Total All Present Law Adjustments	0.00	\$11,143	\$128,662	\$37,556	\$177,361	0.00	\$15,166	\$94,186	\$49,265	\$158,617

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 5106 - OTBD Administrative Costs Adjustments -

The legislature adopted an increase in general fund, state special revenue, and federal special revenue appropriations. This change package includes:

- An increase of state special revenue of approximately \$90,000 each fiscal year to match anticipated funds. The department anticipates receiving more funds as the result of increased public/private partnerships and enhancements to the Governor's Conference on Tourism and Recreation, enhancements to the Made in Montana Tradeshaw, and the Small Business Development Center (SBDC) conference
- An increase in state special revenue funds of approximately \$58,000 in FY 2020 and \$67,000 in FY 2021 to match anticipated amounts received from the accommodation tax for the State Tribal Tourism Program
- A decrease in state special revenue of approximately \$67,000 each fiscal year for the GAP Financing Program to match anticipated Native American collateral/GAP financing loans
- An increase in federal special revenue of \$40,000 in FY 2020 and \$50,000 in FY 2021 to match anticipated federal authority for the SBDC
- An overall increase in funds for adjustments to a 5-year replacement schedule for computer hardware in FY 2020 and FY 2021 as well as an increase rent in FY 2021
- An overall decrease in funds for indirect costs paid to the Director's Office

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Total Funds
DP 5101 - OTBD Primary Business Sector Training (OTO)	1.00	600,000	81,876	0	681,876	1.00	600,000	81,670	0	681,670
DP 5102 - OTBD Indian Country Economic Development (OTO)	1.00	875,000	0	0	875,000	1.00	875,000	0	0	875,000
DP 5103 - OTBD Census 2020 Marketing BIEN/OTO	0.00	100,000	0	0	100,000	0.00	0	0	0	0
DP 5104 - OTBD Montana Indian Language Preservation (BIEN/OTO)	0.00	750,000	0	0	750,000	0.00	750,000	0	0	750,000
DP 5118 - OTBD Eliminate Big Sky Trust Fund Appropriations	(1.00)	0	(405,000)	0	(405,000)	(1.00)	0	(405,000)	0	(405,000)
DP 5128 - Northern Advanced Fuels	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
Total	1.00	\$2,325,000	(\$123,124)	\$0	\$2,201,876	1.00	\$2,225,000	(\$123,330)	\$0	\$2,101,670

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5101 - OTBD Primary Business Sector Training (OTO) -

The legislature adopted one-time-only general fund and state special revenue appropriations in FY 2020 and FY 2021 for the Primary Sector Workforce Training Grant. This request includes funding for 1.00 FTE. The program provides grant funds to new and existing primary sector Montana businesses for training their employees in newly created full-time and part-time jobs.

DP 5102 - OTBD Indian Country Economic Development (OTO) -

The legislature adopted one-time-only general fund appropriations in FY 2020 and FY 2021 for the Indian Country Economic Development (ICED) Program. This request includes funding for 1.00 FTE. This program provides small equity grants, business advisor host organization funds, and tribal government business planning resources. Funding is distributed to the eight tribal nations and tribal member businesses.

DP 5103 - OTBD Census 2020 Marketing BIEN/OTO -

The legislature adopted one-time-only, biennial general fund appropriations for the 2020 Decennial Census. The 2020 count of Montana residents will be done by the Census Bureau with fewer employees and less funding than 2010, relying for the first time on internet responses and other technology. Proposed expenditures include promotions and printing, contracted services, workshops and meetings, travel, communications, and office supplies.

DP 5104 - OTBD Montana Indian Language Preservation (BIEN/OTO) -

The legislature adopted one-time-only, biennial general fund appropriations for the Montana Indian Language Preservation Program. Each tribal nation develops, and makes accessible, curricula, audio and video recordings, and reference materials to assist in preserving and perpetuating Indian languages.

DP 5118 - OTBD Eliminate Big Sky Trust Fund Appropriations -

The legislature adopted reductions in state special revenue appropriations and 1.00 FTE in FY 2020 and FY 2021 for programs funded with the big sky economic development fund during the 2019 biennium. These programs include:

- Food and Agriculture Development Centers which were appropriated \$105,000 each fiscal year
- Outdoor Recreation which was appropriated \$200,000 each fiscal year
- Grants that address employment barriers which was appropriated \$100,000 each fiscal year

DP 5128 - Northern Advanced Fuels -

The legislature adopted state special revenue appropriations in FY 2020 and FY 2021 for the Advanced Fuels Center at Montana State University – Northern.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,461,366	4,442,065	980,699	28.33 %
Operating Expenses	3,525,333	3,988,243	462,910	13.13 %
Grants	32,998,046	38,531,842	5,533,796	16.77 %
Total Expenditures	\$39,984,745	\$46,962,150	\$6,977,405	17.45 %
General Fund	1,556,389	1,836,402	280,013	17.99 %
State/Other Special Rev. Funds	5,560,695	5,835,591	274,896	4.94 %
Federal Spec. Rev. Funds	32,867,661	39,290,157	6,422,496	19.54 %
Total Funds	\$39,984,745	\$46,962,150	\$6,977,405	17.45 %
Total Ongoing	\$39,984,745	\$46,962,150	\$6,977,405	17.45 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-229.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	25.45	25.45	25.45	25.45
Personal Services	1,392,775	1,684,596	1,776,770	2,219,964	2,222,101
Operating Expenses	744,304	1,726,292	1,799,041	1,990,925	1,997,318
Grants	3,510,678	16,495,257	16,502,789	19,265,921	19,265,921
Total Expenditures	\$5,647,757	\$19,906,145	\$20,078,600	\$23,476,810	\$23,485,340
General Fund	728,262	729,832	826,557	920,130	916,272
State/Other Special Rev. Funds	835,937	2,758,047	2,802,648	2,910,063	2,925,528
Federal Spec. Rev. Funds	4,083,558	16,418,266	16,449,395	19,646,617	19,643,540
Total Funds	\$5,647,757	\$19,906,145	\$20,078,600	\$23,476,810	\$23,485,340
Total Ongoing	\$5,647,757	\$19,906,145	\$20,078,600	\$23,476,810	\$23,485,340
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-230.

Funding

HB 2

General fund appropriations comprise approximately 4.0% of proposed HB 2 appropriations. General fund is used to provide matching funds for the Community Development Block Grant and support the Community Technical Assistance Program. Approximately 50.0% of the general fund appropriation is used to fund each program.

State special revenue appropriations comprise approximately 12.0% of total proposed HB 2 appropriations. These appropriations are primarily comprised of funding for the Coal Board and the Treasure State Endowment Program. The Coal Board provides grants to governmental units to assist them in providing governmental services or facilities that are needed as a direct consequence of an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex. The Treasure State Endowment Program is funded with interest earnings from the treasure state endowment fund, a sub-fund of the coal tax trust. Revenue from the income account within the trust is transferred to the state special revenue fund for administrative costs (appropriated in HB 2) and grants (typically appropriated in HB 11).

Federal special revenues comprise the majority of HB 2 appropriations at approximately 84.0%. The majority of the federal funds are Community Development Block Grants and HOME Investment Partnerships Program (HOME) Grants, and the Housing Trust Fund Program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	826,557	826,557	1,653,114	90.02 %	20,078,600	20,078,600	40,157,200	85.51 %
SWPL Adjustments	93,935	90,077	184,012	10.02 %	315,229	301,513	616,742	1.31 %
PL Adjustments	(362)	(362)	(724)	(0.04)%	82,981	105,227	188,208	0.40 %
New Proposals	0	0	0	0.00 %	3,000,000	3,000,000	6,000,000	12.78 %
Total Budget	\$920,130	\$916,272	\$1,836,402		\$23,476,810	\$23,485,340	\$46,962,150	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	84,498	36,562	164,509	285,569	0.00	84,247	37,616	163,531	285,394
DP 2 - Fixed Costs	0.00	9,000	7,806	11,915	28,721	0.00	5,289	4,954	4,711	14,954
DP 3 - Inflation Deflation	0.00	437	256	246	939	0.00	541	318	306	1,165
DP 55 - SWPL Fixed Cost Adjustment	0.00	(362)	(8,613)	(16,680)	(25,655)	0.00	(362)	(8,613)	(16,680)	(25,655)
DP 6010 - CDD Administrative Costs Adjustments	0.00	0	71,404	37,232	108,636	0.00	0	88,605	42,277	130,882
Grand Total All Present Law Adjustments	0.00	\$93,573	\$107,415	\$197,222	\$398,210	0.00	\$89,715	\$122,880	\$194,145	\$406,740

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 6010 - CDD Administrative Costs Adjustments -

The legislature adopted an increase in general fund, state special revenue, and federal special revenue appropriations. This change package includes:

- An increase of state special revenue of \$10,000 in FY 2021 to allow the Department of Commerce to hire consulting services to perform the designation study for the proper allocation of Coal Board grants
- An increase of state special revenue of approximately \$63,000 in each fiscal year to adjust coal board grants to match preliminary revenue estimates
- An increase of state special revenue of \$14,000 each fiscal year for costs associated with Hard Rock Mining Board meetings. Additional meetings are anticipated to address impacts related to a proposed copper mining project
- Increases of state special revenue and federal special revenue among programs in the Community Development Division for adjustments to a 5-year replacement schedule for computer hardware in FY 2020 and FY 2021 as well as an increase in rent in FY 2021
- Increases and decreases in state special revenue and federal special revenue among programs in the Community Development Division for indirect costs paid to the Director's Office

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6001 - CDD Federal Housing Trust Fund Appropriation	0.00	0	0	3,000,000	3,000,000	0.00	0	0	3,000,000	3,000,000
Total	0.00	\$0	\$0	\$3,000,000	\$3,000,000	0.00	\$0	\$0	\$3,000,000	\$3,000,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 6001 - CDD Federal Housing Trust Fund Appropriation -

The legislature adopted federal special revenue in FY 2020 and FY 2021 for the National Housing Trust Fund program (HTF). This is a formula-funded grant program of the U.S. Department of Housing and Urban Development (HUD). The state of Montana receives an annual allocation to award to local governments and nonprofit organizations to preserve or construct housing infrastructure. Families earning less than 30.0% of the area median income benefit from HTF housing through access to housing units. As with other HUD funded programs, funds are available with the execution of the grant agreements.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	529,080	537,626	8,546	1.62 %
Operating Expenses	375,958	316,927	(59,031)	(15.70)%
Grants	120,000	660,000	540,000	450.00 %
Transfers	78,000	82,000	4,000	5.13 %
Total Expenditures	\$1,103,038	\$1,596,553	\$493,515	44.74 %
Proprietary Funds	1,103,038	1,596,553	493,515	44.74 %
Total Funds	\$1,103,038	\$1,596,553	\$493,515	44.74 %

Page Reference

Legislative Budget Analysis, A-235.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.00	3.00	3.00	3.00
Personal Services	209,553	239,977	289,103	268,489	269,137
Operating Expenses	172,520	217,184	158,774	166,543	150,384
Grants	45,000	60,000	60,000	330,000	330,000
Transfers	36,778	40,000	38,000	40,000	42,000
Total Expenditures	\$463,851	\$557,161	\$545,877	\$805,032	\$791,521
Proprietary Funds	463,851	557,161	545,877	805,032	791,521
Total Funds	\$463,851	\$557,161	\$545,877	\$805,032	\$791,521

Page Reference

Legislative Budget Analysis, A-236.

Funding

The Facility Finance Authority is entirely supported through non-budgeted proprietary funds.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	545,877	545,877	1,091,754	68.38 %	
SWPL Adjustments	0	0	0	0.00 %	(2,063)	(18,210)	(20,273)	(1.27)%	
PL Adjustments	0	0	0	0.00 %	(8,782)	(6,146)	(14,928)	(0.94)%	
New Proposals	0	0	0	0.00 %	270,000	270,000	540,000	33.82 %	
Total Budget	\$0	\$0	\$0		\$805,032	\$791,521	\$1,596,553		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(20,614)	0.00	0	0	0	(19,966)
DP 2 - Fixed Costs	0.00	0	0	0	18,499	0.00	0	0	0	1,691
DP 3 - Inflation Deflation	0.00	0	0	0	52	0.00	0	0	0	65
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	(2,596)	0.00	0	0	0	(2,596)
DP 7102 - FFA Administrative Costs Adjustments	0.00	0	0	0	(6,186)	0.00	0	0	0	(3,550)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$10,845)	0.00	\$0	\$0	\$0	(\$24,356)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature reviewed an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 7102 - FFA Administrative Costs Adjustments -

The legislature reviewed a decrease in proprietary fund appropriations. This change package includes:

- An increase in proprietary funding of approximately \$8,500 for software
- An increase in proprietary funding of approximately \$1,200 in FY 2020 and \$1,700 in FY 2021 for an increase in rent
- An increase in proprietary funding of \$2,000 in FY 2020 and \$4,000 in FY 2021 to adjust payments to the Board of Investments for support services
- A decrease in proprietary funding of approximately \$8,800 because the Facility Finance Authority transferred ownership of a property and no longer incurs property management costs
- A decrease in proprietary funding of approximately \$9,000 for indirect costs paid to the Director's Office

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7101 - FFA Energy Audit Grants	0.00	0	0	0	270,000	0.00	0	0	0	270,000
Total	0.00	\$0	\$0	\$0	\$270,000	0.00	\$0	\$0	\$0	\$270,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 7101 - FFA Energy Audit Grants -

The legislature reviewed proprietary funding for a newly created grant program, effective July 1, 2018. This grant program provides funds for an energy efficiency audit of eligible facilities. The new grant program identifies energy efficiency savings for authority partners, providing them with an opportunity to significantly reduce operating costs while upgrading capital systems. In addition, the expansive scope of eligible facilities allows the authority to increase its footprint in several markets, including group homes and senior living facilities, while generating more financing opportunities for the authority.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change	
Operating Expenses	170,000	0	(170,000)	(100.00)%	
Benefits & Claims	697,842	0	(697,842)	(100.00)%	
Total Expenditures	\$867,842	\$0	(\$867,842)	(100.00)%	
State/Other Special Rev. Funds	150,000	0	(150,000)	(100.00)%	
Federal Spec. Rev. Funds	717,842	0	(717,842)	(100.00)%	
Total Funds	\$867,842	\$0	(\$867,842)	(100.00)%	
Total Ongoing	\$867,842	\$0	(\$867,842)	(100.00)%	
Total OTO	\$0	\$0	\$0	0.00 %	

Page Reference

Legislative Budget Analysis, A-242.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Operating Expenses	5,542	85,000	85,000	0	0
Benefits & Claims	141,183	348,921	348,921	0	0
Total Expenditures	\$146,725	\$433,921	\$433,921	\$0	\$0
State/Other Special Rev. Funds	0	75,000	75,000	0	0
Federal Spec. Rev. Funds	146,725	358,921	358,921	0	0
Total Funds	\$146,725	\$433,921	\$433,921	\$0	\$0
Total Ongoing	\$146,725	\$433,921	\$433,921	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-243.

Funding*Non-Budgeted Proprietary Funds*

The Housing Division is funded with proprietary funds.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	433,921	433,921	867,842	0.00 %	
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %	
PL Adjustments	0	0	0	0.00 %	(358,921)	(358,921)	(717,842)	0.00 %	
New Proposals	0	0	0	0.00 %	(75,000)	(75,000)	(150,000)	0.00 %	
Total Budget	\$0	\$0	\$0		\$0	\$0	\$0		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----				-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7402 - HD Administrative Costs Adjustments	0.00	0	0	(358,921)	(358,921)	0.00	0	0	(358,921)	(358,921)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	(\$358,921)	(\$358,921)	0.00	\$0	\$0	(\$358,921)	(\$358,921)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 7402 - HD Administrative Costs Adjustments -

The legislature adopted a decrease in federal special revenue in FY 2020 and FY 2021. This eliminates operating expenses and benefits and claims related to the Housing Division's Shelter Care Plus Program. The Shelter Care Plus grant will terminate in November 2018 and will not be renewed.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----				-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7410 - Eliminate Mobile Home Revolving Loan Prg Appropriation	0.00	0	(75,000)	0	(75,000)	0.00	0	(75,000)	0	(75,000)
Total	0.00	\$0	(\$75,000)	\$0	(\$75,000)	0.00	\$0	(\$75,000)	\$0	(\$75,000)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 7410 - Eliminate Mobile Home Revolving Loan Prg Appropriation -

The legislature adopted the elimination of state special revenue appropriations in FY 2020 and FY 2021 for the Mobile Home Revolving Loan Fund.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	7,801,423	8,423,731	622,308	7.98 %
Operating Expenses	6,684,765	6,645,796	(38,969)	(0.58)%
Total Expenditures	\$14,486,188	\$15,069,527	\$583,339	4.03 %
Proprietary Funds	14,486,188	15,069,527	583,339	4.03 %
Total Funds	\$14,486,188	\$15,069,527	\$583,339	4.03 %

Page Reference

Legislative Budget Analysis, A-256.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	32.00	32.00	32.00	32.00
Personal Services	3,935,977	3,948,444	3,852,979	4,213,053	4,210,678
Operating Expenses	3,025,462	3,468,628	3,216,137	3,376,097	3,269,699
Total Expenditures	\$6,961,439	\$7,417,072	\$7,069,116	\$7,589,150	\$7,480,377
Proprietary Funds	6,961,439	7,417,072	7,069,116	7,589,150	7,480,377
Total Funds	\$6,961,439	\$7,417,072	\$7,069,116	\$7,589,150	\$7,480,377

Page Reference

Legislative Budget Analysis, A-257.

Funding

The Board of Investments is entirely supported through non-budgeted proprietary funds.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	7,069,116	7,069,116	14,138,232	93.82 %
SWPL Adjustments	0	0	0	0.00 %	481,757	371,865	853,622	5.66 %
PL Adjustments	0	0	0	0.00 %	38,277	39,396	77,673	0.52 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$7,589,150	\$7,480,377	\$15,069,527	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	360,004	0.00	0	0	0	357,629
DP 2 - Fixed Costs	0.00	0	0	0	121,590	0.00	0	0	0	14,033
DP 3 - Inflation Deflation	0.00	0	0	0	163	0.00	0	0	0	203
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	37,560	0.00	0	0	0	37,560
DP 7502 - BOI Administrative Costs Adjustments	0.00	0	0	0	717	0.00	0	0	0	1,836
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$520,034	0.00	\$0	\$0	\$0	\$411,261

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature reviewed an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 7502 - BOI Administrative Costs Adjustments -

The legislature reviewed an increase in proprietary funds in FY 2020 and FY 2021. This change package adjusts for anticipated increases in board member per diem, rent, and indirect costs paid to the Director's Office for support services provided to the division.

**Other Issues -
Proprietary Rates**

The Board of Investments has two programs funded with proprietary funds, which include:

- The Industrial Revenue Bond, which funds the INTERCAP Program

- The Investment Division Program, which funds the investment programs

The Board of Investments' customers include state agencies, the university system, local governments, financial institutions, and local economic development organizations.

Investment Division – 06527

Proprietary Program Description

The Investment Division proprietary fund, an internal service fund, funds the Investment Program. The Board of Investment's customers include state agencies, the university system, local governments, financial institutions, and local economic development organizations.

Proprietary Program Narrative

Expenses

Overall, the increase in personal services and operating expenses is \$437,000 in FY 2020 and \$348,000 in FY 2021. These increases are primarily due to statewide present law adjustments for personal services and operating expenses.

Revenues

Nearly all Investment Program revenues are generated from charges to each account that the board invests. The revenue objective of the Investment Program is to fairly assess the costs of operations while maintaining a 60-day working capital reserve.

Proprietary Rates

The Board of Investments recovers its costs from the entities that use its services. Typically, this has been done by requesting a maximum level of expenditures and setting the fee at that level.

Requested Rates for Internal Service Funds				
Fee/Rate Information				
	Actual FY 18	Approved FY 19	Budgeted FY 18	Budgeted FY 19
BOI Administrative Fee Rate	5,180,792	6,488,640	7,198,414	7,198,414
Allocation Methodology: The revenue objective of the Board of Investments is to assess the costs of operations to each portfolio the Board invests while attempting to maintain a reasonable and prudent 60 day working capital reserve.				

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	28,150	36,362	8,212	29.17 %
Operating Expenses	367,260	362,307	(4,953)	(1.35)%
Total Expenditures	\$395,410	\$398,669	\$3,259	0.82 %
State/Other Special Rev. Funds	395,410	398,669	3,259	0.82 %
Total Funds	\$395,410	\$398,669	\$3,259	0.82 %
Total Ongoing	\$395,410	\$398,669	\$3,259	0.82 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-265.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1.25	1.25	1.25	1.25
Personal Services	11,193	11,255	16,895	18,214	18,148
Operating Expenses	183,827	185,930	181,330	181,158	181,149
Total Expenditures	\$195,020	\$197,185	\$198,225	\$199,372	\$199,297
State/Other Special Rev. Funds	195,020	197,185	198,225	199,372	199,297
Total Funds	\$195,020	\$197,185	\$198,225	\$199,372	\$199,297
Total Ongoing	\$195,020	\$197,185	\$198,225	\$199,372	\$199,297
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-266.

Funding

The Board of Horse Racing is funded entirely from state special revenue funds.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	198,225	198,225	396,450	99.44 %	
SWPL Adjustments	0	0	0	0.00 %	108,284	107,937	216,221	54.24 %	
PL Adjustments	0	0	0	0.00 %	(107,137)	(106,865)	(214,002)	(53.68)%	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$199,372	\$199,297	\$398,669		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	108,284	0	108,284	0.00	0	107,937	0	107,937
DP 7801 - BOHR Administrative Costs Adjustments	0.00	0	(107,137)	0	(107,137)	0.00	0	(106,865)	0	(106,865)
Grand Total All Present Law Adjustments	0.00	\$0	\$1,147	\$0	\$1,147	0.00	\$0	\$1,072	\$0	\$1,072

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 7801 - BOHR Administrative Costs Adjustments -

The legislature adopted a decrease in state special revenue in FY 2020 and FY 2021. This proposal would reduce the personal services budget for its executive secretary position, which is currently contracted. The funding for this contracted position is included in the operating expense base budget. This proposal does not eliminate the 1.00 FTE for the executive secretary position.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Grants	1,000,000	1,150,000	150,000	15.00 %
Total Expenditures	\$1,000,000	\$1,150,000	\$150,000	15.00 %
Federal Spec. Rev. Funds	1,000,000	1,150,000	150,000	15.00 %
Total Funds	\$1,000,000	\$1,150,000	\$150,000	15.00 %
Total Ongoing	\$1,000,000	\$1,150,000	\$150,000	15.00 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, A-269.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Grants	500,000	500,000	500,000	550,000	600,000
Total Expenditures	\$500,000	\$500,000	\$500,000	\$550,000	\$600,000
Federal Spec. Rev. Funds	500,000	500,000	500,000	550,000	600,000
Total Funds	\$500,000	\$500,000	\$500,000	\$550,000	\$600,000
Total Ongoing	\$500,000	\$500,000	\$500,000	\$550,000	\$600,000
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, A-270.

Funding

HB 2

The Montana Council on Developmental Disabilities is funded entirely with federal special revenues that pay for the contract for the nonprofit that carries out the responsibilities of Developmental Disabilities Planning and Advisory Council (DDPAC).

Non-Budgeted Proprietary

The Director's Office is funded by an internal service type proprietary fund from indirect costs charged to programs in the Department of Commerce.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	500,000	500,000	1,000,000	86.96 %	
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %	
PL Adjustments	0	0	0	0.00 %	50,000	100,000	150,000	13.04 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$550,000	\$600,000	\$1,150,000		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 8101 - DO Federal Grants Adjustments	0.00	0	0	50,000	50,000	0.00	0	0	100,000	100,000
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$50,000	\$50,000	0.00	\$0	\$0	\$100,000	\$100,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 8101 - DO Federal Grants Adjustments -

The legislature adopted an increase in federal special revenue in FY 2020 and FY 2021. This request is to adjust ongoing federal appropriations for grants received by the Director's Office to match estimated available federal funds for the 2021 biennium for the Montana Council on Developmental Disabilities.

Other Issues -**Proprietary Rates****Commerce Centralized Services – 06542***Proprietary Program Description*

The Director's Office provides overall leadership, communication, and management support to the Department of Commerce's staff, programs, bureaus, divisions, and administratively-attached boards. The office provides executive, administrative, legal, and policy direction, along with offering problem-solving guidance. The office keeps abreast of department-related issues, and acts in a public relations and informational capacity. The office works closely with economic and community development organizations, businesses, communities, governmental entities, elected officials, and the public to diversify and expand the state's economic base. The office also acts as the liaison with private business, local governments, administratively-attached boards, public and private interest groups, the legislature, Indian tribes, individuals, other governmental agencies, and the Governor's Office.

Services are provided by the Offices of Accounting and Budget, Legal Affairs, Human Resources, Information Technology, and Public Information.

Proprietary Program Narrative*Expenses*

Overall, there is a slight increase in personal services and operating expenses of \$44,000 in FY 2020 and \$56,000 in FY 2021. These increases are primarily due to statewide present law adjustments for personal services and fixed costs.

Revenues

The Director's Office is funded by revenues from charges allocated to all divisions, bureaus, and programs supported by the division's indirect cost plan. Indirect costs are allocated to supported programs based upon federally calculated, and legislatively approved, indirect cost rates applied to actual personal services expenditures.

Proprietary Rates

Indirect costs for the Director's Office are allocated to supported programs via a federally calculated indirect cost plan for federally funded programs and a legislatively approved rate for state funded programs. Indirect cost rates are charged to supported programs based upon actual personal services expenditures.

The Director's Office calculates a federal indirect cost rate on an annual basis. This rate is a fixed rate for federally funded programs. This rate is then applied against actual federally funded personal services expenditures within the department.

The federally calculated rate requires that a carry-forward amount be built into the rate. This carry-forward amount represents the amount the Director's Office under-recovered or over-recovered in a given fiscal year. This computation compares what was originally calculated to what actually occurred. The difference is then carried forward into the following year's rate.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Estimated FY 18	Estimated FY 19	Proposed FY 20	Proposed FY 21
Fee Description:				
State Programs				
Indirect Cost Rate	16.35%	16.35%	14.22%	14.22%
Federal Programs				
Indirect Cost Rate	16.35%	16.35%	14.22%	14.22%

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	89,535,933	96,345,710	6,809,777	7.61 %
Operating Expenses	53,430,581	54,589,813	1,159,232	2.17 %
Equipment & Intangible Assets	614,748	810,648	195,900	31.87 %
Capital Outlay	57,076	0	(57,076)	(100.00)%
Grants	17,199,884	17,481,584	281,700	1.64 %
Benefits & Claims	200,778	200,778	0	0.00 %
Transfers	682,666	774,666	92,000	13.48 %
Debt Service	532,764	501,058	(31,706)	(5.95)%
Total Expenditures	\$162,254,430	\$170,704,257	\$8,449,827	5.21 %
General Fund	3,359,223	3,945,485	586,262	17.45 %
State/Other Special Rev. Funds	93,384,393	100,426,569	7,042,176	7.54 %
Federal Spec. Rev. Funds	65,510,814	66,332,203	821,389	1.25 %
Total Funds	\$162,254,430	\$170,704,257	\$8,449,827	5.21 %
Total Ongoing	\$162,254,430	\$170,534,257	\$8,279,827	5.10 %
Total OTO	\$0	\$170,000	\$170,000	100.00 %

Page Reference

Legislative Budget Analysis, page A-275

Agency Highlights

**Department of Labor and Industry
Major Budget Highlights**

- The legislature adopted an increase to the Department of Labor and Industry's total biennial appropriation of approximately \$8.4 million or 5.2% compared to the 2019 biennium appropriation
- Changes adopted by the legislature include:
 - Increases in statewide present law adjustments for personal services, fixed costs, and inflation/deflation
 - The reduction of 5.00 FTE and associated funding from the Business Standards Division
 - One-time-only increases in state special revenue for the Montana Career Information System
 - Increases in state special revenue to facilitate payment of the anticipated increases to the maintenance contract for the Unemployment Insurance Tax System
 - Increases in state special revenue to upgrade technology for the Montana Prescription Drug Registry, the Building Codes Bureau, and the Weights and Measures Bureau
 - Increases in state special revenue for equipment adjustments in order to purchase seven new vehicles for the Business Standards Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	666.98	666.98	664.05	664.05
Personal Services	41,654,065	44,038,404	45,497,529	48,168,522	48,177,188
Operating Expenses	22,725,719	26,480,496	26,950,085	27,351,830	27,237,983
Equipment & Intangible Assets	167,162	302,174	312,574	417,324	393,324
Capital Outlay	57,051	57,076	0	0	0
Grants	7,353,078	8,488,792	8,711,092	8,740,792	8,740,792
Benefits & Claims	50,050	100,389	100,389	100,389	100,389
Transfers	386,028	313,983	368,683	387,333	387,333
Debt Service	334,864	285,035	247,729	250,529	250,529
Total Expenditures	\$72,728,017	\$80,066,349	\$82,188,081	\$85,416,719	\$85,287,538
General Fund	1,566,867	1,566,994	1,792,229	1,972,963	1,972,522
State/Other Special Rev. Funds	43,872,424	46,095,448	47,288,945	50,281,813	50,144,756
Federal Spec. Rev. Funds	27,288,726	32,403,907	33,106,907	33,161,943	33,170,260
Total Funds	\$72,728,017	\$80,066,349	\$82,188,081	\$85,416,719	\$85,287,538
Total Ongoing	\$72,728,017	\$80,066,349	\$82,188,081	\$85,331,719	\$85,202,538
Total OTO	\$0	\$0	\$0	\$85,000	\$85,000

Page Reference

Legislative Budget Analysis, page A-277

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	666.98	666.98	664.05	(2.93)	666.98	664.05	(2.93)	(2.93)
Personal Services	45,497,529	48,689,163	48,168,522	(520,641)	48,732,483	48,177,188	(555,295)	(1,075,936)
Operating Expenses	26,950,085	27,524,820	27,351,830	(172,990)	27,441,373	27,237,983	(203,390)	(376,380)
Equipment & Intangible Assets	312,574	417,324	417,324	0	393,324	393,324	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	8,711,092	8,740,792	8,740,792	0	8,740,792	8,740,792	0	0
Benefits & Claims	100,389	100,389	100,389	0	100,389	100,389	0	0
Transfers	368,683	387,933	387,333	(600)	388,133	387,333	(800)	(1,400)
Debt Service	247,729	251,526	250,529	(997)	251,926	250,529	(1,397)	(2,394)
Total Costs	\$82,188,081	\$86,111,947	\$85,416,719	(\$695,228)	\$86,048,420	\$85,287,538	(\$760,882)	(\$1,456,110)
General Fund	1,792,229	1,972,963	1,972,963	0	1,972,522	1,972,522	0	0
State/other Special Rev. Funds	47,288,945	50,977,224	50,281,813	(695,411)	50,905,455	50,144,756	(760,699)	(1,456,110)
Federal Spec. Rev. Funds	33,106,907	33,161,760	33,161,943	183	33,170,443	33,170,260	(183)	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$82,188,081	\$86,111,947	\$85,416,719	(\$695,228)	\$86,048,420	\$85,287,538	(\$760,882)	(\$1,456,110)
Total Ongoing	\$82,188,081	\$86,111,947	\$85,331,719	(\$780,228)	\$86,048,420	\$85,202,538	(\$845,882)	(\$1,626,110)
Total OTO	\$0	\$0	\$85,000	\$85,000	\$0	\$85,000	\$85,000	\$170,000

The legislature adopted a budget that is approximately \$1.5 million lower than the proposed executive budget for the 2021 biennium. There are a few notable differences in the legislative budget as compared to the executive budget:

- The reduction of 5.00 FTE and associated funding in the Business Standards Division
- Due to the passage and approval of SB 75, the legislature did not adopt an executive proposal to move 1.00 FTE and associated funding for the Board of Public Accountants from a non-budgeted proprietary fund to a state special revenue appropriation. SB 75 extended the sunset date of the proprietary fund
- The adoption of an executive proposal for state special revenue funding for the Montana Career Information System (MCIS) as a one-time-only appropriation. It was proposed by the executive as an ongoing appropriation

Funding

The following table shows agency funding by source of authority.

Total Department of Labor and Industry Funding by Source of Authority 2021 Biennium Budget Request - Department of Labor and Industry						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	3,945,485	0	0	0	3,945,485	0.82 %
State Special Total	100,256,569	170,000	0	1,681,403	102,107,972	21.23 %
Federal Special Total	66,332,203	0	0	0	66,332,203	13.79 %
Proprietary Total	0	0	307,858,854	801,435	308,660,289	64.16 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$170,534,257	\$170,000	\$307,858,854	\$2,482,838	\$481,045,949	
Percent - Total All Sources	35.45 %	0.04 %	64.00 %	0.52 %		

HB 2 Funding

General Fund

- General fund comprises approximately 2.0% of the HB 2 funding for the Department of Labor and Industry
- General fund supports activities within the Commissioner's Office and Centralized Services Division, Employment Relations Division, and the Office of Community Services

State Special Revenue

- State special revenue funds include the employment security account, accounts for professional licensing boards or programs, and the uninsured employers fund
- The majority of state special revenue utilized by the department is from the employment security account, which generates revenue from an administrative assessment against the payrolls of Montana employers

Federal Special Revenues

- The uses and requirements for these funds are determined by the federal agencies granting the funding

Non-Budgeted Proprietary Funding

More than half of the funding for the Department of Labor and Industry comes from proprietary funds, of which a majority is non-budgeted proprietary funding for unemployment benefits.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,792,229	1,792,229	3,584,458	90.85 %	82,188,081	82,188,081	164,376,162	96.29 %
SWPL Adjustments	180,734	180,293	361,027	9.15 %	654,707	670,509	1,325,216	0.78 %
PL Adjustments	0	0	0	0.00 %	2,488,931	2,343,948	4,832,879	2.83 %
New Proposals	0	0	0	0.00 %	85,000	85,000	170,000	0.10 %
Total Budget	\$1,972,963	\$1,972,522	\$3,945,485		\$85,416,719	\$85,287,538	\$170,704,257	

Language and Statutory Authority

If an act extending Medicaid expansion is passed and approved, the HELP Act Workforce Development appropriation is restricted to workforce activities as passed in that act. If an act extending Medicaid expansion is not passed and approved, the HELP Act Workforce Development appropriation is void.

If SB 75 is passed and approved, the appropriation for the Board of Public Accountants is void.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	31,941,169	32,538,990	597,821	1.87 %
Operating Expenses	14,194,615	13,639,903	(554,712)	(3.91)%
Equipment & Intangible Assets	25,816	25,816	0	0.00 %
Grants	11,059,840	11,282,140	222,300	2.01 %
Transfers	146,928	203,628	56,700	38.59 %
Debt Service	309,974	308,774	(1,200)	(0.39)%
Total Expenditures	\$57,678,342	\$57,999,251	\$320,909	0.56 %
State/Other Special Rev. Funds	23,764,194	25,100,973	1,336,779	5.63 %
Federal Spec. Rev. Funds	33,914,148	32,898,278	(1,015,870)	(3.00)%
Total Funds	\$57,678,342	\$57,999,251	\$320,909	0.56 %
Total Ongoing	\$57,678,342	\$57,829,251	\$150,909	0.26 %
Total OTO	\$0	\$170,000	\$170,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	238.00	238.00	238.00	238.00
Personal Services	13,770,994	15,573,646	16,367,523	16,267,003	16,271,987
Operating Expenses	5,599,009	7,252,648	6,941,967	6,817,200	6,822,703
Equipment & Intangible Assets	0	12,908	12,908	12,908	12,908
Grants	4,372,862	5,418,770	5,641,070	5,641,070	5,641,070
Transfers	172,079	45,114	101,814	101,814	101,814
Debt Service	210,852	155,587	154,387	154,387	154,387
Total Expenditures	\$24,125,796	\$28,458,673	\$29,219,669	\$28,994,382	\$29,004,869
State/Other Special Rev. Funds	11,626,594	11,732,307	12,031,887	12,549,153	12,551,820
Federal Spec. Rev. Funds	12,499,202	16,726,366	17,187,782	16,445,229	16,453,049
Total Funds	\$24,125,796	\$28,458,673	\$29,219,669	\$28,994,382	\$29,004,869
Total Ongoing	\$24,125,796	\$28,458,673	\$29,219,669	\$28,909,382	\$28,919,869
Total OTO	\$0	\$0	\$0	\$85,000	\$85,000

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Funding

HB 2 Funding

State Special Revenue

- All state special revenue funding for the Workforce Services Division is from the employment security account
- The revenue for this account is generated from an administrative assessment against the payrolls of Montana employers. Statute enumerates the use of the fund, including the operating expenses of the Job Services offices

Federal Special Revenue

- The majority of federal special revenues are from two federal programs: Wagner-Peyser Act and Workforce Innovation and Opportunity Act (WIOA) employment training grant. The uses and requirements for these funds are determined by the federal agencies granting the funding

Non-Budgeted Proprietary Funding

Proprietary funding is received from rates charged to entities participating in the Montana Career Information System.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	29,219,669	29,219,669	58,439,338	100.76 %
SWPL Adjustments	0	0	0	0.00 %	(310,287)	(299,800)	(610,087)	(1.05)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	85,000	85,000	170,000	0.29 %
Total Budget	\$0	\$0	\$0		\$28,994,382	\$29,004,869	\$57,999,251	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	420,532	(521,052)	(100,520)	0.00	0	420,136	(515,672)	(95,536)
DP 2 - Fixed Costs	0.00	0	1,886	(238,944)	(237,058)	0.00	0	2,577	(240,709)	(238,132)
DP 3 - Inflation Deflation	0.00	0	9,848	17,443	27,291	0.00	0	12,220	21,648	33,868
Grand Total All Present Law Adjustments	0.00	\$0	\$432,266	(\$742,553)	(\$310,287)	0.00	\$0	\$434,933	(\$734,733)	(\$299,800)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1001 - MCIS Funding (OTO)	0.00	0	85,000	0	85,000	0.00	0	85,000	0	85,000
Total	0.00	\$0	\$85,000	\$0	\$85,000	0.00	\$0	\$85,000	\$0	\$85,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1001 - MCIS Funding (OTO) -

The legislature adopted a one-time-only appropriation of state special revenue for the Montana Career Information System (MCIS). The MCIS is a comprehensive career information delivery system that is accessible online. In the past it has been funded with non-budgeted proprietary funds and federal grant money. The MCIS has been available at no cost to Montanans through that grant funding, which has since expired. The division charges a fee for optional components used by other organizations, and the executive is requesting this appropriation in order to continue providing the basic service free of cost.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	18,749,939	20,103,265	1,353,326	7.22 %
Operating Expenses	12,496,617	12,930,466	433,849	3.47 %
Capital Outlay	6,300	0	(6,300)	(100.00)%
Debt Service	66,710	59,810	(6,900)	(10.34)%
Total Expenditures	\$31,319,566	\$33,093,541	\$1,773,975	5.66 %
State/Other Special Rev. Funds	10,219,267	10,642,664	423,397	4.14 %
Federal Spec. Rev. Funds	21,100,299	22,450,877	1,350,578	6.40 %
Total Funds	\$31,319,566	\$33,093,541	\$1,773,975	5.66 %
Total Ongoing	\$31,319,566	\$33,093,541	\$1,773,975	5.66 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	148.61	148.61	148.61	148.61
Personal Services	9,244,133	9,393,817	9,356,122	10,051,605	10,051,660
Operating Expenses	5,555,225	6,139,381	6,357,236	6,443,394	6,487,072
Capital Outlay	6,276	6,300	0	0	0
Debt Service	36,358	36,805	29,905	29,905	29,905
Total Expenditures	\$14,841,992	\$15,576,303	\$15,743,263	\$16,524,904	\$16,568,637
State/Other Special Rev. Funds	4,950,831	5,126,715	5,092,552	5,298,372	5,344,292
Federal Spec. Rev. Funds	9,891,161	10,449,588	10,650,711	11,226,532	11,224,345
Total Funds	\$14,841,992	\$15,576,303	\$15,743,263	\$16,524,904	\$16,568,637
Total Ongoing	\$14,841,992	\$15,576,303	\$15,743,263	\$16,524,904	\$16,568,637
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding*HB 2 Funding*

The HB 2 funded functions of the division support the administrative and operational functions of the Unemployment Insurance Division.

State Special Revenues

- The majority of the state special revenues are derived from an assessment charged to employers as a percentage of their payroll and deposited into the employment security account

Federal Special Revenue

- Unemployment insurance administrative grants are federal funds that Montana receives for the administration of the Unemployment Insurance Division. Montana businesses pay a federal unemployment tax, of which a portion is used to fund these grants

Non-Budgeted Proprietary Funding

State unemployment taxes (SUTA) are paid into a proprietary account to fund unemployment benefits for claimants. The amount of the tax depends on the ratio of the unemployment insurance trust fund balance to the total covered wages in Montana and the employer's experience. Montana uses 11 schedules with 10 contribution rates in each schedule to assess SUTA.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	15,743,263	15,743,263	31,486,526	95.14 %
SWPL Adjustments	0	0	0	0.00 %	36,158	29,836	65,994	0.20 %
PL Adjustments	0	0	0	0.00 %	745,483	795,538	1,541,021	4.66 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$16,524,904	\$16,568,637	\$33,093,541	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	12,745	21,424	34,169	0.00	0	7,446	19,922	27,368
DP 3 - Inflation Deflation	0.00	0	1,701	288	1,989	0.00	0	2,111	357	2,468
DP 51 - Personal Services Adjustment	0.00	0	141,374	554,109	695,483	0.00	0	142,183	553,355	695,538
DP 2001 - UI Tax System Maintenance	0.00	0	50,000	0	50,000	0.00	0	100,000	0	100,000
Grand Total All Present Law Adjustments	0.00	\$0	\$205,820	\$575,821	\$781,641	0.00	\$0	\$251,740	\$573,634	\$825,374

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 51 - Personal Services Adjustment -

The legislature adopted adjustments to the present law personal services budget.

DP 2001 - UI Tax System Maintenance -

The legislature adopted ongoing state special revenue funding for a base appropriation adjustment to facilitate payment of the anticipated increases to the maintenance contract for the Unemployment Insurance (UI) Tax System.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,597,618	1,769,917	172,299	10.78 %
Operating Expenses	632,455	739,018	106,563	16.85 %
Capital Outlay	50,776	0	(50,776)	(100.00)%
Debt Service	4,554	4,788	234	5.14 %
Total Expenditures	\$2,285,403	\$2,513,723	\$228,320	9.99 %
General Fund	531,999	615,892	83,893	15.77 %
State/Other Special Rev. Funds	692,628	755,875	63,247	9.13 %
Federal Spec. Rev. Funds	1,060,776	1,141,956	81,180	7.65 %
Total Funds	\$2,285,403	\$2,513,723	\$228,320	9.99 %
Total Ongoing	\$2,285,403	\$2,513,723	\$228,320	9.99 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	10.50	10.50	10.50	10.50
Personal Services	725,108	782,489	815,129	883,345	886,572
Operating Expenses	221,512	266,260	366,195	369,089	369,929
Capital Outlay	50,775	50,776	0	0	0
Debt Service	2,057	2,160	2,394	2,394	2,394
Total Expenditures	\$999,452	\$1,101,685	\$1,183,718	\$1,254,828	\$1,258,895
General Fund	244,513	244,627	287,372	307,317	308,575
State/Other Special Rev. Funds	258,554	333,621	359,007	377,562	378,313
Federal Spec. Rev. Funds	496,385	523,437	537,339	569,949	572,007
Total Funds	\$999,452	\$1,101,685	\$1,183,718	\$1,254,828	\$1,258,895
Total Ongoing	\$999,452	\$1,101,685	\$1,183,718	\$1,254,828	\$1,258,895
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

The majority of the funding appropriated by HB 2 supports the Hearings Unit.

State Special Revenue

- The majority of the state special revenue for the Commissioner's Office is derived from the assessments on employers deposited into the employment security account
- The Business Standards Division (BSD) Hearings fund makes up most of the remaining state special revenue. This fund is used by the Office of Administrative Hearings when hearing cases from the Business Standards Division

Federal Special Revenue

- Federal special revenue is primarily made up of unemployment insurance administrative grants

Non-Budgeted Proprietary Funding

The Commissioner's Office and Centralized Services Division have two different proprietary funding sources for the operations of the various functions within the office. A discussion of the proposed uses and funding for each of the functions is included in the Proprietary Rates section of the narrative. These funds are considered and approved as rates charged to other divisions within the agency.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	287,372	287,372	574,744	93.32 %	1,183,718	1,183,718	2,367,436	94.18 %
SWPL Adjustments	19,945	21,203	41,148	6.68 %	71,110	75,177	146,287	5.82 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$307,317	\$308,575	\$615,892		\$1,254,828	\$1,258,895	\$2,513,723	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	19,077	17,948	31,191	68,216	0.00	20,083	18,523	32,837	71,443
DP 2 - Fixed Costs	0.00	786	550	1,285	2,621	0.00	1,018	712	1,665	3,395
DP 3 - Inflation Deflation	0.00	82	57	134	273	0.00	102	71	166	339
Grand Total All Present Law Adjustments	0.00	\$19,945	\$18,555	\$32,610	\$71,110	0.00	\$21,203	\$19,306	\$34,668	\$75,177

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Other Issues -

Proprietary Rates

The Commissioner's Office and Centralized Services Division provide two functions funded with non-budgeted proprietary funds. These programs are described separately along with a discussion of the program expenses, revenues, and rates to finance the program.

Fund 06546 – Commissioner's Office/CSD

Proprietary Program Description

Supportive services provided by the Commissioner's Office and the Centralized Services Division (CSD) are funded through an indirect cost rate whereby the department programs are assessed a fee equal to a percentage of their personal services costs.

Proprietary Program Narrative

Expenses

Major expenses for this program consist of the personal services costs for the Commissioner's Office and CSD. Significant costs for the program are for:

- Personal services costs for 34.00 FTE, including \$2.6 million or 60.8% of the total costs for FY 2019
- Other operating costs, including:
 - Department-wide fixed costs such as the statewide cost allocation plan (SWCAP), legislative audit fees, and the Human Resources Information System (HRIS) service fees
 - Charges for legal services that benefit the entire department
 - Charges for IT applications that benefit the entire department

Revenues

The Commissioner's Office and Centralized Services Division is funded by revenues from charges allocated to all divisions, bureaus, and programs supported by the division's indirect cost plan. Revenue for this fund is collected via an indirect cost rate that is charged against department personal services expenses. The services provided in exchange for this fee include:

- Human resources
- Accounting
- Budgeting
- Payroll processing
- Mail processing
- Other department-wide management and administration

All programs which utilize these services have a present law adjustment in the budget to account for the adjustment in the rate.

Proprietary Rates

For the 2021 biennium, the following rates were approved by the legislature. The rates are charged in the base year, and rates paid state agencies in FY 2018 are shown for comparison purposes.

Figure 8

Requested Rates for Internal Service Funds				
Fee/Rate Information				
	Actual FY 2018	Budgeted FY 2019	Proposed FY 2020	Proposed FY 2021
Fee Description:	8.19%	7.87%	8.10%	8.10%

The cost allocation plan (CAP) is approved by the U.S. Department of Labor. The rate, which is assessed to personal services expenditures, is determined by calculating the total costs of providing the services divided by the projected department personal services expenditures.

The legislature approved a rate of 8.1% for FY 2020 and FY 2021. The rates approved by the legislature are the maximum that the program may charge during the interim. They are not the rates the program must charge.

Fund 06552 – Administrative Services*Proprietary Program Description*

The Office of Legal Services provides legal assistance to the department's six programs and two administratively attached entities, whereby an hourly rate for attorney fees is established.

*Proprietary Program Narrative*Expenses

Major expenses for this program are comprised of salaries and overhead costs of agency legal staff. Significant costs for the program are for:

- Personal services costs for 20.75 FTE, including \$2.0 million or 76.7% of the total costs for FY 2019
- Other operating costs

Revenues

Revenues for the Office of Legal Services are derived from charges for attorney time incurred by Department of Labor and Industry divisions. The rate is a direct hourly rate, charged to each division based on number of hours of legal service they receive. The rate per hour is calculated on actual costs of services divided by actual direct hours of service provided in FY 2018.

Proprietary Rates

For the 2021 biennium, the following rates were approved by the legislature. The rates are charged in the base year, and rates paid state agencies in FY 2018 are shown for comparison purposes. There are no significant changes to the methodology for calculating the rate for the Office of Legal Services from the last biennium.

Figure 10

Requested Rates for Internal Service Funds				
Fee/Rate Information				
	Actual FY 2018	Budgeted FY 2019	Proposed FY 2020	Proposed FY 2021
Fee Description:	\$103/hour	\$103/hour	\$103/hour	\$103/hour

The rates approved by the legislature are the maximum that the program may charge during the interim. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,794,764	19,396,457	1,601,693	9.00 %
Operating Expenses	9,818,506	10,413,280	594,774	6.06 %
Equipment & Intangible Assets	21,882	21,882	0	0.00 %
Benefits & Claims	200,778	200,778	0	0.00 %
Debt Service	44,768	34,178	(10,590)	(23.66)%
Total Expenditures	\$27,880,698	\$30,066,575	\$2,185,877	7.84 %
General Fund	2,555,635	3,031,209	475,574	18.61 %
State/Other Special Rev. Funds	23,287,680	24,866,440	1,578,760	6.78 %
Federal Spec. Rev. Funds	2,037,383	2,168,926	131,543	6.46 %
Total Funds	\$27,880,698	\$30,066,575	\$2,185,877	7.84 %
Total Ongoing	\$27,880,698	\$30,066,575	\$2,185,877	7.84 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	118.98	118.98	118.98	118.98
Personal Services	8,607,057	8,789,999	9,004,765	9,697,474	9,698,983
Operating Expenses	3,847,951	4,653,349	5,165,157	5,203,856	5,209,424
Equipment & Intangible Assets	0	10,941	10,941	10,941	10,941
Benefits & Claims	50,050	100,389	100,389	100,389	100,389
Debt Service	27,570	27,679	17,089	17,089	17,089
Total Expenditures	\$12,532,628	\$13,582,357	\$14,298,341	\$15,029,749	\$15,036,826
General Fund	1,199,072	1,199,082	1,356,553	1,516,412	1,514,797
State/Other Special Rev. Funds	10,453,054	11,378,752	11,908,928	12,429,306	12,437,134
Federal Spec. Rev. Funds	880,502	1,004,523	1,032,860	1,084,031	1,084,895
Total Funds	\$12,532,628	\$13,582,357	\$14,298,341	\$15,029,749	\$15,036,826
Total Ongoing	\$12,532,628	\$13,582,357	\$14,298,341	\$15,029,749	\$15,036,826
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

General Fund

- General fund supports the personal services and general operating costs of the Human Rights Bureau and a small percentage of the overall administration of the Employment Relations Division

State Special Revenue

- State special revenue funds comprise the majority of the funding utilized by the Employment Relations Division
- Worker compensation regulation funds make up a large portion of the division's state special revenue. These funds are generated by an annual administrative assessment of 4.0% on all compensation and medical benefits (excluding costs above \$200,000 per claim) paid during the previous calendar year
- A portion of the division's state special revenue consists of employment security funds, which are generated through an assessment charged to employers as a percentage of their payroll
- Contractor registration funds are generated from registration fees for independent contractor exemptions and construction contractor application fees. These funds support the Workers' Compensation Regulations Bureau and a portion of administration
- Uninsured employer fund assessments, which are statutorily set at the premium uninsured employers would have paid had they been carrying workers' compensation insurance, are used to provide benefits to employees injured on the job while working for an employer that does not carry workers' compensation insurance as required by law
- Safety administration funds are generated from recovery of costs for onsite safety and industrial health consultation services to mine operators, all fees paid by an assessment on paid losses plus administrative fines and interest, and any grants of funds from private entities or the federal government intended for defraying occupational safety and health costs

Non-Budgeted Proprietary Funding

The division oversees the subsequent injury fund, a proprietary account that assists disabled persons in becoming employed by offering a financial incentive to employers who hire them. The fund rate is based on the total amount of paid losses reimbursed by the fund in the preceding calendar year.

Statutory Funding

Payments for indemnity and medical benefits for workers injured while working for a business that does not carry workers' compensation insurance are statutorily appropriated to the Employment Relations Division. However, the costs of administering the program are included as part of the agency's HB 2 appropriations.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,356,553	1,356,553	2,713,106	89.51 %	14,298,341	14,298,341	28,596,682	95.11 %
SWPL Adjustments	159,859	158,244	318,103	10.49 %	731,408	738,485	1,469,893	4.89 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,516,412	\$1,514,797	\$3,031,209		\$15,029,749	\$15,036,826	\$30,066,575	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	158,709	484,748	49,252	692,709	0.00	157,003	487,562	49,653	694,218
DP 2 - Fixed Costs	0.00	798	14,503	0	15,301	0.00	804	14,426	0	15,230
DP 3 - Inflation Deflation	0.00	352	21,127	1,919	23,398	0.00	437	26,218	2,382	29,037
Grand Total All Present Law Adjustments	0.00	\$159,859	\$520,378	\$51,171	\$731,408	0.00	\$158,244	\$528,206	\$52,035	\$738,485

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,664,729	20,573,617	2,908,888	16.47 %
Operating Expenses	15,530,769	16,000,349	469,580	3.02 %
Equipment & Intangible Assets	567,050	762,950	195,900	34.55 %
Grants	10,000	10,000	0	0.00 %
Transfers	71,738	69,738	(2,000)	(2.79)%
Debt Service	100,224	86,974	(13,250)	(13.22)%
Total Expenditures	\$33,944,510	\$37,503,628	\$3,559,118	10.49 %
State/Other Special Rev. Funds	33,903,744	37,462,862	3,559,118	10.50 %
Federal Spec. Rev. Funds	40,766	40,766	0	0.00 %
Total Funds	\$33,944,510	\$37,503,628	\$3,559,118	10.49 %
Total Ongoing	\$33,944,510	\$37,503,628	\$3,559,118	10.49 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	139.89	139.89	136.96	136.96
Personal Services	8,449,936	8,628,748	9,035,981	10,286,533	10,287,084
Operating Expenses	7,191,124	7,789,417	7,741,352	8,085,147	7,915,202
Equipment & Intangible Assets	167,162	278,325	288,725	393,475	369,475
Grants	0	5,000	5,000	5,000	5,000
Transfers	20,629	36,869	34,869	34,869	34,869
Debt Service	55,588	59,537	40,687	43,487	43,487
Total Expenditures	\$15,884,439	\$16,797,896	\$17,146,614	\$18,848,511	\$18,655,117
State/Other Special Rev. Funds	15,864,315	16,777,513	17,126,231	18,828,128	18,634,734
Federal Spec. Rev. Funds	20,124	20,383	20,383	20,383	20,383
Total Funds	\$15,884,439	\$16,797,896	\$17,146,614	\$18,848,511	\$18,655,117
Total Ongoing	\$15,884,439	\$16,797,896	\$17,146,614	\$18,848,511	\$18,655,117
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

State Special Revenue

- State special revenue accounts are maintained for each type of license and professional board. Charges and fees paid by licensees are deposited to the accounts and administrative and operational expenses of the division are charged directly to the funds
- The largest of these accounts is the building codes account

Federal Special Revenue

- The Business Standards Division also receives a small amount of federal funding, which accounts for less than 1.0% of its total funds

Non-Budgeted Proprietary Funding

The Board of Public Accountants enterprise fund receives licensing fees, money collected by the department on behalf of the board, and interest or earnings on money deposited. This fund was originally a state special revenue account, but it was established as a proprietary fund by the 2015 Legislature and sunsets September 30, 2019.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----				
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	17,146,614	17,146,614	34,293,228	91.44 %	
SWPL Adjustments	0	0	0	0.00 %	93,146	94,790	187,936	0.50 %	
PL Adjustments	0	0	0	0.00 %	1,608,751	1,413,713	3,022,464	8.06 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$18,848,511	\$18,655,117	\$37,503,628		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	84,136	0	84,136	0.00	0	83,610	0	83,610
DP 3 - Inflation Deflation	0.00	0	9,010	0	9,010	0.00	0	11,180	0	11,180
DP 50 - Personal Services Adjustment	(5.00)	0	1,250,552	0	1,250,552	(5.00)	0	1,251,103	0	1,251,103
DP 5001 - BSD General Operating Adjustments	0.00	0	253,449	0	253,449	0.00	0	81,860	0	81,860
DP 5003 - BSD Equipment Adjustments	0.00	0	104,750	0	104,750	0.00	0	80,750	0	80,750
DP 5004 - BSD PAC Sunset Fund Switch	2.07	0	0	0	0	2.07	0	0	0	0
Grand Total All Present Law Adjustments	(2.93)	\$0	\$1,701,897	\$0	\$1,701,897	(2.93)	\$0	\$1,508,503	\$0	\$1,508,503

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduced present law increase in personal services to maintain operations and services of the program. Specific adjustments include the reduction of 5.00 FTE and their associated funding.

DP 5001 - BSD General Operating Adjustments -

The legislature adopted a base appropriation adjustment in state special revenue to cover increases:

- To the Montana Professional Assistance Program (MPAP) contracts for the Boards of Medical Examiners, Dentistry, Pharmacy and Nursing
- To enable the Montana Prescription Drug Registry to purchase new software, complete registry enhancements and cover increases to the registry maintenance fees
- To allow the Building Codes Bureau to complete a rules notice updating all building codes rules to comply with national codes, upgrade the cell phones for building codes field inspectors, and complete a lease for new technology for the weights and measures field inspectors, allowing them to comply with Electronic Content Management requirements

DP 5003 - BSD Equipment Adjustments -

The legislature adopted a base appropriation adjustment in state special revenue to purchase two vehicles in each year of the biennium to be used by inspectors to perform statutorily required inspections for the Boards of Barbers and Cosmetology, Plumbers, Electrical, Outfitters, and Funeral Services. It will also allow for the replacement of three additional building codes inspector vehicles throughout the biennium: two in FY 2020 and one in FY 2021.

DP 5004 - BSD PAC Sunset Fund Switch -

The legislature approved 2.07 FTE and the associated appropriation for the Board of Public Accountants to be removed from the statutorily appropriated enterprise fund for the board and transferred to the state special revenue fund in HB 2 to account for the sunset provision set forth in 37-50-209, MCA.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	8,883,462	9,701,573	818,111	9.21 %
Operating Expenses	12,137,886	12,235,612	97,726	0.81 %
Debt Service	13,096	13,096	0	0.00 %
Total Expenditures	\$21,034,444	\$21,950,281	\$915,837	4.35 %
Proprietary Funds	21,034,444	21,950,281	915,837	4.35 %
Total Funds	\$21,034,444	\$21,950,281	\$915,837	4.35 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	54.00	54.00	54.00	54.00
Personal Services	3,912,846	4,414,791	4,468,671	4,851,337	4,850,236
Operating Expenses	6,019,606	6,107,499	6,030,387	6,117,859	6,117,753
Debt Service	19,165	6,548	6,548	6,548	6,548
Total Expenditures	\$9,951,617	\$10,528,838	\$10,505,606	\$10,975,744	\$10,974,537
Proprietary Funds	9,951,617	10,528,838	10,505,606	10,975,744	10,974,537
Total Funds	\$9,951,617	\$10,528,838	\$10,505,606	\$10,975,744	\$10,974,537

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Funding*Non-Budgeted Proprietary Funding*

The Technology Services Division is funded entirely with proprietary rates. The two main proprietary funds utilized by the division are the technical services account and the technical services direct account. These funds will be discussed in further detail in the proprietary rates section below.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	10,505,606	10,505,606	21,011,212	95.72 %	
SWPL Adjustments	0	0	0	0.00 %	470,138	468,931	939,069	4.28 %	
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$10,975,744	\$10,974,537	\$21,950,281		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	382,666	0.00	0	0	0	381,565
DP 2 - Fixed Costs	0.00	0	0	0	87,472	0.00	0	0	0	87,366
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$470,138	0.00	\$0	\$0	\$0	\$468,931

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Other Issues -**Proprietary Rates**

The Technology Services Division (TSD) provides information technology services and support for the department including technical services, network services, help desk, project management, and application services including computer programming and database management. There are two funds, the technical and application services fund and the technical services direct fund. These funds are discussed in further detail below.

06568 – Technical and Application Services***Proprietary Program Description***

The Technical Services Section provides support for information technology infrastructure such as the network, servers, the help desk, project management, and application services including computer programming and database

management. The Application Section provides services related to staff that are programming, testing, and analyzing the department's applications.

Proprietary Program Narrative

Expenses

The major expense for this fund consists of the personal services for 54.00 FTE, which accounted for \$4.5 million or 83.7% of total costs for FY 2019.

Revenues

Supportive services provided by the Technology Services Division (TSD) are funded through indirect cost rates. The rate for technical services is assessed based on division FTE. Revenues for the Technical Services Section are billed to divisions and based on a monthly rate approved by both the legislature and the U.S. Department of Labor.

The rate for application services is assessed based on a direct hourly charge to the benefiting division. Revenues for the Application Section are billed to divisions also approved by the legislature and the U.S. Department of Labor.

All programs which utilize these services have a present law adjustment in the proposed budget to account for the proposed rate.

Proprietary Rates

For the 2021 biennium, the following rates were approved by the legislature. The rates are charged in the base year, and rates paid state agencies in FY 2018 are shown for comparison purposes.

Figure 15

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information				
	Actual FY 2018	Budgeted FY 2019	Proposed FY 2020	Proposed FY 2021
Fee Description:				
Application Hourly Rate	\$84	\$84	\$84	\$84
Technical Services Rate	\$266	\$266	\$266	\$266

The rates approved by the legislature are the maximum that the program may charge during the interim. They are not the rates the program must charge.

06578 – Technical Services Direct

Proprietary Program Description

This fund has two rates that are direct pass thru costs to the department divisions. The rate for enterprise services provided by State Information Technology Services Division (SITSD) is allocated on total cost by division FTE. The other direct rate is for actual cost of contracted and SITSD services that are directly attributable to a specific division.

Proprietary Program Narrative

Expenses

The Technical Services Direct fund includes expenses for pass through information technology expenditures that could be directly related to a division. These include SITSD charges, software purchases, and contract payments.

Revenues

The Enterprise Services rate is all SITSD charges that directly benefit the department as a whole. Those total costs are distributed based on department FTE. The direct rate includes actual expenditures that can be identified as directly benefiting a specific program such as contracts and specific SITSD services.

All programs which utilize these services have a present law adjustment in the proposed budget to account for the proposed rate.

Proprietary Rates

For the 2021 biennium, the following rates were approved by the legislature. The rates are charged in the base year, and rates paid state agencies in FY 2018 are shown for comparison purposes.

Figure 17

Requested Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Actual FY 2018	Budgeted FY 2019	Proposed FY 2020	Proposed FY 2021
Fee Description:				
Enterprise	\$819,755	\$819,755	\$819,755	\$819,755
Direct Services	Actual Cost	Actual Cost	Actual Cost	Actual Cost

The Enterprise Services Rate is calculated on specific SITSD services that benefit the department as a whole. The total budgeted SITSD rate for a portion of asset broker, enterprise services, equipment hosting, operational support, server, and storage hosting services are allocated back to divisions based on FTE percentages. The direct services rate is calculated on all other SITSD services and department contracted services and allocated back to the benefiting division based on actual expenditures.

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	615,294	703,764	88,470	14.38 %
Operating Expenses	442,565	558,148	115,583	26.12 %
Grants	6,130,044	6,189,444	59,400	0.97 %
Transfers	464,000	501,300	37,300	8.04 %
Debt Service	1,904	1,904	0	0.00 %
Total Expenditures	\$7,653,807	\$7,954,560	\$300,753	3.93 %
General Fund	271,589	298,384	26,795	9.87 %
State/Other Special Rev. Funds	24,776	24,776	0	0.00 %
Federal Spec. Rev. Funds	7,357,442	7,631,400	273,958	3.72 %
Total Funds	\$7,653,807	\$7,954,560	\$300,753	3.93 %
Total Ongoing	\$7,653,807	\$7,954,560	\$300,753	3.93 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	4.00	4.00	4.00	4.00
Personal Services	303,701	304,142	311,152	352,270	351,494
Operating Expenses	146,212	213,167	229,398	278,847	279,301
Grants	2,980,216	3,065,022	3,065,022	3,094,722	3,094,722
Transfers	193,320	232,000	232,000	250,650	250,650
Debt Service	1,185	952	952	952	952
Total Expenditures	\$3,624,634	\$3,815,283	\$3,838,524	\$3,977,441	\$3,977,119
General Fund	123,282	123,285	148,304	149,234	149,150
State/Other Special Rev. Funds	0	12,388	12,388	12,388	12,388
Federal Spec. Rev. Funds	3,501,352	3,679,610	3,677,832	3,815,819	3,815,581
Total Funds	\$3,624,634	\$3,815,283	\$3,838,524	\$3,977,441	\$3,977,119
Total Ongoing	\$3,624,634	\$3,815,283	\$3,838,524	\$3,977,441	\$3,977,119
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding*HB 2 Funding*

General fund and state special revenue combine provide a small portion of the program revenues and fund most of the administrative expenses for the program.

Federal Special Revenue

- The majority of the funding for the program is provided through federal AmeriCorps grants
- Federal revenue provides the remainder of funding for administrative expenses including the funding for grant and special projects administered by the program

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	148,304	148,304	296,608	99.40 %	3,838,524	3,838,524	7,677,048	96.51 %
SWPL Adjustments	930	846	1,776	0.60 %	4,220	3,898	8,118	0.10 %
PL Adjustments	0	0	0	0.00 %	134,697	134,697	269,394	3.39 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$149,234	\$149,150	\$298,384		\$3,977,441	\$3,977,119	\$7,954,560	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	8	0	25	33	0.00	(171)	0	(572)	(743)
DP 2 - Fixed Costs	0.00	922	0	3,084	4,006	0.00	1,017	0	3,399	4,416
DP 3 - Inflation Deflation	0.00	0	0	181	181	0.00	0	0	225	225
DP 7001 - Federal Increase	0.00	0	0	134,697	134,697	0.00	0	0	134,697	134,697
Grand Total All Present Law Adjustments	0.00	\$930	\$0	\$137,987	\$138,917	0.00	\$846	\$0	\$137,749	\$138,595

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 7001 - Federal Increase -

The legislature adopted a base appropriation adjustment to utilize additional federal funding from the Corporation for National and Community Service AmeriCorps program grants.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,172,420	1,259,700	87,280	7.44 %
Operating Expenses	315,054	308,649	(6,405)	(2.03)%
Debt Service	4,630	4,630	0	0.00 %
Total Expenditures	\$1,492,104	\$1,572,979	\$80,875	5.42 %
State/Other Special Rev. Funds	1,492,104	1,572,979	80,875	5.42 %
Total Funds	\$1,492,104	\$1,572,979	\$80,875	5.42 %
Total Ongoing	\$1,492,104	\$1,572,979	\$80,875	5.42 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	7.00	7.00	7.00	7.00
Personal Services	553,136	565,563	606,857	630,292	629,408
Operating Expenses	164,686	166,274	148,780	154,297	154,352
Debt Service	1,254	2,315	2,315	2,315	2,315
Total Expenditures	\$719,076	\$734,152	\$757,952	\$786,904	\$786,075
State/Other Special Rev. Funds	719,076	734,152	757,952	786,904	786,075
Total Funds	\$719,076	\$734,152	\$757,952	\$786,904	\$786,075
Total Ongoing	\$719,076	\$734,152	\$757,952	\$786,904	\$786,075
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding*HB 2 Funding*

State Special Revenue

- The court is entirely funded with state special revenue derived from a fee charged to workers' compensation carriers in Montana
- The fee is passed on to Montana businesses when their workers' compensation premiums are determined by the carriers

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	757,952	757,952	1,515,904	96.37 %	
SWPL Adjustments	0	0	0	0.00 %	28,952	28,123	57,075	3.63 %	
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$786,904	\$786,075	\$1,572,979		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	23,435	0	23,435	0.00	0	22,551	0	22,551
DP 2 - Fixed Costs	0.00	0	5,247	0	5,247	0.00	0	5,236	0	5,236
DP 3 - Inflation Deflation	0.00	0	270	0	270	0.00	0	336	0	336
Grand Total All Present Law Adjustments	0.00	\$0	\$28,952	\$0	\$28,952	0.00	\$0	\$28,123	\$0	\$28,123

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	28,850,956	32,196,089	3,345,133	11.59 %
Operating Expenses	39,505,686	41,377,950	1,872,264	4.74 %
Equipment & Intangible Assets	297,072	301,072	4,000	1.35 %
Grants	23,051,863	23,552,602	500,739	2.17 %
Transfers	5,238,120	5,196,520	(41,600)	(0.79)%
Total Expenditures	\$96,943,697	\$102,624,233	\$5,680,536	5.86 %
General Fund	12,475,374	14,029,862	1,554,488	12.46 %
State/Other Special Rev. Funds	1,717,694	2,218,410	500,716	29.15 %
Federal Spec. Rev. Funds	82,750,629	86,375,961	3,625,332	4.38 %
Total Funds	\$96,943,697	\$102,624,233	\$5,680,536	5.86 %
Total Ongoing	\$96,743,697	\$102,624,233	\$5,880,536	6.08 %
Total OTO	\$200,000	\$0	(\$200,000)	(100.00)%

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Agency Highlights

**Department of Military Affairs
Major Budget Highlights**

- The legislature adopted an increase to the Department of Military Affairs' total biennial appropriation of approximately \$5.7 million or 5.9% compared to the 2019 biennium appropriation
- Changes adopted by the legislature include:
 - Increases in statewide present law adjustments for personal services, fixed costs, and inflation/deflation
 - Increases in federal spending authority for the STARBASE Program to make the state budget match the federal award of the last two years
 - Increases in federal special revenue to provide an office manager/financial specialist for the Great Falls STARBASE Program site
 - The addition of 11.00 FTE in the Army National Guard Program and the Air National Guard Program
 - Federal spending authority for Air National Guard Firefighter Fair Labor Standards Act (FLSA) salaries and benefits that exceed those of a traditional FTE
 - Federal spending authority to cover existing natural gas maintenance costs for the Air National Guard Program
 - Increases in general fund and federal special revenue to cover state motorpool costs for Disaster and Emergency Services
 - Increases in state special revenue funding for search and rescue operations
 - Increases in general fund for duty officer overtime pay
 - Increases in state special revenue from patriotic license plates

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	201.75	201.75	212.75	212.75
Personal Services	13,962,752	14,291,197	14,559,759	16,084,772	16,111,317
Operating Expenses	13,758,856	19,494,515	20,011,171	20,739,662	20,638,288
Equipment & Intangible Assets	44,210	146,536	150,536	150,536	150,536
Grants	7,645,969	11,425,562	11,626,301	11,776,301	11,776,301
Transfers	534,168	2,639,860	2,598,260	2,598,260	2,598,260
Total Expenditures	\$35,945,955	\$47,997,670	\$48,946,027	\$51,349,531	\$51,274,702
General Fund	5,774,684	5,935,831	6,539,543	7,031,948	6,997,914
State/Other Special Rev. Funds	800,583	890,140	827,554	1,109,350	1,109,060
Federal Spec. Rev. Funds	29,370,688	41,171,699	41,578,930	43,208,233	43,167,728
Total Funds	\$35,945,955	\$47,997,670	\$48,946,027	\$51,349,531	\$51,274,702
Total Ongoing	\$35,862,019	\$47,847,670	\$48,896,027	\$51,349,531	\$51,274,702
Total OTO	\$83,936	\$150,000	\$50,000	\$0	\$0

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	201.75	214.75	212.75	(2.00)	214.75	212.75	(2.00)	(2.00)
Personal Services	14,559,759	16,355,062	16,084,772	(270,290)	16,381,964	16,111,317	(270,647)	(540,937)
Operating Expenses	20,011,171	20,742,811	20,739,662	(3,149)	20,641,437	20,638,288	(3,149)	(6,298)
Equipment & Intangible Assets	150,536	150,536	150,536	0	150,536	150,536	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	11,626,301	11,776,301	11,776,301	0	11,776,301	11,776,301	0	0
Transfers	2,598,260	2,598,260	2,598,260	0	2,598,260	2,598,260	0	0
Total Costs	\$48,946,027	\$51,622,970	\$51,349,531	(\$273,439)	\$51,548,498	\$51,274,702	(\$273,796)	(\$547,235)
General Fund	6,539,543	7,138,503	7,031,948	(106,555)	7,104,646	6,997,914	(106,732)	(213,287)
State/other Special Rev. Funds	827,554	1,109,329	1,109,350	21	1,109,039	1,109,060	21	42
Federal Spec. Rev. Funds	41,578,930	43,375,138	43,208,233	(166,905)	43,334,813	43,167,728	(167,085)	(333,990)
Total Funds	\$48,946,027	\$51,622,970	\$51,349,531	(\$273,439)	\$51,548,498	\$51,274,702	(\$273,796)	(\$547,235)
Total Ongoing	\$48,896,027	\$51,622,970	\$51,349,531	(\$273,439)	\$51,548,498	\$51,274,702	(\$273,796)	(\$547,235)
Total OTO	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted a budget that is approximately \$547,000 lower than the proposed executive budget for the 2021 biennium. There are several notable differences in the legislative budget as compared to the executive budget:

- Reduced increases in the statewide present law adjustments for personal services for the Director's Office, STARBASE Program, and the Army National Guard Program
- Reduced increases in motorpool funding for Disaster and Emergency Services
- The elimination of an executive proposal for 1.00 FTE and the associated funding for a recovery coordinator in the Disaster and Emergency Services Division
- Increases in federal special revenue for an office manager/financial specialist for the STARBASE Program without adopting the associated 1.00 FTE

Funding

The following table shows agency funding by source of authority.

Total Department of Military Affairs Funding by Source of Authority 2021 Biennium Budget Request - Department of Military Affairs						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	14,029,862	0	0	0	14,029,862	13.45 %
State Special Total	2,218,410	0	0	1,666,502	3,884,912	3.73 %
Federal Special Total	86,375,961	0	0	0	86,375,961	82.82 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$102,624,233	\$0	\$0	\$1,666,502	\$104,290,735	
Percent - Total All Sources	98.40 %	0.00 %	0.00 %	1.60 %		

HB 2 Funding

General Fund

- General fund supports a portion of most of the programs in the department and the entire cost of the National Guard Scholarship Program

State Special Revenue

- A small portion of the total funding for the Department of Military Affairs is from state special revenue
- State special revenue predominately funds the Disaster and Emergency Services division and Veterans Affairs' Program
- The Veterans Affairs division accounts for the majority of the state special revenue funding with revenues generated through vehicle registrations, specialty license plates, and donations

Federal Special Revenue

- Most of the total funding for the Department of Military Affairs is from federal special revenue
- The Department of Military Affairs' mission is dominated by federal government initiatives, programs, and objectives

Statutory Appropriations

The Montana Military Family Relief Fund (MMFRF) Program receives a statutory appropriation to provide monetary grants to families of Montana National Guard and Reserve Component members who on or after April 28, 2007 are on active duty for federal service in a contingency operation. MMFRF grants are intended to help Montana families defray the costs of food, housing, utilities, medical services, and other expenses that become difficult to afford when a wage-earner has temporarily left civilian employment to be placed on active military duty. Costs for the program in FY 2018 were \$25,000. The program was originally funded by a transfer of \$1.0 million in general fund. Ongoing revenues include interest and donations of about \$40,000 a year.

The Veterans' Affairs Division has a statutory appropriation for the operation of the Montana Veterans' Cemetery Program. The state special revenue funds are generated from cemetery plot allowances and donations.

The Governor is also provided a number of statutory appropriations in the event of a declared emergency or disaster. The most notable of these is the authority to authorize up to \$16.0 million from the general fund for disaster relief. These expenditures are authorized through executive orders.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,539,543	6,539,543	13,079,086	93.22 %	48,896,027	48,896,027	97,792,054	95.29 %
SWPL Adjustments	343,428	308,247	651,675	4.64 %	267,985	169,908	437,893	0.43 %
PL Adjustments	67,145	68,362	135,507	0.97 %	768,088	790,048	1,558,136	1.52 %
New Proposals	81,832	81,762	163,594	1.17 %	1,417,431	1,418,719	2,836,150	2.76 %
Total Budget	\$7,031,948	\$6,997,914	\$14,029,862		\$51,349,531	\$51,274,702	\$102,624,233	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,084,468	2,235,901	151,433	7.26 %
Operating Expenses	290,740	417,311	126,571	43.53 %
Transfers	83,310	101,310	18,000	21.61 %
Total Expenditures	\$2,458,518	\$2,754,522	\$296,004	12.04 %
General Fund	1,476,329	1,668,533	192,204	13.02 %
Federal Spec. Rev. Funds	982,189	1,085,989	103,800	10.57 %
Total Funds	\$2,458,518	\$2,754,522	\$296,004	12.04 %
Total Ongoing	\$2,458,518	\$2,754,522	\$296,004	12.04 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	12.32	12.32	12.32	12.32
Personal Services	998,837	1,076,408	1,008,060	1,116,888	1,119,013
Operating Expenses	98,151	107,017	183,723	210,458	206,853
Transfers	32,400	32,655	50,655	50,655	50,655
Total Expenditures	\$1,129,388	\$1,216,080	\$1,242,438	\$1,378,001	\$1,376,521
General Fund	722,128	731,830	744,499	835,442	833,091
Federal Spec. Rev. Funds	407,260	484,250	497,939	542,559	543,430
Total Funds	\$1,129,388	\$1,216,080	\$1,242,438	\$1,378,001	\$1,376,521
Total Ongoing	\$1,129,388	\$1,216,080	\$1,242,438	\$1,378,001	\$1,376,521
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

Federal support is provided by federal-state agreements. Costs of positions and activities that provide support to federally funded operations are eligible for federal funding. General fund supports the majority of the program in accordance with federal-state agreements.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	744,499	744,499	1,488,998	89.24 %	1,242,438	1,242,438	2,484,876	90.21 %
SWPL Adjustments	26,735	23,130	49,865	2.99 %	26,735	23,130	49,865	1.81 %
PL Adjustments	64,208	65,462	129,670	7.77 %	108,828	110,953	219,781	7.98 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$835,442	\$833,091	\$1,668,533		\$1,378,001	\$1,376,521	\$2,754,522	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	26,705	0	0	26,705	0.00	23,093	0	0	23,093
DP 3 - Inflation Deflation	0.00	30	0	0	30	0.00	37	0	0	37
DP 50 - Personal Services Adjustment	0.00	64,208	0	44,620	108,828	0.00	65,462	0	45,491	110,953
Grand Total All Present Law Adjustments	0.00	\$90,943	\$0	\$44,620	\$135,563	0.00	\$88,592	\$0	\$45,491	\$134,083

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduced present law increase in personal services to maintain operations and services of the program.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,404,554	6,586,755	182,201	2.84 %
Operating Expenses	2,375,933	2,407,901	31,968	1.35 %
Total Expenditures	\$8,780,487	\$8,994,656	\$214,169	2.44 %
General Fund	2,183,752	2,248,893	65,141	2.98 %
Federal Spec. Rev. Funds	6,596,735	6,745,763	149,028	2.26 %
Total Funds	\$8,780,487	\$8,994,656	\$214,169	2.44 %
Total Ongoing	\$8,780,487	\$8,994,656	\$214,169	2.44 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	53.15	53.15	53.15	53.15
Personal Services	3,052,840	3,132,700	3,271,854	3,294,143	3,292,612
Operating Expenses	973,035	1,183,232	1,192,701	1,209,801	1,198,100
Total Expenditures	\$4,025,875	\$4,315,932	\$4,464,555	\$4,503,944	\$4,490,712
General Fund	987,298	1,067,296	1,116,456	1,126,101	1,122,792
Federal Spec. Rev. Funds	3,038,577	3,248,636	3,348,099	3,377,843	3,367,920
Total Funds	\$4,025,875	\$4,315,932	\$4,464,555	\$4,503,944	\$4,490,712
Total Ongoing	\$4,025,875	\$4,315,932	\$4,464,555	\$4,503,944	\$4,490,712
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

HB 2 Funding

The Youth ChalleNGe Program is funded with general fund and federal special revenue at a 25/75 state to federal funding ratio for most costs. Some travel and special projects required by the federal/state cooperative agreement are funded entirely with federal funds.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,116,456	1,116,456	2,232,912	99.29 %	4,464,555	4,464,555	8,929,110	99.27 %
SWPL Adjustments	9,645	6,336	15,981	0.71 %	38,581	25,349	63,930	0.71 %
PL Adjustments	0	0	0	0.00 %	808	808	1,616	0.02 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,126,101	\$1,122,792	\$2,248,893		\$4,503,944	\$4,490,712	\$8,994,656	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	5,572	0	16,717	22,289	0.00	5,189	0	15,569	20,758
DP 2 - Fixed Costs	0.00	3,247	0	9,742	12,989	0.00	122	0	369	491
DP 3 - Inflation Deflation	0.00	826	0	2,477	3,303	0.00	1,025	0	3,075	4,100
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	808	808	0.00	0	0	808	808
Grand Total All Present Law Adjustments	0.00	\$9,645	\$0	\$29,744	\$39,389	0.00	\$6,336	\$0	\$19,821	\$26,157

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Operating Expenses	393,988	414,724	20,736	5.26 %
Total Expenditures	\$393,988	\$414,724	\$20,736	5.26 %
General Fund	393,988	414,724	20,736	5.26 %
Total Funds	\$393,988	\$414,724	\$20,736	5.26 %
Total Ongoing	\$393,988	\$414,724	\$20,736	5.26 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Operating Expenses	186,625	186,626	207,362	207,362	207,362
Total Expenditures	\$186,625	\$186,626	\$207,362	\$207,362	\$207,362
General Fund	186,625	186,626	207,362	207,362	207,362
Total Funds	\$186,625	\$186,626	\$207,362	\$207,362	\$207,362
Total Ongoing	\$186,625	\$186,626	\$207,362	\$207,362	\$207,362
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-367

Funding*HB 2 Funding*

The National Guard Scholarship Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	207,362	207,362	414,724	100.00 %	207,362	207,362	414,724	100.00 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$207,362	\$207,362	\$414,724		\$207,362	\$207,362	\$414,724	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	300,971	488,655	187,684	62.36 %
Operating Expenses	383,547	930,412	546,865	142.58 %
Total Expenditures	\$684,518	\$1,419,067	\$734,549	107.31 %
Federal Spec. Rev. Funds	684,518	1,419,067	734,549	107.31 %
Total Funds	\$684,518	\$1,419,067	\$734,549	107.31 %
Total Ongoing	\$684,518	\$1,419,067	\$734,549	107.31 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, page A-369

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	2.00	2.00	2.00	2.00
Personal Services	131,780	132,072	168,899	244,102	244,553
Operating Expenses	206,568	207,222	176,325	465,659	464,753
Total Expenditures	\$338,348	\$339,294	\$345,224	\$709,761	\$709,306
Federal Spec. Rev. Funds	338,348	339,294	345,224	709,761	709,306
Total Funds	\$338,348	\$339,294	\$345,224	\$709,761	\$709,306
Total Ongoing	\$338,348	\$339,294	\$345,224	\$709,761	\$709,306
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-370

Funding*HB 2 Funding*

The STARBASE Program is funded entirely with federal special revenues from the Air National Guard.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	345,224	345,224	690,448	48.66 %	
SWPL Adjustments	0	0	0	0.00 %	5,366	4,460	9,826	0.69 %	
PL Adjustments	0	0	0	0.00 %	3,581	3,556	7,137	0.50 %	
New Proposals	0	0	0	0.00 %	355,590	356,066	711,656	50.15 %	
Total Budget	\$0	\$0	\$0		\$709,761	\$709,306	\$1,419,067		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	5,366	5,366	0.00	0	0	4,460	4,460
DP 50 - Personal Services Adjustment	0.00	0	0	3,113	3,113	0.00	0	0	3,088	3,088
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	468	468	0.00	0	0	468	468
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$8,947	\$8,947	0.00	\$0	\$0	\$8,016	\$8,016

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduced present law increase in personal services to maintain operations and services of the program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 401 - Match STARBASE budget to federal award	0.00	0	0	283,500	283,500	0.00	0	0	283,500	283,500
DP 403 - STARBASE FTE	0.00	0	0	72,090	72,090	0.00	0	0	72,566	72,566
Total	0.00	\$0	\$0	\$355,590	\$355,590	0.00	\$0	\$0	\$356,066	\$356,066

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 401 - Match STARBASE budget to federal award -

The legislature adopted an appropriation of federal special revenue in order to make the state budget match the federal award of the last two years. Due to the change in the budget starting point and the prior federal shutdown, the federal award of this program was not correctly reflected in the state budget.

DP 403 - STARBASE FTE -

The legislature adopted federal spending authority without adding associated FTE to provide an office manager/financial specialist for the Great Falls site. This position would support both the Great Falls and Fort Harrison sites during Summer Camp operations.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,711,951	7,841,938	1,129,987	16.84 %
Operating Expenses	29,466,923	29,937,501	470,578	1.60 %
Equipment & Intangible Assets	297,072	301,072	4,000	1.35 %
Transfers	109,600	50,000	(59,600)	(54.38)%
Total Expenditures	\$36,585,546	\$38,130,511	\$1,544,965	4.22 %
General Fund	3,154,866	3,466,407	311,541	9.87 %
State/Other Special Rev. Funds	840	840	0	0.00 %
Federal Spec. Rev. Funds	33,429,840	34,663,264	1,233,424	3.69 %
Total Funds	\$36,585,546	\$38,130,511	\$1,544,965	4.22 %
Total Ongoing	\$36,585,546	\$38,130,511	\$1,544,965	4.22 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, page A-374

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	45.30	45.30	51.30	51.30
Personal Services	3,276,059	3,290,287	3,421,664	3,920,933	3,921,005
Operating Expenses	9,941,251	14,583,632	14,883,291	15,002,918	14,934,583
Equipment & Intangible Assets	44,210	146,536	150,536	150,536	150,536
Transfers	59,600	84,600	25,000	25,000	25,000
Total Expenditures	\$13,321,120	\$18,105,055	\$18,480,491	\$19,099,387	\$19,031,124
General Fund	1,448,132	1,455,859	1,699,007	1,744,381	1,722,026
State/Other Special Rev. Funds	0	420	420	420	420
Federal Spec. Rev. Funds	11,872,988	16,648,776	16,781,064	17,354,586	17,308,678
Total Funds	\$13,321,120	\$18,105,055	\$18,480,491	\$19,099,387	\$19,031,124
Total Ongoing	\$13,321,120	\$18,105,055	\$18,480,491	\$19,099,387	\$19,031,124
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-375

Funding*HB 2 Funding*

The funding ratio between general fund and federal funds depends on the nature of the activity, the uses or location of the facility, and the goals of the operation. Different funding scenarios include:

- When a facility is owned by the state and located on state land, maintenance and utility costs are split 50.0% state and 50.0% federal
- When a facility is state owned, but located on federal land, the maintenance and utility costs are funded 75.0% with federal funds and 25.0% with state general fund
- When a facility is classified as a logistics facility, the funding is 100.0% federal for the entire facility
- When a facility is federally owned and located on federal land and when a facility serves training missions, funding is mainly 100.0% federal, except when the building is used as an armory
- When an armory is constructed with federal funds and located on federal land, maintenance and utility costs are funded 75.0% with federal funds and 25.0% with state general fund. When armories are rented to groups, the state special revenue funds generated from rental fees are used to augment general fund support of the facilities

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,699,007	1,699,007	3,398,014	98.03 %	18,480,491	18,480,491	36,960,982	96.93 %
SWPL Adjustments	42,437	20,119	62,556	1.80 %	111,537	43,202	154,739	0.41 %
PL Adjustments	2,937	2,900	5,837	0.17 %	81,999	80,343	162,342	0.43 %
New Proposals	0	0	0	0.00 %	425,360	427,088	852,448	2.24 %
Total Budget	\$1,744,381	\$1,722,026	\$3,466,407		\$19,099,387	\$19,031,124	\$38,130,511	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments											
-----Fiscal 2020-----						-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	42,303	0	69,100	111,403	0.00	19,953	0	23,083	43,036	
DP 3 - Inflation Deflation	0.00	134	0	0	134	0.00	166	0	0	166	
DP 50 - Personal Services Adjustment	0.00	2,937	0	70,972	73,909	0.00	2,900	0	69,353	72,253	
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	8,090	8,090	0.00	0	0	8,090	8,090	
Grand Total All Present Law Adjustments	0.00	\$45,374	\$0	\$148,162	\$193,536	0.00	\$23,019	\$0	\$100,526	\$123,545	

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduced present law increase in personal services to maintain operations and services of the program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1202 - Personal Services Resources	6.00	0	0	425,360	425,360	6.00	0	0	427,088	427,088
Total	6.00	\$0	\$0	\$425,360	\$425,360	6.00	\$0	\$0	\$427,088	\$427,088

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1202 - Personal Services Resources -

The legislature adopted ongoing general fund and federal special revenue to make 2.00 modified FTE permanent and for an additional 4.00 FTE.

The existing modified positions made permanent are:

- 1.00 FTE to provide services to develop and coordinate issues related to the Distributive Learning Technology Program
- 1.00 FTE for a natural resources manager to ensure that the Department of Military Affairs and the Montana Army National Guard Program maintain conservation, focus on sustainability and emphasize rehabilitation of the military lands, without impacting military training operations or mission readiness

The new FTE are:

- 1.00 FTE to perform geographical information survey support for the Department of Military Affairs
- 1.00 FTE for master plan support and to provide additional support to the construction and facilities management officer and the Plans and Programs Branch
- 1.00 FTE for a facility condition inspector and manager for the installation status report (ISR). This position would involve managing, updating, and operating the facility assessment software, which was purchased by the Montana Army National Guard to assess facility coordination and project facility needs statewide
- 1.00 FTE for a project manager in the Design and Project Management Branch

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,605,087	7,561,140	956,053	14.47 %
Operating Expenses	3,678,247	3,810,134	131,887	3.59 %
Total Expenditures	\$10,283,334	\$11,371,274	\$1,087,940	10.58 %
General Fund	801,263	856,706	55,443	6.92 %
Federal Spec. Rev. Funds	9,482,071	10,514,568	1,032,497	10.89 %
Total Funds	\$10,283,334	\$11,371,274	\$1,087,940	10.58 %
Total Ongoing	\$10,283,334	\$11,371,274	\$1,087,940	10.58 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	41.00	41.00	46.00	46.00
Personal Services	3,173,081	3,250,458	3,354,629	3,768,721	3,792,419
Operating Expenses	1,678,261	1,809,074	1,869,173	1,907,787	1,902,347
Total Expenditures	\$4,851,342	\$5,059,532	\$5,223,802	\$5,676,508	\$5,694,766
General Fund	371,121	375,523	425,740	428,846	427,860
Federal Spec. Rev. Funds	4,480,221	4,684,009	4,798,062	5,247,662	5,266,906
Total Funds	\$4,851,342	\$5,059,532	\$5,223,802	\$5,676,508	\$5,694,766
Total Ongoing	\$4,851,342	\$5,059,532	\$5,223,802	\$5,676,508	\$5,694,766
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-381

Funding*HB 2 Funding*

The Montana Air National Guard is predominately funded with federal funds. General fund supports some building and ground maintenance activities, a portion of administrative expenses, and a portion of the personal services costs.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	425,740	425,740	851,480	99.39 %	5,223,802	5,223,802	10,447,604	91.88 %
SWPL Adjustments	(29,415)	(30,331)	(59,746)	(6.97)%	(432,036)	(434,378)	(866,414)	(7.62)%
PL Adjustments	0	0	0	0.00 %	566,883	588,399	1,155,282	10.16 %
New Proposals	32,521	32,451	64,972	7.58 %	317,859	316,943	634,802	5.58 %
Total Budget	\$428,846	\$427,860	\$856,706		\$5,676,508	\$5,694,766	\$11,371,274	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(30,421)	0	(404,165)	(434,586)	0.00	(30,204)	0	(401,284)	(431,488)
DP 2 - Fixed Costs	0.00	1,006	0	1,544	2,550	0.00	(127)	0	(2,763)	(2,890)
DP 3 - Inflation Deflation	0.00	0	0	0	0	0.00	0	0	0	0
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	808	808	0.00	0	0	808	808
DP 1301 - ANG Fire FLSA Salaries	0.00	0	0	530,819	530,819	0.00	0	0	552,335	552,335
DP 1303 - ANG Natural Gas Maint	0.00	0	0	35,256	35,256	0.00	0	0	35,256	35,256
Grand Total All Present Law Adjustments	0.00	(\$29,415)	\$0	\$164,262	\$134,847	0.00	(\$30,331)	\$0	\$184,352	\$154,021

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 1301 - ANG Fire FLSA Salaries -

The legislature adopted federal spending authority for firefighter Fair Labor Standards Act salaries and benefits that exceed those of a traditional FTE, due to the 24/7 nature of the Fire Protection Services at Montana Air National Guard. Hours over 2080 per FTE and overtime costs are not captured in the personal services snapshot used for initial budget preparation. Each biennium this federal authority is requested through the budget process.

DP 1303 - ANG Natural Gas Maint -

The legislature adopted federal spending authority to cover existing natural gas maintenance costs Montana Air National Guard now pays after privatization of natural gas systems. After feasibility studies of cost effectiveness and risk reduction, the federal government transferred ownership of aging natural gas systems at Montana Air National Guard to Energy West, while retaining 100.0% federally funded maintenance costs borne by the Air Force/Air Guard.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1304 - IEMS Administrator	1.00	15,136	0	45,410	60,546	1.00	15,094	0	45,281	60,375
DP 1305 - HVAC/Plumber	1.00	17,385	0	52,160	69,545	1.00	17,357	0	52,018	69,375
DP 1306 - ANG New Firefighters	3.00	0	0	187,768	187,768	3.00	0	0	187,193	187,193
Total	5.00	\$32,521	\$0	\$285,338	\$317,859	5.00	\$32,451	\$0	\$284,492	\$316,943

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1304 - IEMS Administrator -

The legislature adopted general fund and federal special revenue for 1.00 FTE for an integrated engineering management (IEMS) software administrator. This position would include management of the compliance of auditable records for the various federal and state software required in the Montana Air National Guard civil engineers section, including state SABHRS accounts payable, federal IEMS, and Defense Enterprise Accounting Management (DEAMS) systems. Compliance in these systems is required to receive cooperative agreement funding and is authorized by the 2014 federal manning document for Facilities Operations Cooperative Agreement State manning. The cost of the position would be split 25.0% state and 75.0% federal.

DP 1305 - HVAC/Plumber -

The legislature adopted general fund and federal special revenue for 1.00 FTE for a heating, ventilation, and air conditioning (HVAC)/plumber employee at Montana Air National Guard to rectify a critical manning shortage and avoid retention and safety issues. The federal manning document for Montana Air National Guard state workers authorizes a minimum of three workers for the plumbing-HVAC-DDC-utilities area, while Montana Air National Guard employs only two workers. The cost of the position would be split 25.0% state and 75.0% federal.

DP 1306 - ANG New Firefighters -

The legislature adopted federal spending authority for 3.00 FTE for additional firefighters at the Montana Air National Guard base on Gore Hill, next to the Great Falls International Airport. This cooperative agreement was authorized by the federal government and would be funded by the National Guard Bureau, in support of the Montana Air National Guard's federal C-130 military mission and joint use requirements with the Great Falls Airport.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,384,305	3,751,675	367,370	10.86 %
Operating Expenses	2,458,063	2,720,787	262,724	10.69 %
Grants	23,051,863	23,552,602	500,739	2.17 %
Transfers	5,045,210	5,045,210	0	0.00 %
Total Expenditures	\$33,939,441	\$35,070,274	\$1,130,833	3.33 %
General Fund	2,250,847	2,709,604	458,757	20.38 %
State/Other Special Rev. Funds	113,318	413,360	300,042	264.78 %
Federal Spec. Rev. Funds	31,575,276	31,947,310	372,034	1.18 %
Total Funds	\$33,939,441	\$35,070,274	\$1,130,833	3.33 %
Total Ongoing	\$33,939,441	\$35,070,274	\$1,130,833	3.33 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	22.89	22.89	22.89	22.89
Personal Services	1,740,941	1,742,543	1,641,762	1,875,333	1,876,342
Operating Expenses	496,777	1,217,874	1,240,189	1,365,233	1,355,554
Grants	7,645,969	11,425,562	11,626,301	11,776,301	11,776,301
Transfers	442,168	2,522,605	2,522,605	2,522,605	2,522,605
Total Expenditures	\$10,325,855	\$16,908,584	\$17,030,857	\$17,539,472	\$17,530,802
General Fund	1,051,446	1,085,191	1,165,656	1,356,970	1,352,634
State/Other Special Rev. Funds	41,115	56,659	56,659	206,680	206,680
Federal Spec. Rev. Funds	9,233,294	15,766,734	15,808,542	15,975,822	15,971,488
Total Funds	\$10,325,855	\$16,908,584	\$17,030,857	\$17,539,472	\$17,530,802
Total Ongoing	\$10,325,855	\$16,908,584	\$17,030,857	\$17,539,472	\$17,530,802
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-387

Funding*HB 2 Funding*

Funding for Disaster and Emergency Services is broken down primarily into three functional areas:

- Administration and coordination
- Search and rescue

- Grant programs

Administrative and coordinative functions are primarily funded with 50.0% state general fund and 50.0% federal funds. Disaster coordination functions are typically funded entirely with federal funds. Search and rescue activities are funded through state special revenue funds derived from surcharges on conservation licenses and off-road vehicle licenses. Grant activities typically utilize federal funds. The amount of this funding budgeted in HB 2 can vary greatly depending on the federal source and available amounts known at the time of budget submission.

Statutory Funding

The Governor is also provided a number of statutory appropriations in the event of a declared emergency or disaster. The most notable of these is the authority to authorize up to \$16.0 million for disaster relief. These expenditures are authorized through executive orders.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,165,656	1,165,656	2,331,312	86.04 %	17,030,857	17,030,857	34,061,714	97.12 %
SWPL Adjustments	142,003	137,667	279,670	10.32 %	284,004	275,334	559,338	1.59 %
PL Adjustments	0	0	0	0.00 %	5,989	5,989	11,978	0.03 %
New Proposals	49,311	49,311	98,622	3.64 %	218,622	218,622	437,244	1.25 %
Total Budget	\$1,356,970	\$1,352,634	\$2,709,604		\$17,539,472	\$17,530,802	\$35,070,274	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	101,785	0	101,786	203,571	0.00	102,290	0	102,290	204,580
DP 2 - Fixed Costs	0.00	40,075	0	40,073	80,148	0.00	35,200	0	35,200	70,400
DP 3 - Inflation Deflation	0.00	143	0	142	285	0.00	177	0	177	354
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	21	5,968	5,989	0.00	0	21	5,968	5,989
Grand Total All Present Law Adjustments	0.00	\$142,003	\$21	\$147,969	\$289,993	0.00	\$137,667	\$21	\$143,635	\$281,323

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2102 - Search and Rescue Funding	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
DP 2105 - DES Duty Officer Overtime	0.00	30,000	0	0	30,000	0.00	30,000	0	0	30,000
DP 2108 - Motorpool Funding	0.00	19,311	0	19,311	38,622	0.00	19,311	0	19,311	38,622
Total	0.00	\$49,311	\$150,000	\$19,311	\$218,622	0.00	\$49,311	\$150,000	\$19,311	\$218,622

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2102 - Search and Rescue Funding -

The legislature adopted state special revenue authority in order to provide search and rescue grant funding. Due to the shift in reimbursement requests for search and rescue missions, the executive requests grant funding from a portion of off-road vehicle fees collected by the Department of Fish, Wildlife, and Parks. The reimbursement funding source would be based on what the type of search and rescue mission. Search and rescue missions involving hunting, fishing, or trapping would be funded with Fish, Wildlife, and Parks fees. Search and rescue missions involving hiking, boating, and other activities would be funded with the motor vehicle account.

DP 2105 - DES Duty Officer Overtime -

The legislature adopted general fund for duty officer overtime pay. The duty officer program assists local jurisdictions in assessing the impact of incidents and identifying resources to minimize the impact to communities.

DP 2108 - Motorpool Funding -

The legislature adopted ongoing general fund and federal special revenue for motorpool funding. The Disaster and Emergency Services Division has been able to use the United States General Services Administration (GSA) vehicles in the past, but those vehicles were required to be returned to the GSA facility. Due to the change in the budget starting point, costs of switching to using the state motorpool were not included in the base budget.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,359,620	3,730,025	370,405	11.03 %
Operating Expenses	458,245	739,180	280,935	61.31 %
Total Expenditures	\$3,817,865	\$4,469,205	\$651,340	17.06 %
General Fund	2,214,329	2,664,995	450,666	20.35 %
State/Other Special Rev. Funds	1,603,536	1,804,210	200,674	12.51 %
Total Funds	\$3,817,865	\$4,469,205	\$651,340	17.06 %
Total Ongoing	\$3,617,865	\$4,469,205	\$851,340	23.53 %
Total OTO	\$200,000	\$0	(\$200,000)	(100.00)%

Page Reference

Legislative Budget Analysis, page A-393

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	25.09	25.09	25.09	25.09
Personal Services	1,589,214	1,666,729	1,692,891	1,864,652	1,865,373
Operating Expenses	178,188	199,838	258,407	370,444	368,736
Total Expenditures	\$1,767,402	\$1,866,567	\$1,951,298	\$2,235,096	\$2,234,109
General Fund	1,007,934	1,033,506	1,180,823	1,332,846	1,332,149
State/Other Special Rev. Funds	759,468	833,061	770,475	902,250	901,960
Total Funds	\$1,767,402	\$1,866,567	\$1,951,298	\$2,235,096	\$2,234,109
Total Ongoing	\$1,683,466	\$1,716,567	\$1,901,298	\$2,235,096	\$2,234,109
Total OTO	\$83,936	\$150,000	\$50,000	\$0	\$0

Page Reference

Legislative Budget Analysis, page A-394

Funding

HB 2 Funding

General Fund

- General fund is used to support functions throughout the program

State Special Revenue

- The Veterans Affairs SB 401 fund was created by the legislature during the 2003 regular session in SB 401, which allocated proceeds from the sale of veterans' specialty license plates

- The Patriotic License Plate fund receives revenue from a \$15 surcharge on original licensing and renewal of patriotic license plates issued in Montana

Statutory Funding

The Veterans' Affairs Division has a statutory appropriation for the operation of the Montana Veterans' Cemetery Program. The state special revenue funds are generated from cemetery plot allowances and donations. The State Veterans' Cemeteries Program statutory funding includes revenue derived primarily from cemetery donations and plot allowances. In addition to the revenue received from the sale of certain specialty license plates, this fund and the Veterans' Affairs Cemeteries fund receive a portion of all of the motor vehicle registration revenue that is deposited in the general fund each year. The 2013 Legislature increased the percentage of motor vehicle fees into this fund from 0.64% to 0.81%.

Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,180,823	1,180,823	2,361,646	88.62 %	1,901,298	1,901,298	3,802,596	85.08 %
SWPL Adjustments	152,023	151,326	303,349	11.38 %	233,798	232,811	466,609	10.44 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	100,000	100,000	200,000	4.48 %
Total Budget	\$1,332,846	\$1,332,149	\$2,664,995		\$2,235,096	\$2,234,109	\$4,469,205	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	144,145	77,616	0	221,761	0.00	144,613	77,869	0	222,482
DP 2 - Fixed Costs	0.00	5,502	2,879	0	8,381	0.00	3,765	2,028	0	5,793
DP 3 - Inflation Deflation	0.00	2,376	1,280	0	3,656	0.00	2,948	1,588	0	4,536
Grand Total All Present Law Adjustments	0.00	\$152,023	\$81,775	\$0	\$233,798	0.00	\$151,326	\$81,485	\$0	\$232,811

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3101 - Patriotic License Plate										
	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
Total	0.00	\$0	\$100,000	\$0	\$100,000	0.00	\$0	\$100,000	\$0	\$100,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3101 - Patriotic License Plate -

The legislature adopted an ongoing appropriation from the patriotic license plate state special revenue account. This funding would support the division's outreach services program and would fund veterans service officer training, field office operations, and servicing facilities' upkeep, functionality, and leasing expenses. The revenue for this account is derived from the issuance of patriotic vehicle license plates and is dedicated to veterans' services by 10-2-114, MCA.

HEALTH & HUMAN SERVICES

SECTION B

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

AGENCY

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES

APPROPRIATIONS SUBCOMMITTEE MEMBERS

REPRESENTATIVE FREDERICK (ERIC) MOORE (CHAIR)
REPRESENTATIVE NANCY BALLANCE
REPRESENTATIVE MARY CAFERRO
REPRESENTATIVE TOM BURNETT
REPRESENTATIVE MARILYN RYAN
SENATOR ALBERT OLSZEWSKI (VICE-CHAIR)
SENATOR TOM JACOBSON
SENATOR BOB KEENAN
SENATOR MARY MCNALLY

FISCAL DIVISION STAFF

JOSHUA POULETTE
JON ARNOLD

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	374,718,661	389,159,632	14,440,971	3.85 %
Operating Expenses	246,033,879	251,921,686	5,887,807	2.39 %
Equipment & Intangible Assets	1,989,442	1,303,442	(686,000)	(34.48)%
Grants	157,755,389	153,377,358	(4,378,031)	(2.78)%
Benefits & Claims	3,404,074,849	3,499,720,474	95,645,625	2.81 %
Transfers	6,836,463	6,367,802	(468,661)	(6.86)%
Debt Service	621,946	584,014	(37,932)	(6.10)%
Total Expenditures	\$4,192,030,629	\$4,302,434,408	\$110,403,779	2.63 %
General Fund	1,027,745,961	1,135,090,711	107,344,750	10.44 %
State/Other Special Rev. Funds	326,141,234	352,355,513	26,214,279	8.04 %
Federal Spec. Rev. Funds	2,838,143,434	2,814,988,184	(23,155,250)	(0.82)%
Total Funds	\$4,192,030,629	\$4,302,434,408	\$110,403,779	2.63 %
Total Ongoing	\$4,167,787,742	\$4,302,434,408	\$134,646,666	3.23 %
Total OTO	\$24,242,887	\$0	(\$24,242,887)	(100.00)%

Page Reference

Legislative Budget Analysis, B-1.

Agency Highlights

Department of Public Health and Human Services Major Budget Highlights
<ul style="list-style-type: none"> • The 2021 biennium HB 2 budget is 2.6% higher than the 2019 biennium budget and totals \$4,302.4 million <ul style="list-style-type: none"> ◦ The FY 2020 HB 2 budget is a 1.3% decrease from the FY 2019 base, while the FY 2021 budget is a 2.8% increase from the FY 2019 base • The legislature reduced Department of Public Health and Human Services (DPHHS) FTE by a net 99.46 for the 2021 biennium <ul style="list-style-type: none"> ◦ The legislature approved the transfer of 18.00 FTE from the Boulder campus (formerly the Montana Developmental Center) to the Child and Family Services Division ◦ The legislature eliminated 2 vacant psychiatrist positions at the Montana State Hospital (MSH) and transferred the appropriations for those positions to operating expenses at MSH ◦ The legislature approved the addition of 18.00 FTE for the medical marijuana program in the Quality Assurance Division • The legislature adopted caseload funding increases, including an increase of \$28.9 million general fund, for the Child and Family Services Division and restricted the budget for the Child and Family Services Division • A decrease in Montana's Federal Medical Assistance Percentage (FMAP) for FFY 2020 led to legislative action to increase state matching funds for Medicaid and other DPHHS programs that utilize FMAP to calculate federal matching funds • The legislature adopted funding for provider rate increases (0.91% in FY 2020, 1.83% in FY 2021) • The legislature recommended the Section B companion bill for HB 2 include language that directs the Southwest Veterans' Home in Butte be operated by a contractor similar to the operational strategy of the Eastern Montana Veterans' Home • Montana's federal matching rate for the Children's Health Insurance Program (CHIP) will decline by 21 percentage points over the next biennium, leading to the legislative appropriation of \$11.0 million general fund to provide part of the state matching funds for CHIP in the 2021 biennium • The legislature directed \$16.1 million general fund over the 2021 biennium to support an anticipated shortfall in the Tobacco Health and Medicaid Initiative state special revenue fund • The legislature shifted \$1.0 million general fund in operating expenses from the Boulder campus (formerly the Montana Developmental Center) to the 0208 waiver, where it will receive matching federal funds • The legislature directed \$3.5 million in funds from the Montana Telecommunications Access Program (MTAP) be used for: <ul style="list-style-type: none"> ◦ Targeted case management services for adults and children with mental illness, \$2.7 million and matching federal funds ◦ Extended employment in the Disability Employment and Transitions Division, \$0.8 million and matching federal funds

- The legislature directed \$1.1 million (and matching federal funds) from the Older Montanans' Trust Fund be used to fund the creation of additional slots in the Big Sky waiver
- The legislature appropriated \$2.4 million general fund (and matching federal funds) to increase Medicaid provider rates for developmental disability service providers
- The legislature exempted non-critical access hospitals from the provider rate increase discussed above and directed that the funds saved be used for substance use disorder treatment provider rates in the Addictive and Mental Disorders Division
- The legislature redirected \$600,000 general fund during the 2021 biennium from the Medicaid provider rate increase for physicians to the development of the Montana Health Information Exchange system
- The legislature restricted the nursing home budget in the Senior and Long-Term Care Division (SLTC) to spending on either nursing home services or the Big Sky waiver in SLTC

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	2,934.16	2,934.16	2,834.70	2,834.70
Personal Services	181,098,231	184,912,308	189,806,353	194,593,734	194,565,898
Operating Expenses	120,662,419	124,454,958	121,578,921	124,321,253	127,600,433
Equipment & Intangible Assets	642,407	1,337,721	651,721	651,721	651,721
Grants	69,694,191	78,519,710	79,235,679	76,588,679	76,788,679
Benefits & Claims	1,532,392,278	1,663,553,795	1,740,521,054	1,707,732,577	1,791,987,897
Transfers	4,685,579	3,652,562	3,183,901	3,183,901	3,183,901
Debt Service	232,796	329,939	292,007	292,007	292,007
Total Expenditures	\$1,909,407,901	\$2,056,760,993	\$2,135,269,636	\$2,107,363,872	\$2,195,070,536
General Fund	489,863,124	497,080,811	530,665,150	549,469,811	585,620,900
State/Other Special Rev. Funds	147,801,426	160,004,844	166,136,390	174,001,050	178,354,463
Federal Spec. Rev. Funds	1,271,743,351	1,399,675,338	1,438,468,096	1,383,893,011	1,431,095,173
Total Funds	\$1,909,407,901	\$2,056,760,993	\$2,135,269,636	\$2,107,363,872	\$2,195,070,536
Total Ongoing	\$1,898,402,029	\$2,045,223,811	\$2,122,563,931	\$2,107,363,872	\$2,195,070,536
Total OTO	\$11,005,872	\$11,537,182	\$12,705,705	\$0	\$0

Page Reference

Legislative Budget Analysis, B-3.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	2,934.16	2,952.16	2,834.70	(117.46)	2,952.16	2,834.70	(117.46)	(117.46)
Personal Services	189,806,353	203,530,380	194,593,734	(8,936,646)	203,481,611	194,565,898	(8,915,713)	(17,852,359)
Operating Expenses	121,578,921	125,582,582	124,321,253	(1,261,329)	129,903,984	127,600,433	(2,303,551)	(3,564,880)
Equipment & Intangible Assets	651,721	651,721	651,721	0	651,721	651,721	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	79,235,679	80,513,679	76,588,679	(3,925,000)	80,513,679	76,788,679	(3,725,000)	(7,650,000)
Benefits & Claims	1,740,521,054	1,704,679,881	1,707,732,577	3,052,696	1,798,201,747	1,791,987,897	(6,213,850)	(3,161,154)
Transfers	3,183,901	3,183,901	3,183,901	0	3,183,901	3,183,901	0	0
Debt Service	292,007	292,007	292,007	0	292,007	292,007	0	0
Total Costs	\$2,135,269,636	\$2,118,434,151	\$2,107,363,872	(\$11,070,279)	\$2,216,228,650	\$2,195,070,536	(\$21,158,114)	(\$32,228,393)
General Fund	530,665,150	551,846,211	549,469,811	(2,376,400)	580,187,263	585,620,900	5,433,637	3,057,237
State/other Special Rev. Funds	166,136,390	180,513,659	174,001,050	(6,512,609)	197,388,916	178,354,463	(19,034,453)	(25,547,062)
Federal Spec. Rev. Funds	1,438,468,096	1,386,074,281	1,383,893,011	(2,181,270)	1,438,652,471	1,431,095,173	(7,557,298)	(9,738,568)
Total Funds	\$2,135,269,636	\$2,118,434,151	\$2,107,363,872	(\$11,070,279)	\$2,216,228,650	\$2,195,070,536	(\$21,158,114)	(\$32,228,393)
Total Ongoing	\$2,122,563,931	\$2,118,434,151	\$2,107,363,872	(\$11,070,279)	\$2,216,228,650	\$2,195,070,536	(\$21,158,114)	(\$32,228,393)
Total OTO	\$12,705,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislative budget is \$30.9 million total funds lower than the executive request over the biennium.

- The legislative budget includes 2,834.70 FTE, 117.46 fewer than the executive request. The legislature adopted a change package that removed positions vacant for more than one year across DPHHS. The total personal services budget for the agency is \$17.9 million lower than the executive request over the biennium
- The legislative budget is \$3.1 million general fund higher than the executive request. The majority of this amount is due to the legislative decision to fund increased state costs for CHIP and programs supported by the Tobacco Health and Medicaid Initiative state special revenue fund with general fund rather than with state special revenues associated with new taxes on tobacco products. This increased general fund expenditure on CHIP is offset by legislative reductions to personal services which reduced general fund expenditures by \$8.8 million over the biennium, as well as the adoption of general fund appropriations for Medicaid caseload that are \$9.6 million lower than the executive request
- The legislative budget is \$25.5 million state special revenue funds lower than the executive request. The majority of this amount is due to the legislative decision to fund increased state costs for CHIP and programs supported by the Tobacco Health and Medicaid Initiative state special revenue fund with general fund rather than with state special revenues associated with new taxes on tobacco products
- The legislative budget is \$9.7 million federal special revenue funds lower than the executive request. This difference is largely due to the legislative adoption of a lower caseload for Medicaid in the 2021 biennium

Funding

The following table shows agency funding by source of authority.

Total Department of Public Health & Human Services Funding by Source of Authority 2021 Biennium Budget Request - Department of Public Health & Human Services						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,135,090,711	0	0	0	1,135,090,711	25.20 %
State Special Total	352,355,513	0	0	8,495,884	360,851,397	8.01 %
Federal Special Total	2,814,988,184	0	0	193,417,760	3,008,405,944	66.79 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$4,302,434,408	\$0	\$0	\$201,913,644	\$4,504,348,052	
Percent - Total All Sources	95.52 %	0.00 %	0.00 %	4.48 %		

DPHHS receives general fund, state special revenue funds, and federal funds. State spending on Medicaid and the Children's Health Insurance Program (CHIP) is matched with federal funding based on the federal medical assistance percentage (FMAP) rate. A significant decrease in the FMAP for CHIP demands additional state funding to maintain CHIP services over the biennium. The largest state special revenue funds associated with DPPHS expenditures are the Tobacco Health and Medicaid Initiative fund (funded with tobacco taxes) and the Healthy Montana Kids Plan fund (funded with insurance taxes).

The statutory appropriations in the table above are almost entirely for the Indian Health Services (IHS) Medicaid program.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	521,881,955	521,881,955	1,043,763,910	91.95 %	2,122,563,931	2,122,563,931	4,245,127,862	98.67 %
SWPL Adjustments	4,318,203	4,267,697	8,585,900	0.76 %	11,912,914	11,417,589	23,330,503	0.54 %
PL Adjustments	19,686,783	49,561,621	69,248,404	6.10 %	(46,527,263)	15,325,159	(31,202,104)	(0.73)%
New Proposals	3,582,870	9,909,627	13,492,497	1.19 %	19,414,290	45,763,857	65,178,147	1.51 %
Total Budget	\$549,469,811	\$585,620,900	\$1,135,090,711		\$2,107,363,872	\$2,195,070,536	\$4,302,434,408	

Language and Statutory Authority

CHIP Federal Medicaid Assistance Percentage state special revenue funds are from the account established in 17-6-606 and must be expended before the general fund appropriation for CHIP State Match pursuant to 17-2-108.

Senior & Long-Term Care Division Nursing Home appropriation for Medicaid nursing home services is restricted to spending on Medicaid nursing home services or the Big Sky Waiver within the Senior and Long-Term Care Division.

If Medicaid expansion is not renewed, the DPHHS appropriation for the Health Resources Division in HB 2 is increased by \$28,410,375 general fund and \$55,428,911 federal funds in FY 2020 and \$28,519,386 general fund and \$55,887,606 federal funds in FY 2021.

The Disability Employment & Transitions Division is appropriated \$775,000 of state special revenue from the Montana Telecommunications Access Program (MTAP) during each year of the 2021 biennium to cover a contingent FCC mandate, which would require states to provide both Video and Internet Protocol relay services for people with severe hearing, mobility, or speech impairments.

If a companion bill amending 53-19-310 to allow for legislative transfers is not passed and approved, the appropriation for the Addictive and Mental Disorders Division in HB 2 is reduced by \$550,000 state special revenue and \$1,020,083 federal funds in FY 2020 and \$800,000 state special revenue and \$1,483,757 federal funds in FY 2021 and the appropriation for the Developmental Services Division in HB 2 is reduced by \$550,000 state special revenue and \$1,020,083 federal funds in FY 2020 and \$800,000 state special revenue and \$1,483,757 federal funds in FY 2021; and the appropriation for the Disability Employment and Transitions Division is reduced by \$400,000 state special revenue in FY 2020 and \$400,000 state special revenue in FY 2021.

If a companion bill transferring \$1,068,693 from the Older Montanans Trust Fund to a state special revenue account defined in that companion bill is not passed and approved, the appropriation for the Senior and Long-Term Care Division is reduced by \$320,608 state special revenue funds and \$594,630 federal special revenue funds in FY 2020 and \$748,085 state special revenue funds and \$1,375,950 federal special revenue funds in FY 2021.

The budget for the Child and Family Services Division is restricted to use in that division.

Senior & Long Term Care - County Nursing Home Intergovernmental Transfer (IGT) may be used only to make one-time payments to nursing homes based on the number of Medicaid services provided. State special revenue in County Nursing Home IGT may be expended only after the office of budget and program planning has certified that the department has collected the amount that is necessary to make one-time payments to nursing homes based on the number of Medicaid services provided and to fund the base budget in the nursing facility program and the community services program at the level of \$564,785 from the counties participating in the intergovernmental transfer program for the nursing facilities.

If a bill amending 53-6-125 to allow for a reduction of the physician reimbursement calculated pursuant to that section for the biennium beginning July 1, 2019, is not passed and approved, Montana Health Information Exchange is void and Physician Reimbursement is increased by 200,000 in FY 2020 and increased by 400,000 in FY 2021.

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Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,899,837	18,097,597	197,760	1.10 %
Operating Expenses	9,759,782	9,923,650	163,868	1.68 %
Equipment & Intangible Assets	22,000	0	(22,000)	(100.00)%
Benefits & Claims	30,030,196	30,319,475	289,279	0.96 %
Transfers	50,000	50,000	0	0.00 %
Total Expenditures	\$57,761,815	\$58,390,722	\$628,907	1.09 %
General Fund	12,441,785	12,074,075	(367,710)	(2.96)%
State/Other Special Rev. Funds	1,872,500	2,620,462	747,962	39.94 %
Federal Spec. Rev. Funds	43,447,530	43,696,185	248,655	0.57 %
Total Funds	\$57,761,815	\$58,390,722	\$628,907	1.09 %
Total Ongoing	\$57,761,815	\$58,390,722	\$628,907	1.09 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-19.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	140.97	140.97	134.07	134.07
Personal Services	7,467,480	8,707,926	9,191,911	9,048,904	9,048,693
Operating Expenses	4,522,837	4,799,805	4,959,977	4,961,626	4,962,024
Equipment & Intangible Assets	21,547	22,000	0	0	0
Benefits & Claims	11,944,170	15,354,002	14,676,194	15,117,475	15,202,000
Transfers	6,250	25,000	25,000	25,000	25,000
Total Expenditures	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
General Fund	6,429,789	6,439,802	6,001,983	6,018,809	6,055,266
State/Other Special Rev. Funds	768,205	928,437	944,063	1,309,926	1,310,536
Federal Spec. Rev. Funds	16,764,290	21,540,494	21,907,036	21,824,270	21,871,915
Total Funds	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
Total Ongoing	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-20.

Funding

Disability Employment & Transitions is funded primarily by a variety of federal funds accounting for 74.8% of the total. Some programs are fully funded with federal funds including disability determinations and the Montech assistive technology

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program, while other federally funded programs require varying levels of state matching funds. There are 9 federal funds with ongoing HB 2 authority at DET. Over 90.0% of federal fund authority is contained in four programs including:

- Rehabilitation Sec. 110A are federal funds granted to states for the purposes of vocational rehabilitation intended to assist individuals with disabilities in preparing for and engaging in competitive employment
- Disability determinations administration funds cover administrative costs related to determining disabled status
- Social security trust funds are federal funds used to cover part of the benefits and claims expenditures in the vocational rehabilitation program
- Federal indirect activities are authorized based on a federally approved formula and are derived from DET functions benefiting or serving other programs in the department

General fund is used to support 20.7% of program costs while state special supports the remaining 4.5%. The majority of state funds at DET are spent on two programs including:

- Vocational rehabilitation services
- Montana Teleaccess Communications Program (MTAP)

Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,001,983	6,001,983	12,003,966	99.42 %	28,853,082	28,853,082	57,706,164	98.83 %
SWPL Adjustments	104,688	104,432	209,120	1.73 %	297,456	296,634	594,090	1.02 %
PL Adjustments	(105,674)	(105,430)	(211,104)	(1.75)%	(438,814)	(437,805)	(876,619)	(1.50)%
New Proposals	17,812	54,281	72,093	0.60 %	441,281	525,806	967,087	1.66 %
Total Budget	\$6,018,809	\$6,055,266	\$12,074,075		\$29,153,005	\$29,237,717	\$58,390,722	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	104,351	(13,600)	205,056	295,807	0.00	104,014	(13,037)	203,610	294,587
DP 3 - Inflation Deflation	0.00	337	0	1,312	1,649	0.00	418	0	1,629	2,047
DP 50 - Personal Services Adjustment	(13.90)	(237,805)	(47,394)	(697,768)	(982,967)	(13.90)	(237,238)	(47,281)	(696,111)	(980,630)
DP 52 - DET FTE Restore	7.00	132,131	26,857	385,165	544,153	7.00	131,808	26,791	384,226	542,825
Grand Total All Present Law Adjustments	(6.90)	(\$986)	(\$34,137)	(\$106,235)	(\$141,358)	(6.90)	(\$998)	(\$33,527)	(\$106,646)	(\$141,171)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

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DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 13.90 FTE.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1001 - PRI - Vocation Rehabilitation - DETD	0.00	14,025	0	21,351	35,376	0.00	42,741	0	65,070	107,811
DP 1002 - PRI - Independent Living - DETD	0.00	3,787	0	2,118	5,905	0.00	11,540	0	6,455	17,995
DP 1003 - Transfer from MTAP for Extended Employment	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
Total	0.00	\$17,812	\$400,000	\$23,469	\$441,281	0.00	\$54,281	\$400,000	\$71,525	\$525,806

***Total Funds** amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1001 - PRI - Vocation Rehabilitation - DETD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for vocational rehabilitation and extended employment providers in the Disability Employment and Transitions Division.

DP 1002 - PRI - Independent Living - DETD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for independent living centers in the Disability Employment and Transitions Division.

DP 1003 - Transfer from MTAP for Extended Employment -

The legislature adopted a \$400,000 increase to the appropriation for Extended Employment in the Disability Employment and Transitions Division during each year of the 2021 Biennium.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	54,459,312	59,330,277	4,870,965	8.94 %
Operating Expenses	15,989,164	15,071,360	(917,804)	(5.74)%
Equipment & Intangible Assets	228,000	50,000	(178,000)	(78.07)%
Grants	46,298,408	43,495,330	(2,803,078)	(6.05)%
Benefits & Claims	530,082,211	539,939,208	9,856,997	1.86 %
Transfers	4,242,220	4,242,220	0	0.00 %
Total Expenditures	\$651,299,315	\$662,128,395	\$10,829,080	1.66 %
General Fund	67,918,740	66,817,556	(1,101,184)	(1.62)%
State/Other Special Rev. Funds	4,350,946	5,144,699	793,753	18.24 %
Federal Spec. Rev. Funds	579,029,629	590,166,140	11,136,511	1.92 %
Total Funds	\$651,299,315	\$662,128,395	\$10,829,080	1.66 %
Total Ongoing	\$645,299,041	\$662,128,395	\$16,829,354	2.61 %
Total OTO	\$6,000,274	\$0	(\$6,000,274)	(100.00)%

Page Reference

Legislative Budget Analysis, B-26.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	488.30	488.30	478.55	478.55
Personal Services	24,874,218	26,371,037	28,088,275	29,666,858	29,663,419
Operating Expenses	8,349,746	8,501,865	7,487,299	7,535,387	7,535,973
Equipment & Intangible Assets	156,395	203,000	25,000	25,000	25,000
Grants	21,916,741	21,703,743	24,594,665	21,747,665	21,747,665
Benefits & Claims	252,448,870	264,492,175	265,590,036	269,969,604	269,969,604
Transfers	3,553,708	2,121,110	2,121,110	2,121,110	2,121,110
Total Expenditures	\$311,299,678	\$323,392,930	\$327,906,385	\$331,065,624	\$331,062,771
General Fund	31,917,582	32,132,417	35,786,323	33,331,909	33,485,647
State/Other Special Rev. Funds	1,767,382	1,870,432	2,480,514	2,550,217	2,594,482
Federal Spec. Rev. Funds	277,614,714	289,390,081	289,639,548	295,183,498	294,982,642
Total Funds	\$311,299,678	\$323,392,930	\$327,906,385	\$331,065,624	\$331,062,771
Total Ongoing	\$308,512,888	\$320,392,930	\$324,906,111	\$331,065,624	\$331,062,771
Total OTO	\$2,786,790	\$3,000,000	\$3,000,274	\$0	\$0

Page Reference

Legislative Budget Analysis, B-27.

69010 - Department Of Public Health & Human Services02-Human & Community Services Division

Funding

Human and Community Services Division (HCSD) costs are driven by the benefits delivered by HCSD staff and providers throughout the state, and the administrative costs associated with benefit provisions. HCSD is funded primarily by a variety of federal funds accounting for 89.1% of the 2021 biennium budget.

General fund is 10.1% of the 2021 biennium budget. General funds are used to support Temporary Assistance for Needy Families (TANF) and child care Maintenance of Effort (MOE) requirements and are used as a match for federal programs such as Medicaid, SNAP eligibility determinations, and child care benefits.

State special revenues are 0.8% of the of 2021 HCSD biennium budget and are used primarily to fund the childcare match in the prevention and stabilization program, as well as the state portion of energy and weatherization services including the Low Income Energy Assistance Program (LIEAP).

Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	32,786,049	32,786,049	65,572,098	98.14 %	324,906,111	324,906,111	649,812,222	98.14 %
SWPL Adjustments	845,584	1,005,851	1,851,435	2.77 %	2,339,921	2,335,441	4,675,362	0.71 %
PL Adjustments	(299,724)	(306,253)	(605,977)	(0.91)%	3,819,592	3,821,219	7,640,811	1.15 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$33,331,909	\$33,485,647	\$66,817,556		\$331,065,624	\$331,062,771	\$662,128,395	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	845,584	81,879	1,410,018	2,337,481		0.00	1,005,851	123,212	1,203,352	2,332,415
DP 3 - Inflation Deflation										
0.00	0	0	2,440	2,440		0.00	0	0	3,026	3,026
DP 50 - Personal Services Adjustment										
(9.75)	(299,724)	(12,176)	(359,724)	(671,624)		(9.75)	(306,253)	(9,244)	(354,500)	(669,997)
DP 2002 - IHSB Grant Funding										
0.00	0	0	557,356	557,356		0.00	0	0	557,356	557,356
DP 2003 - Child Care Federal Authority										
0.00	0	0	3,933,860	3,933,860		0.00	0	0	3,933,860	3,933,860
Grand Total All Present Law Adjustments										
(9.75)	\$545,860	\$69,703	\$5,543,950	\$6,159,513		(9.75)	\$699,598	\$113,968	\$5,343,094	\$6,156,660

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 9.75 FTE at Human & Community Services Division.

DP 2002 - IHSB Grant Funding -

The legislature adopted an increase of \$1.1 million in federal funds over the biennium to maintain existing services for the Department of Energy Weatherization program, the Low Income Energy Assistance Program (LIEAP), and the Food Distribution Program on the Indian Reservations in the Human and Community Services Division.

DP 2003 - Child Care Federal Authority -

The legislature adopted an increase of \$7.9 million in federal funds over the biennium to maintain existing services for the Child Care Development Fund in the Human and Community Services Division.

69010 - Department Of Public Health & Human Services 03-Child and Family Services Division

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	49,714,415	55,736,559	6,022,144	12.11 %
Operating Expenses	13,507,795	12,156,314	(1,351,481)	(10.01)%
Grants	14,757,184	13,626,560	(1,130,624)	(7.66)%
Benefits & Claims	101,008,404	124,378,148	23,369,744	23.14 %
Transfers	476,182	476,182	0	0.00 %
Debt Service	2,316	2,316	0	0.00 %
Total Expenditures	\$179,466,296	\$206,376,079	\$26,909,783	14.99 %
General Fund	101,768,931	121,435,749	19,666,818	19.32 %
State/Other Special Rev. Funds	3,795,228	3,758,555	(36,673)	(0.97)%
Federal Spec. Rev. Funds	73,902,137	81,181,775	7,279,638	9.85 %
Total Funds	\$179,466,296	\$206,376,079	\$26,909,783	14.99 %
Total Ongoing	\$162,823,683	\$206,376,079	\$43,552,396	26.75 %
Total OTO	\$16,642,613	\$0	(\$16,642,613)	(100.00)%

Page Reference

Legislative Budget Analysis, B-37.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	416.72	416.72	430.47	430.47
Personal Services	27,139,756	26,388,195	23,326,220	27,869,506	27,867,053
Operating Expenses	7,418,936	7,479,817	6,027,978	6,072,761	6,083,553
Grants	7,274,561	7,943,904	6,813,280	6,813,280	6,813,280
Benefits & Claims	52,343,898	52,861,023	48,147,381	59,624,891	64,753,257
Transfers	189,712	238,091	238,091	238,091	238,091
Debt Service	0	1,158	1,158	1,158	1,158
Total Expenditures	\$94,366,863	\$94,912,188	\$84,554,108	\$100,619,687	\$105,756,392
General Fund	54,369,653	54,394,501	47,374,430	59,266,154	62,169,595
State/Other Special Rev. Funds	1,773,428	1,897,614	1,897,614	1,879,255	1,879,300
Federal Spec. Rev. Funds	38,223,782	38,620,073	35,282,064	39,474,278	41,707,497
Total Funds	\$94,366,863	\$94,912,188	\$84,554,108	\$100,619,687	\$105,756,392
Total Ongoing	\$86,629,671	\$87,175,006	\$75,648,677	\$100,619,687	\$105,756,392
Total OTO	\$7,737,192	\$7,737,182	\$8,905,431	\$0	\$0

Page Reference

Legislative Budget Analysis, B-39.

69010 - Department Of Public Health & Human Services 03-Child and Family Services Division

Funding

The Child and Family Services Division (CFSD) receives general fund, state special revenue fund, and federal special revenue fund authority. The largest federal funds sources are matching funds for foster care, adoption, and guardianship benefits and related indirect activity.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	42,291,509	42,291,509	84,583,018	69.65 %	75,648,677	75,648,677	151,297,354	73.31 %
SWPL Adjustments	2,341,639	2,346,149	4,687,788	3.86 %	3,426,158	3,436,006	6,862,164	3.33 %
PL Adjustments	13,676,896	15,831,472	29,508,368	24.30 %	20,187,574	24,299,999	44,487,573	21.56 %
New Proposals	956,110	1,700,465	2,656,575	2.19 %	1,357,278	2,371,710	3,728,988	1.81 %
Total Budget	\$59,266,154	\$62,169,595	\$121,435,749		\$100,619,687	\$105,756,392	\$206,376,079	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,320,236	0	1,061,139	3,381,375	0.00	2,319,588	0	1,060,843	3,380,431
DP 3 - Inflation Deflation	0.00	21,403	0	23,380	44,783	0.00	26,561	0	29,014	55,575
DP 50 - Personal Services Adjustment	(4.25)	(146,870)	(18,359)	(201,947)	(367,176)	(4.25)	(146,508)	(18,314)	(201,448)	(366,270)
DP 3001 - Foster Care Caseload - CFSD	0.00	9,216,235	0	2,601,711	11,817,946	0.00	10,387,565	0	3,458,174	13,845,739
DP 3002 - Adoption Caseload - CFSD	0.00	2,320,758	0	2,604,450	4,925,208	0.00	2,866,188	0	3,247,696	6,113,884
DP 3003 - Guardianship Caseload - CFSD	0.00	1,827,142	0	1,491,844	3,318,986	0.00	2,309,764	0	1,904,272	4,214,036
DP 3004 - Guardianship FMAP Adjustment - CFSD	0.00	6,647	0	(6,647)	0	0.00	4,032	0	(4,032)	0
DP 3005 - Adoption FMAP Adjustment - CFSD	0.00	72,739	0	(72,739)	0	0.00	44,121	0	(44,121)	0
DP 3006 - Foster Care FMAP Adjustment - CFSD	0.00	35,417	0	(35,417)	0	0.00	21,482	0	(21,482)	0
DP 3007 - Overtime/Differential - CFSD	0.00	344,828	0	147,782	492,610	0.00	344,828	0	147,782	492,610
Grand Total All Present Law Adjustments	(4.25)	\$16,018,535	(\$18,359)	\$7,613,556	\$23,613,732	(4.25)	\$18,177,621	(\$18,314)	\$9,576,698	\$27,736,005

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 4.25 FTE.

DP 3001 - Foster Care Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of children entering foster care and to restore one-time-only funding from the 2017 Legislative Session for the current foster care population.

DP 3002 - Adoption Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of finalized adoptions and the average cost per day in the subsidized adoption program and to restore one-time-only funding from the 2017 Legislative Session for the current subsidized adoption program.

DP 3003 - Guardianship Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of finalized guardianships and the average cost per day in the subsidized guardianship program and to restore one-time-only funding from the 2017 Legislative Session for the current guardianship program.

DP 3004 - Guardianship FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the guardianship program. The total cost for the program does not change.

DP 3005 - Adoption FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the subsidized adoption program. The total cost for the program does not change.

DP 3006 - Foster Care FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the foster care program. The total cost for the program does not change.

DP 3007 - Overtime/Differential - CFSD -

The legislature adopted changes to maintain existing services for the Child and Family Services Division. This increase is for overtime to maintain staffing levels in addition to what is funded in DP 1.

69010 - Department Of Public Health & Human Services 03-Child and Family Services Division

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3008 - PRI - Foster Care - CFSD	0.00	177,866	0	46,656	224,522	0.00	758,859	0	199,840	958,699
DP 3009 - PRI - Subsidized Adoption - CFSD	0.00	24,936	0	28,395	53,331	0.00	115,334	0	102,278	217,612
DP 3010 - PRI - Subsidized Guardianship - CFSD	0.00	11,504	0	8,401	19,905	0.00	52,844	0	38,267	91,111
DP 3011 - PRI - Grants and Contracts - CFSD	0.00	16,270	0	6,773	23,043	0.00	49,585	0	20,641	70,226
DP 3012 - Transfer of Existing FTE - CFSD	18.00	725,534	0	310,943	1,036,477	18.00	723,843	0	310,219	1,034,062
Total	18.00	\$956,110	\$0	\$401,168	\$1,357,278	18.00	\$1,700,465	\$0	\$671,245	\$2,371,710

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3008 - PRI - Foster Care - CFSD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

DP 3009 - PRI - Subsidized Adoption - CFSD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

DP 3010 - PRI - Subsidized Guardianship - CFSD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

DP 3011 - PRI - Grants and Contracts - CFSD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

DP 3012 - Transfer of Existing FTE - CFSD -

The legislature adopted the transfer of 18.00 FTE from the Developmental Services Division to support existing operations in the Child and Family Services Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	12,408,109	10,940,801	(1,467,308)	(11.83)%
Operating Expenses	4,423,073	4,732,281	309,208	6.99 %
Grants	1,723,258	1,748,158	24,900	1.44 %
Transfers	130,000	0	(130,000)	(100.00)%
Total Expenditures	\$18,684,440	\$17,421,240	(\$1,263,200)	(6.76)%
General Fund	7,913,595	7,245,775	(667,820)	(8.44)%
State/Other Special Rev. Funds	2,467,344	2,317,243	(150,101)	(6.08)%
Federal Spec. Rev. Funds	8,303,501	7,858,222	(445,279)	(5.36)%
Total Funds	\$18,684,440	\$17,421,240	(\$1,263,200)	(6.76)%
Total Ongoing	\$18,284,440	\$17,421,240	(\$863,200)	(4.72)%
Total OTO	\$400,000	\$0	(\$400,000)	(100.00)%

Page Reference

Legislative Budget Analysis, B-49.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	60.50	60.50	57.50	57.50
Personal Services	7,322,235	7,270,103	5,138,006	5,472,866	5,467,935
Operating Expenses	1,159,492	1,857,042	2,566,031	2,366,129	2,366,152
Grants	625,145	849,179	874,079	874,079	874,079
Transfers	130,000	130,000	0	0	0
Total Expenditures	\$9,236,872	\$10,106,324	\$8,578,116	\$8,713,074	\$8,708,166
General Fund	4,275,185	4,374,216	3,539,379	3,624,167	3,621,608
State/Other Special Rev. Funds	1,041,439	1,329,344	1,138,000	1,158,792	1,158,451
Federal Spec. Rev. Funds	3,920,248	4,402,764	3,900,737	3,930,115	3,928,107
Total Funds	\$9,236,872	\$10,106,324	\$8,578,116	\$8,713,074	\$8,708,166
Total Ongoing	\$9,234,772	\$9,906,324	\$8,378,116	\$8,713,074	\$8,708,166
Total OTO	\$2,100	\$200,000	\$200,000	\$0	\$0

Page Reference

Legislative Budget Analysis, B-50.

Funding

This program receives general fund, state special revenue fund, and federal special revenue fund authority. Most functions within the Director's Office are cost allocated through indirect cost recoveries from the other divisions within DPHHS.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,439,379	3,439,379	6,878,758	94.93 %	8,378,116	8,378,116	16,756,232	96.18 %
SWPL Adjustments	382,982	379,909	762,891	10.53 %	716,101	710,203	1,426,304	8.19 %
PL Adjustments	(198,194)	(197,680)	(395,874)	(5.46)%	(381,143)	(380,153)	(761,296)	(4.37)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,624,167	\$3,621,608	\$7,245,775		\$8,713,074	\$8,708,166	\$17,421,240	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	382,898	47,476	285,629	716,003	0.00	379,806	47,066	283,210	710,082
DP 2 - Fixed Costs	0.00	(476)	(166)	(700)	(1,342)	0.00	(591)	(205)	(869)	(1,665)
DP 3 - Inflation Deflation	0.00	560	162	718	1,440	0.00	694	201	891	1,786
DP 50 - Personal Services Adjustment	(3.00)	(198,194)	(26,680)	(156,269)	(381,143)	(3.00)	(197,680)	(26,611)	(155,862)	(380,153)
Grand Total All Present Law Adjustments	(3.00)	\$184,788	\$20,792	\$129,378	\$334,958	(3.00)	\$182,229	\$20,451	\$127,370	\$330,050

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 3.00 FTE.

69010 - Department Of Public Health & Human Services 05-Child Support Enforcement Division

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,858,471	18,487,220	628,749	3.52 %
Operating Expenses	3,665,349	3,915,724	250,375	6.83 %
Equipment & Intangible Assets	42,912	42,912	0	0.00 %
Total Expenditures	\$21,566,732	\$22,445,856	\$879,124	4.08 %
General Fund	5,764,602	6,398,089	633,487	10.99 %
State/Other Special Rev. Funds	1,070,030	726,443	(343,587)	(32.11)%
Federal Spec. Rev. Funds	14,732,100	15,321,324	589,224	4.00 %
Total Funds	\$21,566,732	\$22,445,856	\$879,124	4.08 %
Total Ongoing	\$21,566,732	\$22,445,856	\$879,124	4.08 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-54.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	140.31	140.31	129.81	129.81
Personal Services	8,438,264	8,801,899	9,056,572	9,243,549	9,243,671
Operating Expenses	1,882,751	1,707,487	1,957,862	1,957,862	1,957,862
Equipment & Intangible Assets	0	21,456	21,456	21,456	21,456
Total Expenditures	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
General Fund	2,612,837	2,613,001	3,151,601	3,199,006	3,199,083
State/Other Special Rev. Funds	687,139	692,274	377,756	363,205	363,238
Federal Spec. Rev. Funds	7,021,039	7,225,567	7,506,533	7,660,656	7,660,668
Total Funds	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
Total Ongoing	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-55.

Funding

This program is primarily federally funded. Title IV-D eligible expenditures are funded with federal funds and state funds. The non-IV-D federal funding is an incentive payment for reaching specified federal benchmarks. State match for the Title IV-D spending comes from the child support state special revenue fund and the general fund.

69010 - Department Of Public Health & Human Services 05-Child Support Enforcement Division

State Special Revenue

State special revenue is generated primarily from the retention of collections made on behalf of TANF participants in addition to small amounts from applications, genetic testing, and federal tax offset fees. Any child support recovered on behalf of TANF recipients is retained by the state at the state share according to the Federal Medical Assistance Percentage (FMAP). No revenue is retained from non-TANF collections, which are simply collected and sent on to the custodial parent.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,151,601	3,151,601	6,303,202	98.52 %	11,035,890	11,035,890	22,071,780	98.33 %
SWPL Adjustments	311,592	311,034	622,626	9.73 %	916,445	914,805	1,831,250	8.16 %
PL Adjustments	(264,187)	(263,552)	(527,739)	(8.25)%	(729,468)	(727,706)	(1,457,174)	(6.49)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,199,006	\$3,199,083	\$6,398,089		\$11,222,867	\$11,222,989	\$22,445,856	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	311,592	0	604,853	916,445	0.00	311,034	0	603,771	914,805
DP 50 - Personal Services Adjustment	(8.50)	(220,271)	(14,551)	(365,481)	(600,303)	(8.50)	(219,741)	(14,518)	(364,592)	(598,851)
DP 52 - DET FTE Restore	(2.00)	(43,916)	0	(85,249)	(129,165)	(2.00)	(43,811)	0	(85,044)	(128,855)
Grand Total All Present Law Adjustments	(10.50)	\$47,405	(\$14,551)	\$154,123	\$186,977	(10.50)	\$47,482	(\$14,518)	\$154,135	\$187,099

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 8.50 FTE.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	7,379,146	7,226,962	(152,184)	(2.06)%
Operating Expenses	15,807,626	16,865,331	1,057,705	6.69 %
Debt Service	11,352	11,352	0	0.00 %
Total Expenditures	\$23,198,124	\$24,103,645	\$905,521	3.90 %
General Fund	8,591,910	8,757,763	165,853	1.93 %
State/Other Special Rev. Funds	1,817,891	1,835,465	17,574	0.97 %
Federal Spec. Rev. Funds	12,788,323	13,510,417	722,094	5.65 %
Total Funds	\$23,198,124	\$24,103,645	\$905,521	3.90 %
Total Ongoing	\$23,198,124	\$24,103,645	\$905,521	3.90 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-58.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	60.00	60.00	52.00	52.00
Personal Services	3,122,418	3,415,097	3,964,049	3,613,278	3,613,684
Operating Expenses	8,223,142	8,168,487	7,639,139	8,662,616	8,202,715
Debt Service	6,940	5,676	5,676	5,676	5,676
Total Expenditures	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
General Fund	4,288,447	4,364,678	4,227,232	4,479,970	4,277,793
State/Other Special Rev. Funds	901,416	932,627	885,264	931,518	903,947
Federal Spec. Rev. Funds	6,162,637	6,291,955	6,496,368	6,870,082	6,640,335
Total Funds	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
Total Ongoing	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-59.

Funding

Business & Financial Services Division (BFSD) receives general fund, state special revenue, and federal funds through a complicated, federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. The general fund, like the state special revenue and federal state special revenue received from the cost allocation formula is used to support internal BFSD functions.

69010 - Department Of Public Health & Human Services06-Business and Financial Services Division

Nearly all BFSD activities are funded with indirect revenues from all fund types. The exception to this are facility reimbursement activities. General funds are used to support facility reimbursement staff who are responsible for collecting private funds, private insurance, Medicaid, and Medicare from patients receiving services at DPHHS facilities. Funds collected reimburse the general fund as well as state special funds used to support facilities such as the Montana Chemical Dependency Center (MCDC) cost recovery fund. In FY 2018, BFSD collected \$17.9 million for facility reimbursements, most of which are deposited into the general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,227,232	4,227,232	8,454,464	96.54 %	11,608,864	11,608,864	23,217,728	96.32 %
SWPL Adjustments	497,466	294,691	792,157	9.05 %	1,130,603	669,751	1,800,354	7.47 %
PL Adjustments	(244,728)	(244,130)	(488,858)	(5.58)%	(457,897)	(456,540)	(914,437)	(3.79)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$4,479,970	\$4,277,793	\$8,757,763		\$12,281,570	\$11,822,075	\$24,103,645	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments									
	-----Fiscal 2020-----					-----Fiscal 2021-----			
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Total Funds
DP 1 - Personal Services	0.00	90,389	12,326	102,713	205,428	0.00	89,970	12,269	102,238
DP 2 - Fixed Costs	0.00	407,051	55,507	462,557	925,115	0.00	204,689	27,912	232,600
DP 3 - Inflation Deflation	0.00	26	4	30	60	0.00	32	4	37
DP 50 - Personal Services Adjustment	(8.00)	(244,728)	(33,372)	(278,099)	(556,199)	(8.00)	(244,130)	(33,291)	(277,421)
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	11,789	86,513	98,302	0.00	0	11,789	86,513
Grand Total All Present Law Adjustments	(8.00)	\$252,738	\$46,254	\$373,714	\$672,706	(8.00)	\$50,561	\$18,683	\$143,967
									\$213,211

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 8.00 FTE at Business & Financial Services Division.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	25,841,724	27,640,942	1,799,218	6.96 %
Operating Expenses	18,591,998	19,542,020	950,022	5.11 %
Equipment & Intangible Assets	953,482	433,482	(520,000)	(54.54)%
Grants	43,520,762	43,205,990	(314,772)	(0.72)%
Benefits & Claims	30,998,363	32,032,572	1,034,209	3.34 %
Transfers	1,540,200	1,540,200	0	0.00 %
Total Expenditures	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
General Fund	7,252,464	7,748,458	495,994	6.84 %
State/Other Special Rev. Funds	32,114,223	33,396,867	1,282,644	3.99 %
Federal Spec. Rev. Funds	82,079,842	83,249,881	1,170,039	1.43 %
Total Funds	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
Total Ongoing	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-62.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	179.02	179.02	177.96	177.96
Personal Services	13,321,936	12,476,327	13,365,397	13,822,789	13,818,153
Operating Expenses	10,562,225	8,826,165	9,765,833	9,770,454	9,771,566
Equipment & Intangible Assets	456,181	736,741	216,741	216,741	216,741
Grants	17,629,700	21,917,767	21,602,995	21,602,995	21,602,995
Benefits & Claims	11,628,288	14,982,077	16,016,286	16,016,286	16,016,286
Transfers	536,528	770,100	770,100	770,100	770,100
Total Expenditures	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
General Fund	3,488,898	3,492,124	3,760,340	3,874,668	3,873,790
State/Other Special Rev. Funds	14,359,297	15,613,679	16,500,544	16,699,587	16,697,280
Federal Spec. Rev. Funds	36,286,663	40,603,374	41,476,468	41,625,110	41,624,771
Total Funds	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
Total Ongoing	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-63.

Funding

The 2021 biennium Public Health and Safety Division (PHSD) budget request is funded by general fund, state special revenue, and federal funds. General fund is used to fund a portion of each of the major functions discussed above. There are over 75 funding sources that support PHSD, with the majority being federal categorical grants that fund specific activities. The single largest federal source supports the Women, Infants, and Children (WIC) nutrition program. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest
- Public health laboratory fees
- Insurance fees for a genetics program - \$1 annually for each Montana resident insured under any individual or group disability or health insurance policy
- Licensing fees for food manufacturers or food sales establishments - 5.0% of an annual license fee of \$115, and penalties for failure to renew licenses in a timely manner

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,760,340	3,760,340	7,520,680	97.06 %	61,737,352	61,737,352	123,474,704	99.26 %
SWPL Adjustments	136,366	135,432	271,798	3.51 %	531,672	527,977	1,059,649	0.85 %
PL Adjustments	(22,038)	(21,982)	(44,020)	(0.57)%	(69,659)	(69,488)	(139,147)	(0.11)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,874,668	\$3,873,790	\$7,748,458		\$62,199,365	\$62,195,841	\$124,395,206	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	135,730	210,284	181,037	527,051	0.00	134,603	207,934	179,707	522,244
DP 3 - Inflation Deflation	0.00	636	62	3,923	4,621	0.00	829	77	4,827	5,733
DP 50 - Personal Services Adjustment	(1.06)	(22,038)	(11,303)	(36,318)	(69,659)	(1.06)	(21,982)	(11,275)	(36,231)	(69,488)
Grand Total All Present Law Adjustments	(1.06)	\$114,328	\$199,043	\$148,642	\$462,013	(1.06)	\$113,450	\$196,736	\$148,303	\$458,489

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 1.06 FTE.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	14,016,675	16,423,354	2,406,679	17.17 %
Operating Expenses	2,984,801	4,951,711	1,966,910	65.90 %
Equipment & Intangible Assets	1,050	1,050	0	0.00 %
Grants	1,169,882	1,169,882	0	0.00 %
Total Expenditures	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
General Fund	4,736,100	5,121,673	385,573	8.14 %
State/Other Special Rev. Funds	680,782	4,687,735	4,006,953	588.58 %
Federal Spec. Rev. Funds	12,755,526	12,736,589	(18,937)	(0.15)%
Total Funds	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
Total Ongoing	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-70.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	104.23	104.23	118.23	118.23
Personal Services	5,941,627	6,812,916	7,203,759	8,211,602	8,211,752
Operating Expenses	1,189,170	1,401,371	1,583,430	2,453,035	2,498,676
Equipment & Intangible Assets	0	525	525	525	525
Grants	568,569	584,941	584,941	584,941	584,941
Total Expenditures	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
General Fund	2,246,016	2,246,032	2,490,068	2,560,497	2,561,176
State/Other Special Rev. Funds	261,493	291,555	389,227	2,320,439	2,367,296
Federal Spec. Rev. Funds	5,191,857	6,262,166	6,493,360	6,369,167	6,367,422
Total Funds	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
Total Ongoing	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-71.

Funding

Quality Assurance Division (QAD) is funded by a variety of federal funds accounting for 56.5% of the proposed total. QAD activities pertaining to certifications, licensure, and program compliance are supported by 12 different federal funding sources, some of which support more than one function.

Federal Medicaid and Medicare funds are used to support multiple activities including certification of nursing homes and home health services, a department of Justice fraud surveillance contract, federal match for the Recovery Audit Program, the nurse aide registry, and more. Clinical laboratory improvements amendments (CLIA) supports reviews of laboratories that wish to qualify for federal funding. Rural hospital flexibility grants are used to help local hospitals maintain their critical access hospital (CAH) status.

General fund is used to support 22.7% of program costs with state special supporting the remaining 20.8%. General fund supports a wide range of administrative functions including:

- State match for eligible Medicaid costs
- Title IV-E (foster care)
- Federal discretionary child care funds
- Community residential facilities
- Program compliance

State special revenues include:

- Alcohol taxes allocated to QAD are used to fund staff and operational costs for the Chemical Dependency Licensure Program
- Lien and estate funds are used to support services to pursue recoveries for Medicaid costs, mainly for nursing home services
- Medical marijuana registry fees are used to cover the cost of maintaining the registry
- Recovery audit contract funds are used to support audits performed by the program to identify waste, fraud, or abuse in Medicaid

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,490,068	2,490,068	4,980,136	97.24 %	9,372,655	9,372,655	18,745,310	83.14 %
SWPL Adjustments	156,450	156,916	313,366	6.12 %	373,696	371,472	745,168	3.31 %
PL Adjustments	(86,021)	(85,808)	(171,829)	(3.35)%	1,503,752	1,551,767	3,055,519	13.55 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,560,497	\$2,561,176	\$5,121,673		\$11,250,103	\$11,295,894	\$22,545,997	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	152,619	69,828	141,166	363,613	0.00	152,160	69,453	137,346	358,959
DP 3 - Inflation Deflation	0.00	3,831	437	5,815	10,083	0.00	4,756	542	7,215	12,513
DP 50 - Personal Services Adjustment	(4.00)	(86,021)	(10,865)	(271,174)	(368,060)	(4.00)	(85,808)	(10,838)	(270,499)	(367,145)
DP 8001 - Medical Marijuana	18.00	0	1,871,812	0	1,871,812	18.00	0	1,918,912	0	1,918,912
Grand Total All Present Law Adjustments	14.00	\$70,429	\$1,931,212	(\$124,193)	\$1,877,448	14.00	\$71,108	\$1,978,069	(\$125,938)	\$1,923,239

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 4.00 FTE at Quality Assurance Division.

DP 8001 - Medical Marijuana -

The legislature adopted an increase of 18.00 FTE, operating expenses and personal services, for the biennium to provide existing services for the Medical Marijuana Program in the Quality Assurance Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,004,639	10,740,856	736,217	7.36 %
Operating Expenses	51,613,504	51,424,757	(188,747)	(0.37)%
Equipment & Intangible Assets	418,412	418,412	0	0.00 %
Debt Service	182,532	182,532	0	0.00 %
Total Expenditures	\$62,219,087	\$62,766,557	\$547,470	0.88 %
General Fund	24,061,838	25,622,685	1,560,847	6.49 %
State/Other Special Rev. Funds	3,531,942	2,983,001	(548,941)	(15.54)%
Federal Spec. Rev. Funds	34,625,307	34,160,871	(464,436)	(1.34)%
Total Funds	\$62,219,087	\$62,766,557	\$547,470	0.88 %
Total Ongoing	\$62,219,087	\$62,766,557	\$547,470	0.88 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-76.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	66.60	66.60	60.10	60.10
Personal Services	5,201,722	4,910,043	5,094,596	5,370,494	5,370,362
Operating Expenses	24,602,003	26,090,169	25,523,335	25,711,066	25,713,691
Equipment & Intangible Assets	0	209,206	209,206	209,206	209,206
Debt Service	0	91,266	91,266	91,266	91,266
Total Expenditures	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
General Fund	11,109,247	11,431,017	12,630,821	12,810,810	12,811,875
State/Other Special Rev. Funds	1,900,982	2,145,944	1,385,998	1,491,379	1,491,622
Federal Spec. Rev. Funds	16,793,496	17,723,723	16,901,584	17,079,843	17,081,028
Total Funds	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
Total Ongoing	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-77.

Funding

Technology Services Division (TSD) receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefitting or serving other programs in the department. About 40.8% of TSD HB 2 authority is general fund, while federal funds and state special comprise around 54.4% and 4.8% respectively.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	12,630,821	12,630,821	25,261,642	98.59 %	30,918,403	30,918,403	61,836,806	98.52 %
SWPL Adjustments	371,224	371,812	743,036	2.90 %	994,838	996,004	1,990,842	3.17 %
PL Adjustments	(191,235)	(190,758)	(381,993)	(1.49)%	(531,209)	(529,882)	(1,061,091)	(1.69)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$12,810,810	\$12,811,875	\$25,622,685		\$31,382,032	\$31,384,525	\$62,766,557	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	290,559	258,274	258,274	807,107		0.00	290,032	257,808	257,808	805,648
DP 2 - Fixed Costs										
0.00	80,353	16,818	89,696	186,867		0.00	81,393	17,035	90,855	189,283
DP 3 - Inflation Deflation										
0.00	312	276	276	864		0.00	387	343	343	1,073
DP 50 - Personal Services Adjustment										
(5.50)	(162,581)	(144,517)	(144,517)	(451,615)		(5.50)	(162,175)	(144,155)	(144,155)	(450,485)
DP 52 - DET FTE Restore										
(1.00)	(28,654)	(25,470)	(25,470)	(79,594)		(1.00)	(28,583)	(25,407)	(25,407)	(79,397)
Grand Total All Present Law Adjustments										
(6.50)	\$179,989	\$105,381	\$178,259	\$463,629		(6.50)	\$181,054	\$105,624	\$179,444	\$466,122

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 5.50 FTE at Technology Services Division.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	31,853,071	21,150,440	(10,702,631)	(33.60)%
Operating Expenses	10,512,495	8,754,263	(1,758,232)	(16.73)%
Benefits & Claims	550,158,260	584,412,034	34,253,774	6.23 %
Debt Service	37,932	0	(37,932)	(100.00)%
Total Expenditures	\$592,561,758	\$614,316,737	\$21,754,979	3.67 %
General Fund	175,911,970	180,083,878	4,171,908	2.37 %
State/Other Special Rev. Funds	13,049,383	14,348,494	1,299,111	9.96 %
Federal Spec. Rev. Funds	403,600,405	419,884,365	16,283,960	4.03 %
Total Funds	\$592,561,758	\$614,316,737	\$21,754,979	3.67 %
Total Ongoing	\$591,361,758	\$614,316,737	\$22,954,979	3.88 %
Total OTO	\$1,200,000	\$0	(\$1,200,000)	(100.00)%

Page Reference

Legislative Budget Analysis, B-80.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	206.91	206.91	157.91	157.91
Personal Services	13,525,559	14,270,845	17,582,226	10,573,383	10,577,057
Operating Expenses	4,478,855	4,751,885	5,760,610	4,382,405	4,371,858
Benefits & Claims	261,236,516	275,156,713	275,001,547	283,626,598	300,785,436
Debt Service	37,932	37,932	0	0	0
Total Expenditures	\$279,278,862	\$294,217,375	\$298,344,383	\$298,582,386	\$315,734,351
General Fund	85,116,321	85,393,284	90,518,686	88,087,786	91,996,092
State/Other Special Rev. Funds	6,560,592	6,560,891	6,488,492	7,046,482	7,302,012
Federal Spec. Rev. Funds	187,601,949	202,263,200	201,337,205	203,448,118	216,436,247
Total Funds	\$279,278,862	\$294,217,375	\$298,344,383	\$298,582,386	\$315,734,351
Total Ongoing	\$278,799,072	\$293,617,375	\$297,744,383	\$298,582,386	\$315,734,351
Total OTO	\$479,790	\$600,000	\$600,000	\$0	\$0

Page Reference

Legislative Budget Analysis, B-82.

Funding

The legislature adopted a total budget of \$614.3 million for Developmental Services Division (DSD) during the 2021 biennium.

Just under 68.3% of the total budget is federal funds. The Developmental Disabilities Program (DDP) and Childrens Mental Health Bureau (CMHB) provide Medicaid services to the Developmental Disabilities (DD) population which are funded at the Federal Medicaid Assistance Percentage (FMAP) with general fund used to cover the state match.

Additional federal funds include the social services block grant and early intervention which are special education grants for infants and families provided by the U.S. Department of Education.

General fund comprises 29.3% of the DSD budget. In addition to funding the state portion of Medicaid benefits, general fund is used for the Intensive Behavior Center (IBC) in Boulder.

Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	89,918,686	89,918,686	179,837,372	99.86 %	297,744,383	297,744,383	595,488,766	96.94 %
SWPL Adjustments	(4,335,441)	(4,346,957)	(8,682,398)	(4.82)%	(4,051,194)	(4,059,882)	(8,111,076)	(1.32)%
PL Adjustments	1,763,085	4,148,088	5,911,173	3.28 %	(3,217,405)	8,086,436	4,869,031	0.79 %
New Proposals	741,456	2,276,275	3,017,731	1.68 %	8,106,602	13,963,414	22,070,016	3.59 %
Total Budget	\$88,087,786	\$91,996,092	\$180,083,878		\$298,582,386	\$315,734,351	\$614,316,737	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(4,254,180)	2,529	278,662	(3,972,989)	0.00	(4,254,413)	2,499	280,784	(3,971,130)
DP 2 - Fixed Costs	0.00	(83,669)	0	0	(83,669)	0.00	(95,530)	0	0	(95,530)
DP 3 - Inflation Deflation	0.00	2,408	0	3,056	5,464	0.00	2,986	0	3,792	6,778
DP 50 - Personal Services Adjustment	(29.00)	(1,224,621)	0	(490,819)	(1,715,440)	(29.00)	(1,222,547)	0	(489,638)	(1,712,185)
DP 52 - DET FTE Restore	(2.00)	(51,692)	0	(75,675)	(127,367)	(2.00)	(51,569)	0	(75,494)	(127,063)
DP 10001 - Medicaid Waiver FMAP - DSD	0.00	2,647,821	0	(2,647,821)	0	0.00	2,371,975	0	(2,371,975)	0
DP 10002 - Medicaid Core Services FMAP - DSD	0.00	577,979	0	(577,979)	0	0.00	425,305	0	(425,305)	0
DP 10003 - Medicaid Waiver Caseload - DSD	0.00	4,233,838	0	7,828,379	12,062,217	0.00	4,241,187	0	7,925,155	12,166,342
DP 10004 - Medicaid Core Caseload - DSD	0.00	(4,420,240)	0	(8,198,202)	(12,618,442)	0.00	(1,616,263)	0	(3,016,190)	(4,632,453)
DP 10011 - Med Fed Caseload	0.00	0	0	(818,373)	(818,373)	0.00	0	0	2,391,795	2,391,795
Grand Total All Present Law Adjustments	(31.00)	(\$2,572,356)	\$2,529	(\$4,698,772)	(\$7,268,599)	(31.00)	(\$198,869)	\$2,499	\$4,222,924	\$4,026,554

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 29.00 FTE at Developmental Services Division.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

DP 10001 - Medicaid Waiver FMAP - DSD -

The legislature adopted a present law adjustment including an increase in general fund of \$2.6 million in FY 2020 and \$2.4 million in FY 2021 with federal fund reductions in equal amounts for each year. The funds will be used to maintain existing services for the Medicaid waiver in the Developmental Services Division due to a reduction in the Federal Medicaid Assistance Percentage.

DP 10002 - Medicaid Core Services FMAP - DSD -

The legislature adopted a present law adjustment including an increase in general fund of \$577,979 in FY 2020 and \$425,305 in FY 2021 with federal fund reductions in equal amounts for each year. The funds will be used to maintain existing services for the Medicaid programs in the Developmental Services Division due to a reduction in the Federal Medicaid Assistance Percentage (FMAP).

DP 10003 - Medicaid Waiver Caseload - DSD -

The legislature adopted a present law increase of \$24.2 million in total funds. Funds will be used to cover caseload growth in the Developmental Services Division Medicaid Waiver. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is \$8.5 million in general fund, and \$15.8 million in federal funds.

69010 - Department Of Public Health & Human Services 10-Developmental Services Division**DP 10004 - Medicaid Core Caseload - DSD -**

The legislature adopted a present law decrease of \$17.3 million in total funds. Funds are for caseload in Medicaid Core at Developmental Services Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for care. The biennial funding decrease is \$6.0 million in general fund, and \$11.2 million in federal funds.

DP 10011 - Med Fed Caseload -

The legislature adopted a present law increase in federal funds of \$1.6 million over the biennium. Funds will be used to cover a caseload increase in the Developmental Disabilities Division - Children's Mental Health bureau which covers children receiving comprehensive school and community treatment services. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for care.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10005 - PRI - Medicaid Core PRI - DSD	0.00	307,406	0	570,145	877,551	0.00	978,489	0	1,826,009	2,804,498
DP 10006 - PRI - Medicaid Waiver- DSD	0.00	392,867	0	726,414	1,119,281	0.00	1,182,637	0	2,209,896	3,392,533
DP 10007 - PRI - Non-Medicaid - DSD	0.00	34,230	5,461	56,462	96,153	0.00	109,940	11,021	172,073	293,034
DP 10009 - PRI - Medicaid Federal - DSD	0.00	0	0	356,250	356,250	0.00	0	0	1,137,932	1,137,932
DP 10012 - Transfer of Existing FTE - DSD	(18.00)	(1,193,047)	0	0	(1,193,047)	(18.00)	(1,194,791)	0	0	(1,194,791)
DP 10014 - Move MDC Operations funding to DD Waiver	0.00	0	0	1,854,696	1,854,696	0.00	0	0	1,839,296	1,839,296
DP 10015 - Increase provider rates for DD Medicaid	0.00	1,200,000	0	2,225,635	3,425,635	0.00	1,200,000	0	2,207,155	3,407,155
DP 10016 - Transfer from MTAP for TCM for mental illness	0.00	0	550,000	1,020,083	1,570,083	0.00	0	800,000	1,483,757	2,283,757
Total	(18.00)	\$741,456	\$555,461	\$6,809,685	\$8,106,602	(18.00)	\$2,276,275	\$811,021	\$10,876,118	\$13,963,414

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 10005 - PRI - Medicaid Core PRI - DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Medicaid Core programs in the Developmental Services Division. The increase is \$3.7 million in total funds over the biennium including \$1.3 million in general fund.

DP 10006 - PRI - Medicaid Waiver- DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Medicaid Waiver programs in the Developmental Services Division. The increase is \$4.5 million in total funds over the biennium including \$1.6 million in general fund.

DP 10007 - PRI - Non-Medicaid - DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Non-Medicaid program providers in the Developmental Services Division. The increase is \$389,187 in total funds over the biennium including \$144,170 in general fund.

DP 10009 - PRI - Medicaid Federal - DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for the Medicaid Federal program providers in the Developmental Services Division. The increase is \$1.5 million in federal funds over the biennium.

DP 10012 - Transfer of Existing FTE - DSD -

The legislature adopted a transfer of 18.00 FTE from Developmental Services Division to Child and Family Services Division.

DP 10014 - Move MDC Operations funding to DD Waiver -

The legislature adopted a reduction of \$1.0 million in operating expenses at the Intensive Behavior Center during each year of the 2021 biennium and appropriated \$1.0 million general fund and \$1.9 million in federal funds in FY 2020 and \$1.0 million general fund and \$1.8 million federal funds during FY 2021 to the developmentally disabled (0208) waiver in order to reduce the waitlist for DD waiver services.

DP 10015 - Increase provider rates for DD Medicaid -

The legislature adopted an increase for Medicaid provider rates including Medicaid Core and Medicaid Waiver at Developmental Services Division. The increase to the general fund appropriation is \$1.2 million general fund and \$2.2 million federal funds in FY 2020 and \$1.2 million general fund and \$2.2 million federal funds in FY 2021. The total general fund increase is \$2.4 million, the total federal fund increase is \$4.4 million for a biennium total fund increase of \$6.8 million.

DP 10016 - Transfer from MTAP for TCM for mental illness -

The legislature appropriated \$550,000 state special revenue and \$1.0 million in federal funds in FY 2020 and \$800,000 state special revenue and \$1.5 million in federal funds in FY 2021 for targeted youth case management.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,786,097	6,774,548	(11,549)	(0.17)%
Operating Expenses	20,600,632	22,057,107	1,456,475	7.07 %
Grants	0	600,000	600,000	0.00 %
Benefits & Claims	1,454,637,239	1,459,795,696	5,158,457	0.35 %
Total Expenditures	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
General Fund	315,374,390	384,598,837	69,224,447	21.95 %
State/Other Special Rev. Funds	143,407,188	146,058,684	2,651,496	1.85 %
Federal Spec. Rev. Funds	1,023,242,390	958,569,830	(64,672,560)	(6.32)%
Total Funds	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
Total Ongoing	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-93.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	51.62	51.62	42.62	42.62
Personal Services	2,772,480	3,209,972	3,576,125	3,387,844	3,386,704
Operating Expenses	9,606,163	10,090,909	10,509,723	11,028,532	11,028,575
Grants	0	0	0	200,000	400,000
Benefits & Claims	626,411,423	702,716,645	751,920,594	707,937,976	751,857,720
Total Expenditures	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
General Fund	142,595,072	147,582,255	167,792,135	180,025,799	204,573,038
State/Other Special Rev. Funds	65,772,778	71,700,419	71,706,769	72,891,377	73,167,307
Federal Spec. Rev. Funds	430,422,216	496,734,852	526,507,538	469,637,176	488,932,654
Total Funds	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
Total Ongoing	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-94.

Funding

The 2021 biennium Health Resources Division (HRD) HB 2 budget is funded by general fund, state special revenue, and federal funds. General fund pays for the state Medicaid match, state CHIP match, and Medicare buy-in.

Refer to the state special revenue fund balance table in the DPHHS Budge Analysis Agency Summary for detail on the major state special funds used for DPHHS programs. HRD functions supported by state special revenue sources and the major source of funds are:

State Medicaid match

- Hospital utilization fee - \$50 per day assessed for each day of an inpatient stay
- Tobacco revenue from the health and Medicaid initiatives account
- Insurance tax proceeds allocated to the Healthy Montana Kids (HMK) account
- Tobacco settlement trust fund interest

State CHIP match

- Insurance tax proceeds allocated to the HMK account
- Tobacco state special revenue from the health and Medicaid initiatives account
- Tobacco settlement trust fund interest
- Tobacco settlement funds

Big Sky Rx (premium assistance for low-income persons to purchase Medicare Part D drug coverage)

- Tobacco revenue from the health and Medicaid initiatives account

Federal funding sources include:

- Federal Medicaid matching funds: some at a 50.0% match (Medicaid program administration), some at 100.0% (IHS), and some at the FMAP rate (about 65.0% depending on the year)
- Federal CHIP matching funds - 90.3% in FY 2020, 78.9% in FY 2021

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	167,792,135	167,792,135	335,584,270	87.26 %	766,006,442	766,006,442	1,532,012,884	102.87 %
SWPL Adjustments	163,677	162,208	325,885	0.08 %	521,598	518,724	1,040,322	0.07 %
PL Adjustments	11,375,225	33,962,487	45,337,712	11.79 %	(46,991,570)	(9,868,165)	(56,859,735)	(3.82)%
New Proposals	694,762	2,656,208	3,350,970	0.87 %	3,017,882	10,015,998	13,033,880	0.88 %
Total Budget	\$180,025,799	\$204,573,038	\$384,598,837		\$722,554,352	\$766,672,999	\$1,489,227,351	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	163,588	105,742	252,089	521,419	0.00	162,097	107,254	249,151	518,502
DP 3 - Inflation Deflation	0.00	89	0	90	179	0.00	111	0	111	222
DP 50 - Personal Services Adjustment	(9.00)	(315,178)	(2,271)	(392,251)	(709,700)	(9.00)	(314,389)	(2,265)	(391,269)	(707,923)
DP 11933 - CHIP FMAP Adjustment RST - HRD	0.00	0	10,427,378	(10,708,378)	(281,000)	0.00	11,000,000	12,467,061	(24,548,061)	(1,081,000)
DP 11949 - Tobacco Medicaid Fund Support	0.00	7,741,105	(6,000,000)	0	1,741,105	0.00	8,394,126	(6,200,000)	0	2,194,126
DP 11950 - Adjust 02772 Authority - HRD	0.00	0	(1,741,105)	0	(1,741,105)	0.00	0	(2,194,126)	0	(2,194,126)
DP 11980 - Adopt LFD Medicaid Caseload	0.00	(2,871,673)	0	(5,356,617)	(8,228,290)	0.00	(6,717,491)	0	(12,420,660)	(19,138,151)
DP 11991 - Medicaid Core - HRD	0.00	585,765	232,727	1,531,022	2,349,514	0.00	14,800,649	290,413	28,466,440	43,557,502
DP 11992 - Medicaid Core HUF & GME - HRD	0.00	0	(341,490)	(28,238,695)	(28,580,185)	0.00	0	(1,126,618)	(28,571,820)	(29,698,438)
DP 11993 - HMK Caseload - HRD	0.00	0	(1,516,817)	(14,040,281)	(15,557,098)	0.00	0	(2,006,933)	(7,437,458)	(9,444,391)
DP 11994 - Medicaid Federal Services - HRD	0.00	0	0	503,407	503,407	0.00	0	0	1,410,715	1,410,715
DP 11995 - Medicaid Other Services - HRD	0.00	3,511,782	0	0	3,511,782	0.00	5,233,521	0	0	5,233,521
DP 11996 - Medicaid Ben Core FMAP - HRD	0.00	2,723,424	0	(2,723,424)	0	0.00	1,566,071	0	(1,566,071)	0
Grand Total All Present Law Adjustments	(9.00)	\$11,538,902	\$1,164,164	(\$59,173,038)	(\$46,469,972)	(9.00)	\$34,124,695	\$1,334,786	(\$44,808,922)	(\$9,349,441)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 9.00 FTE.

DP 11933 - CHIP FMAP Adjustment RST - HRD -

The legislature adopted a present law adjustment to provide sufficient state matching funds for the CHIP program under HMK in the 2021 biennium. This change package compensates for a decreased federal matching rate for CHIP. These funds are restricted to funding the state portion of CHIP.

DP 11949 - Tobacco Medicaid Fund Support -

The legislature appropriated general fund to support the programs funded by the Tobacco Medicaid and Health Initiative fund, which is anticipated to have a shortfall in each year of the 2021 biennium. These funds are restricted to programs supported by the Tobacco Health and Medicaid Initiatives fund.

DP 11950 - Adjust 02772 Authority - HRD -

The legislature reduced spending authority associated with the Tobacco Health and Medicaid Initiative state special revenue account to match anticipated revenues in the 2021 biennium.

DP 11980 - Adopt LFD Medicaid Caseload -

The legislature adopted a funding estimate for Medicaid caseload that is lower than the executive request by \$9.6 million general fund and \$17.8 million federal funds.

DP 11991 - Medicaid Core - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11992 - Medicaid Core HUF & GME - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11993 - HMK Caseload - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11994 - Medicaid Federal Services - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid School Based Services program in the Health Resources Division.

DP 11995 - Medicaid Other Services - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid Clawback program in the Health Resources Division.

DP 11996 - Medicaid Ben Core FMAP - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Health Resources Division.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11205 - Montana Healthcare Information Exchange (Restricted)	0.00	0	0	0	0	0.00	0	0	0	0
DP 11206 - Physician Reimbursement	0.00	0	0	0	0	0.00	0	0	0	0
DP 11989 - PRI Medicaid Core - HRD	0.00	1,144,352	0	2,118,683	3,263,035	0.00	3,609,117	0	6,740,495	10,349,612
DP 11990 - PRI - Non-Medicaid - HRD	0.00	0	20,444	183,993	204,437	0.00	0	125,752	493,543	619,295
DP 33012 - Exempt non-critical access hospitals from PRI for SUD	0.00	(449,590)	0	0	(449,590)	0.00	(952,909)	0	0	(952,909)
Total	0.00	\$694,762	\$20,444	\$2,302,676	\$3,017,882	0.00	\$2,656,208	\$125,752	\$7,234,038	\$10,015,998

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11205 - Montana Healthcare Information Exchange (Restricted) -

This change package reduces the provider rate increase for physicians by \$200,000 in FY 2020 and \$400,000 in FY 2021 and appropriates the funding for a Health Information Exchange system.

DP 11206 - Physician Reimbursement -

This change package is for the Medicaid physician reimbursement provider rate increase.

DP 11989 - PRI Medicaid Core - HRD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Core programs in the Health Resources Division. The legislature exempted non-critical access hospitals from this increase (DP 33012).

DP 11990 - PRI - Non-Medicaid - HRD -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Core programs in the Health Resources Division.

DP 33012 - Exempt non-critical access hospitals from PRI for SUD -

The legislature adopted an exemption to the provider rate increase for non-critical access hospitals and appropriated the funding for substance use disorder treatment.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,922,859	2,098,499	175,640	9.13 %
Operating Expenses	21,429,569	21,188,023	(241,546)	(1.13)%
Grants	14,743,771	14,520,498	(223,273)	(1.51)%
Benefits & Claims	10,149	5,098	(5,051)	(49.77)%
Transfers	6,200	6,200	0	0.00 %
Total Expenditures	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
General Fund	6,034,266	4,922,558	(1,111,708)	(18.42)%
State/Other Special Rev. Funds	299,722	404,116	104,394	34.83 %
Federal Spec. Rev. Funds	31,778,560	32,491,644	713,084	2.24 %
Total Funds	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
Total Ongoing	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-109.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	15.00	15.00	9.00	9.00
Personal Services	972,282	1,097,377	825,482	1,048,183	1,050,316
Operating Expenses	9,433,422	10,835,594	10,593,975	10,594,008	10,594,015
Grants	2,728,222	7,483,522	7,260,249	7,260,249	7,260,249
Benefits & Claims	3,419	7,600	2,549	2,549	2,549
Transfers	675	3,100	3,100	3,100	3,100
Total Expenditures	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
General Fund	3,667,542	3,667,542	2,366,724	2,460,827	2,461,731
State/Other Special Rev. Funds	38,564	97,707	202,015	201,485	202,631
Federal Spec. Rev. Funds	9,431,914	15,661,944	16,116,616	16,245,777	16,245,867
Total Funds	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
Total Ongoing	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-110.

69010 - Department Of Public Health & Human Services12-Medicaid & Health Services Management

Funding

The Medicaid and Health Services Management Division (MHSM) receives general fund, state special revenue fund, and federal special revenue fund authority. The majority of MHSM funding is federal authority from Medicaid administration (50%-90% federal match) or indirect activity from the cost allocation plan (CAP). General fund is used for Medicaid administration.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,366,724	2,366,724	4,733,448	96.16 %	18,685,355	18,685,355	37,370,710	98.82 %
SWPL Adjustments	300,044	300,423	600,467	12.20 %	710,053	710,950	1,421,003	3.76 %
PL Adjustments	(205,941)	(205,416)	(411,357)	(8.36)%	(487,319)	(486,076)	(973,395)	(2.57)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,460,827	\$2,461,731	\$4,922,558		\$18,908,089	\$18,910,229	\$37,818,318	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	300,027	834	409,159	710,020	0.00	300,403	1,977	408,530	710,910
DP 3 - Inflation Deflation	0.00	17	0	16	33	0.00	20	0	20	40
DP 50 - Personal Services Adjustment	(6.00)	(205,941)	(1,364)	(280,014)	(487,319)	(6.00)	(205,416)	(1,361)	(279,299)	(486,076)
Grand Total All Present Law Adjustments	(6.00)	\$94,103	(\$530)	\$129,161	\$222,734	(6.00)	\$95,007	\$616	\$129,251	\$224,874

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 6.00 FTE.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,371,069	5,368,730	997,661	22.82 %
Operating Expenses	516,779	569,787	53,008	10.26 %
Equipment & Intangible Assets	10,480	10,480	0	0.00 %
Transfers	71,861	0	(71,861)	(100.00)%
Total Expenditures	\$4,970,189	\$5,948,997	\$978,808	19.69 %
General Fund	1,976,902	2,390,831	413,929	20.94 %
State/Other Special Rev. Funds	119,491	153,379	33,888	28.36 %
Federal Spec. Rev. Funds	2,873,796	3,404,787	530,991	18.48 %
Total Funds	\$4,970,189	\$5,948,997	\$978,808	19.69 %
Total Ongoing	\$4,970,189	\$5,948,997	\$978,808	19.69 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-113.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	30.00	30.00	29.00	29.00
Personal Services	1,910,648	2,102,000	2,269,069	2,684,954	2,683,776
Operating Expenses	290,734	231,928	284,851	284,889	284,898
Equipment & Intangible Assets	0	5,240	5,240	5,240	5,240
Transfers	71,861	71,861	0	0	0
Total Expenditures	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
General Fund	947,525	947,626	1,029,276	1,195,649	1,195,182
State/Other Special Rev. Funds	47,959	51,107	68,384	76,701	76,678
Federal Spec. Rev. Funds	1,277,759	1,412,296	1,461,500	1,702,733	1,702,054
Total Funds	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
Total Ongoing	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-114.

Funding

Management and Fair Hearings (MFH) receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. General funds are used to meet the

match requirement for federally funded activities. About 40.2% of MFH's HB 2 authority is general fund while federal funds and state special comprise around 57.2% and 2.6% respectively.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,029,276	1,029,276	2,058,552	86.10 %	2,559,160	2,559,160	5,118,320	86.04 %
SWPL Adjustments	195,089	194,552	389,641	16.30 %	487,714	486,369	974,083	16.37 %
PL Adjustments	(28,716)	(28,646)	(57,362)	(2.40)%	(71,791)	(71,615)	(143,406)	(2.41)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,195,649	\$1,195,182	\$2,390,831		\$2,975,083	\$2,973,914	\$5,948,997	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	195,070	9,753	282,853	487,676	0.00	194,529	9,726	282,067	486,322
DP 3 - Inflation Deflation	0.00	19	0	19	38	0.00	23	0	24	47
DP 50 - Personal Services Adjustment	(1.00)	(28,716)	(1,436)	(41,639)	(71,791)	(1.00)	(28,646)	(1,432)	(41,537)	(71,615)
Grand Total All Present Law Adjustments	(1.00)	\$166,373	\$8,317	\$241,233	\$415,923	(1.00)	\$165,906	\$8,294	\$240,554	\$414,754

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 1.00 FTE at Management and Fair Hearings Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	25,635,761	27,302,642	1,666,881	6.50 %
Operating Expenses	18,006,803	24,734,681	6,727,878	37.36 %
Equipment & Intangible Assets	62,186	62,186	0	0.00 %
Grants	27,993,194	27,993,194	0	0.00 %
Benefits & Claims	566,227,393	571,406,066	5,178,673	0.91 %
Transfers	8,000	8,000	0	0.00 %
Debt Service	152,568	152,568	0	0.00 %
Total Expenditures	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
General Fund	144,712,031	142,828,792	(1,883,239)	(1.30) %
State/Other Special Rev. Funds	79,258,346	93,434,660	14,176,314	17.89 %
Federal Spec. Rev. Funds	414,115,528	415,395,885	1,280,357	0.31 %
Total Funds	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
Total Ongoing	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-117.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	216.73	216.73	215.73	215.73
Personal Services	12,696,464	12,553,643	13,082,118	13,649,726	13,652,916
Operating Expenses	7,563,720	8,617,936	9,388,867	10,530,975	14,203,706
Equipment & Intangible Assets	0	31,093	31,093	31,093	31,093
Grants	12,939,820	13,996,597	13,996,597	13,996,597	13,996,597
Benefits & Claims	256,568,674	271,673,103	294,554,290	279,151,650	292,254,416
Transfers	0	4,000	4,000	4,000	4,000
Debt Service	61,716	76,284	76,284	76,284	76,284
Total Expenditures	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
General Fund	68,460,888	69,648,406	75,063,625	69,795,780	73,033,012
State/Other Special Rev. Funds	34,023,878	36,643,574	42,614,772	44,995,148	48,439,512
Federal Spec. Rev. Funds	187,345,628	200,660,676	213,454,852	202,649,397	212,746,488
Total Funds	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
Total Ongoing	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-118.

Funding

The Senior and Long-Term Care Division (SLTC) is funded by general fund, state special revenue, and federal special revenue funds.

The general fund supports:

- State Medicaid match
- Aging services
- Adult protective services
- Administrative costs

General fund expenditures can increase due to:

- Provider rate increases for Medicaid and aging services
- Direct care worker wage increases
- An increased number of Medicaid enrollees
- Higher costs of care for Medicaid enrollees
- Higher state Medicaid matching costs due to the reduction in the federal match rate (FMAP)

Most state revenue sources are used as a match for Medicaid services, including:

- Nursing home utilization fee
- Health and Medicaid initiative tobacco tax revenue
- County intergovernmental transfer revenues (IGT)

Other state special revenue sources are used to fund the Montana Veterans' Homes including:

- Cigarette taxes
- Payments for facility services

Nursing Home Utilization Fee

A portion of the state Medicaid match for nursing homes is paid from a fee assessed for each day of nursing home care. Historically, the number of days of nursing home care has fallen steadily since the mid-1990s, with the exception of FY 2010 and FY 2014.

Cigarette Tax Revenue

By statute, 8.3% of cigarette taxes collected are deposited into a state special revenue account for support of veterans' nursing home costs at state operated veterans' homes. Statute requires that funds in excess of \$2.0 million in the veterans' portion of the cigarette tax revenue be transferred to the general fund at the end of the fiscal year. Cigarette taxes are a declining revenue source. Services supported by the cigarette tax include:

- Operational costs of Montana veterans' homes
- Indirect administrative costs of DPHHS
- Long-range building projects

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	75,063,625	75,063,625	150,127,250	105.11 %	331,133,249	331,133,249	662,266,498	101.63 %
SWPL Adjustments	(51,073)	(47,443)	(98,516)	(0.07)%	629,787	621,596	1,251,383	0.19 %
PL Adjustments	(5,793,404)	(3,798,243)	(9,591,647)	(6.72)%	(18,216,356)	(11,389,689)	(29,606,045)	(4.54)%
New Proposals	576,632	1,815,073	2,391,705	1.67 %	3,893,645	13,853,856	17,747,501	2.72 %
Total Budget	\$69,795,780	\$73,033,012	\$142,828,792		\$317,440,325	\$334,219,012	\$651,659,337	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(61,529)	610,185	80,278	628,934	0.00	(60,418)	611,200	81,197	631,979
DP 2 - Fixed Costs	0.00	0	(11,052)	0	(11,052)	0.00	0	(25,155)	0	(25,155)
DP 3 - Inflation Deflation	0.00	10,456	0	1,449	11,905	0.00	12,975	0	1,797	14,772
DP 52 - DET FTE Restore	(1.00)	(30,663)	0	(30,663)	(61,326)	(1.00)	(30,591)	0	(30,590)	(61,181)
DP 22001 - Medicaid Ben Core FMAP - SLTC	0.00	1,279,384	0	(1,279,384)	0	0.00	1,154,175	0	(1,154,175)	0
DP 22003 - Medicaid Waiver FMAP - SLTC	0.00	(1,908,621)	0	1,908,621	0	0.00	(2,032,394)	0	2,032,394	0
DP 22004 - Medicaid Waiver Services - SLTC	0.00	(2,614,169)	0	(4,839,977)	(7,454,146)	0.00	(2,597,770)	0	(4,856,376)	(7,454,146)
DP 22005 - Medicaid Core Services - SLTC	0.00	(2,556,371)	0	(5,108,910)	(7,665,281)	0.00	(306,708)	0	(610,756)	(917,464)
DP 22006 - Medicaid Other Services FMAP - SLTC	0.00	37,036	1,525,341	(1,562,377)	0	0.00	15,045	1,486,784	(1,501,829)	0
DP 22007 - Medicaid Other Services - SLTC	0.00	0	(1,299,249)	(2,405,484)	(3,704,733)	0.00	0	(1,291,099)	(2,413,634)	(3,704,733)
DP 22008 - EMVH Per Diem	0.00	0	0	179,989	179,989	0.00	0	0	221,603	221,603
DP 22009 - MVH Per Diem	0.00	0	461,266	0	461,266	0.00	0	461,517	36,840	498,357
DP 22010 - Medicaid Federal Services - SLTC	0.00	0	0	27,875	27,875	0.00	0	0	27,875	27,875
Grand Total All Present Law Adjustments	(1.00)	(\$5,844,477)	\$1,286,491	(\$13,028,583)	(\$17,586,569)	(1.00)	(\$3,845,686)	\$1,243,247	(\$8,165,654)	(\$10,768,093)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement

Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

DP 22001 - Medicaid Ben Core FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund increase with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22003 - Medicaid Waiver FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund decrease with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22004 - Medicaid Waiver Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 22005 - Medicaid Core Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 22006 - Medicaid Other Services FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund and state special revenue fund increase with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22007 - Medicaid Other Services - SLTC -

The legislature adopted a present law change package to align county fiscal participation for the Intergovernmental Transfer (IGT) program in the Senior and Long-Term Care Division.

DP 22008 - EMVH Per Diem -

The legislature adopted a present law adjustment to increase federal authority for the federal Veterans Administration per diem rates that will be reimbursed for the nursing facility days of care at the Eastern Montana Veterans Home. The VA per diem rate increases effective October 1st of each year.

DP 22009 - MVH Per Diem -

The legislature adopted a present law adjustment to increase federal authority from the federal Veterans Administration for per diem rates and state authority from private pay, Medicare, and Medicaid per diem payments that will be reimbursed for the domiciliary and the nursing facility days of care at the Montana Veterans Home in the Senior and Long-Term Care Division for the 2021 biennium.

DP 22010 - Medicaid Federal Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 22011 - PRI - Medicaid Waiver - SLTC	0.00	136,259	31,745	320,380	488,384	0.00	416,486	96,758	959,479	1,472,723
DP 22012 - PRI- Non-Medicaid - SLTC	0.00	57,024	0	0	57,024	0.00	172,741	0	0	172,741
DP 22015 - PRI - Medicaid Core - SLTC	0.00	383,349	241,532	1,308,118	1,932,999	0.00	1,225,846	736,650	4,016,599	5,979,095
DP 22016 - SW Veterans' Home Operating	0.00	0	500,000	0	500,000	0.00	0	3,000,000	1,105,262	4,105,262
DP 22333 - Trust Fund Big Sky Waiver Transfer - SLTC	0.00	0	320,608	594,630	915,238	0.00	0	748,085	1,375,950	2,124,035
Total	0.00	\$576,632	\$1,093,885	\$2,223,128	\$3,893,645	0.00	\$1,815,073	\$4,581,493	\$7,457,290	\$13,853,856

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 22011 - PRI - Medicaid Waiver - SLTC -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Waiver programs in the Senior and Long-Term Care Division.

DP 22012 - PRI- Non-Medicaid - SLTC -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Non-Medicaid Waiver program providers in the Senior and Long-Term Care Division.

DP 22015 - PRI - Medicaid Core - SLTC -

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Waiver programs in the Senior and Long-Term Care Division.

DP 22016 - SW Veterans' Home Operating -

The legislature adopted funding for the Senior and Long-Term Care Division to operate the new Southwest Veterans' Home in Butte with an anticipated opening date of January 2021.

DP 22333 - Trust Fund Big Sky Waiver Transfer - SLTC -

The legislature adopted a change package to transfer funding from the Older Montanans' Trust Fund to fund additional waiver slots in the Big Sky Waiver.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	94,567,476	101,840,205	7,272,729	7.69 %
Operating Expenses	38,624,509	36,034,677	(2,589,832)	(6.71)%
Equipment & Intangible Assets	250,920	284,920	34,000	13.55 %
Grants	7,548,930	7,017,746	(531,184)	(7.04)%
Benefits & Claims	140,922,634	157,432,177	16,509,543	11.72 %
Transfers	311,800	45,000	(266,800)	(85.57)%
Debt Service	235,246	235,246	0	0.00 %
Total Expenditures	\$282,461,515	\$302,889,971	\$20,428,456	7.23 %
General Fund	143,286,437	159,043,992	15,757,555	11.00 %
State/Other Special Rev. Funds	38,306,218	40,485,710	2,179,492	5.69 %
Federal Spec. Rev. Funds	100,868,860	103,360,269	2,491,409	2.47 %
Total Funds	\$282,461,515	\$302,889,971	\$20,428,456	7.23 %
Total Ongoing	\$282,461,515	\$302,889,971	\$20,428,456	7.23 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, B-132.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	757.25	757.25	741.75	741.75
Personal Services	46,391,142	46,524,928	48,042,548	50,929,798	50,910,407
Operating Expenses	21,379,223	21,094,498	17,530,011	18,009,508	18,025,169
Equipment & Intangible Assets	8,284	108,460	142,460	142,460	142,460
Grants	6,011,433	4,040,057	3,508,873	3,508,873	3,508,873
Benefits & Claims	59,807,020	66,310,457	74,612,177	76,285,548	81,146,629
Transfers	196,845	289,300	22,500	22,500	22,500
Debt Service	126,208	117,623	117,623	117,623	117,623
Total Expenditures	\$133,920,155	\$138,485,323	\$143,976,192	\$149,016,310	\$153,873,661
General Fund	68,338,122	68,353,910	74,932,527	78,737,980	80,306,012
State/Other Special Rev. Funds	17,896,874	19,249,240	19,056,978	20,085,539	20,400,171
Federal Spec. Rev. Funds	47,685,159	50,882,173	49,986,687	50,192,791	53,167,478
Total Funds	\$133,920,155	\$138,485,323	\$143,976,192	\$149,016,310	\$153,873,661
Total Ongoing	\$133,920,155	\$138,485,323	\$143,976,192	\$149,016,310	\$153,873,661
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, B-133.

69010 - Department Of Public Health & Human Services33-Addictive and Mental Disorders Division

Funding

Addictive and Mental Disorder Division (AMDD) is funded by general fund, state special and federal funds. General funds are 52.5% of the total budget and are used to support:

- State adult mental health facility costs
- State Medicaid match
- Adult mental health community services
- Community chemical dependency group home services for adults with methamphetamine and other addictions

State special revenue funds account for 13.4% of the total HB2 budget and are used for:

- Montana chemical dependency center state facility costs
- Community chemical dependency services
- State Medicaid match for chemical dependency services

Federal funds are 34.1% of the total HB 2 budget and are used to support a variety of programs including:

- The federal portion of Medicaid administrative and benefits costs
- The Projects for Assistance in Transition from Homelessness Program (PATH)
- Mental health block grant
- Funds to evaluate the mental health needs of nursing home residents

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	74,932,527	74,932,527	149,865,054	94.23 %	143,976,192	143,976,192	287,952,384	95.07 %
SWPL Adjustments	2,897,916	2,898,688	5,796,604	3.64 %	2,888,066	2,881,539	5,769,605	1.90 %
PL Adjustments	311,439	1,067,472	1,378,911	0.87 %	(445,550)	1,982,857	1,537,307	0.51 %
New Proposals	596,098	1,407,325	2,003,423	1.26 %	2,597,602	5,033,073	7,630,675	2.52 %
Total Budget	\$78,737,980	\$80,306,012	\$159,043,992		\$149,016,310	\$153,873,661	\$302,889,971	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,861,820	150,610	(162,241)	2,850,189	0.00	2,840,264	149,740	(163,175)	2,826,829
DP 2 - Fixed Costs	0.00	25,514	680	0	26,194	0.00	45,292	(5,081)	0	40,211
DP 3 - Inflation Deflation	0.00	10,582	1,101	0	11,683	0.00	13,132	1,367	0	14,499
DP 50 - Personal Services Adjustment	(13.50)	(1,030,350)	0	(78,381)	(1,108,731)	(13.50)	(1,027,739)	0	(78,195)	(1,105,934)
DP 33001 - Medicaid Waiver Services - AMDD	0.00	0	(34,855)	(64,532)	(99,387)	0.00	0	(34,636)	(64,751)	(99,387)
DP 33002 - FMAP - AMDD	0.00	(108,660)	310,664	(202,004)	0	0.00	(201,422)	277,692	(76,270)	0
DP 33003 - Medicaid Core Services - AMDD	0.00	(136,963)	0	(253,580)	(390,543)	0.00	709,221	0	1,325,846	2,035,067
DP 33004 - Medicaid Federal Services - AMDD	0.00	0	0	(434,301)	(434,301)	0.00	0	0	(434,301)	(434,301)
DP 33005 - Overtime-Holiday-Differential MSH - AMDD	0.00	1,312,568	0	0	1,312,568	0.00	1,312,568	0	0	1,312,568
DP 33006 - Overtime-Holiday-Differential MMHNCC - AMDD	0.00	274,844	0	0	274,844	0.00	274,844	0	0	274,844
Grand Total All Present Law Adjustments	(13.50)	\$3,209,355	\$428,200	(\$1,195,039)	\$2,442,516	(13.50)	\$3,966,160	\$389,082	\$509,154	\$4,864,396

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 13.50 FTE at Addictive and Mental Disorders Division.

DP 33001 - Medicaid Waiver Services - AMDD -

The legislature adopted a decrease of \$198,774 in total funds for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is a reduction of \$69,491 in state special revenue, and a reduction of \$129,283 in federal funds.

DP 33002 - FMAP - AMDD -

The legislature adopted a federal fund reduction of \$202,004 in FY 2020 and \$76,270 in FY 2021 as well as a general fund reduction of \$108,660 in FY 2020 and a \$201,422 in FY 2021. The reductions are to be offset with a state special fund increase of \$310,664 in FY 2020 and \$277,692 in FY 2021. The adjustment will cover existing services for the Medicaid programs in the Addictive and Mental Disorders Division and is needed due to a reduction in the Federal Medicaid Assistance Percentage (FMAP).

DP 33003 - Medicaid Core Services - AMDD -

The legislature adopted an increase of \$1.6 million in total funds over the biennium including \$572,258 in general fund and \$1.1 million in federal funds. The funds are for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 33004 - Medicaid Federal Services - AMDD -

The legislature adopted a reduction of federal funds of \$434,301 in FY 2020 and \$434,301 in FY 2021. The funds are for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

69010 - Department Of Public Health & Human Services33-Addictive and Mental Disorders Division

TDP 33005 - Overtime-Holiday-Differential MSH - AMDD -

he legislature adopted an increase of \$2.6 million in general fund for the 2021 biennium to fund overtime at the Montana State Hospital, a 24/7 acute services facility. The additional general fund increase is in addition to what is approved in DP 1.

DP 33006 - Overtime-Holiday-Differential MMHNCC - AMDD -

The legislature adopted an increase of \$549,688 in general fund for the 2021 biennium to fund overtime at the Montana Mental Health Nursing Care Center. The funding increase is in addition to what is requested in DP 1.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 10016 - Transfer from MTAP for TCM for mental illness										
0.00	0	550,000	1,020,083	1,570,083	0.00	0	800,000	1,483,757	2,283,757	
DP 33007 - PRI - Medicaid Core - AMDD										
0.00	130,581	10,128	260,196	400,905	0.00	405,709	32,999	820,138	1,258,846	
DP 33008 - PRI - Medicaid Waiver - AMDD										
0.00	0	40,233	74,489	114,722	0.00	0	121,112	226,410	347,522	
DP 33009 - PRI - Non-Medicaid - AMDD										
0.00	15,927	0	46,375	62,302	0.00	48,707	0	141,332	190,039	
DP 33050 - Move funding for 2.00 FTE psychiatrists to operating exp										
(2.00)	0	0	0	0	(2.00)	0	0	0	0	
Total	(2.00)	\$146,508	\$600,361	\$1,401,143	\$2,148,012	(2.00)	\$454,416	\$954,111	\$2,671,637	\$4,080,164

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 10016 - Transfer from MTAP for TCM for mental illness -

The legislature appropriated \$550,000 state special revenue and \$1.0 million in federal funds in FY 2020 and \$800,000 state special revenue and \$1.5 million in federal funds in FY 2021 for targeted case management for adults with mental illness.

DP 33007 - PRI - Medicaid Core - AMDD -

The legislature adopted an increase of \$1.7 million in total funds over the biennium including \$536,290 in general funds. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Medicaid Core programs in the Addictive and Mental Disorders Division.

DP 33008 - PRI - Medicaid Waiver - AMDD -

The legislature adopted an increase of \$462,244 in total funds over the biennium including \$161,345 in state special revenue. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Medicaid Waiver programs in the Addictive and Mental Disorders Division.

DP 33009 - PRI - Non-Medicaid - AMDD -

The legislature adopted an increase of \$252,341 in total funds over the biennium including \$64,634 in general fund. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Non-Medicaid program providers in the Addictive and Mental Disorders Division.

DP 33050 - Move funding for 2.00 FTE psychiatrists to operating exp -

The legislature adopted a reduction in personal services of 2.00 FTE at the Montana State Hospital and moved the personal services funding to operating expenses.

NATURAL RESOURCES & TRANSPORTATION

SECTION C

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

AGENCIES

DEPARTMENT OF FISH, WILDLIFE & PARKS
DEPARTMENT OF ENVIRONMENTAL QUALITY
MONTANA DEPARTMENT OF TRANSPORTATION
DEPARTMENT OF LIVESTOCK
DEPARTMENT OF NATURAL RESOURCES & CONSERVATION
DEPARTMENT OF AGRICULTURE

APPROPRIATIONS SUBCOMMITTEE MEMBERS

REPRESENTATIVE KENNETH HOLMLUND (CHAIR)
REPRESENTATIVE JIM KEANE
REPRESENTATIVE JOE READ
SENATOR DUANE ANKNEY (VICE-CHAIR)
SENATOR JEFF WELBORN
SENATOR JANET ELLIS

FISCAL DIVISION STAFF

ROB MILLER
CATHY DUNCAN

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	111,545,960	108,361,607	(3,184,353)	(2.85)%
Operating Expenses	71,488,985	77,390,117	5,901,132	8.25 %
Equipment & Intangible Assets	2,125,871	4,132,376	2,006,505	94.39 %
Capital Outlay	123,631	0	(123,631)	(100.00)%
Grants	2,655,802	2,635,388	(20,414)	(0.77)%
Benefits & Claims	4,900	1,600	(3,300)	(67.35)%
Transfers	807,514	807,514	0	0.00 %
Debt Service	29,043	29,042	(1)	0.00 %
Total Expenditures	\$188,781,706	\$193,357,644	\$4,575,938	2.42 %
State/Other Special Rev. Funds	136,449,922	144,478,920	8,028,998	5.88 %
Federal Spec. Rev. Funds	52,331,784	48,878,724	(3,453,060)	(6.60)%
Total Funds	\$188,781,706	\$193,357,644	\$4,575,938	2.42 %
Total Ongoing	\$175,178,316	\$189,245,745	\$14,067,429	8.03 %
Total OTO	\$13,603,390	\$4,111,899	(\$9,491,491)	(69.77)%

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Agency Highlights

**Department of Fish, Wildlife, and Parks
Major Budget Highlights**

The legislature approved an increase of 2.4% or \$4.6 million in total appropriations when compared to the 2019 biennium appropriation, and a 9.2% or \$16.2 million increase above base funding. The agency does not receive general fund appropriation.

- Total appropriation for the 2021 biennium is \$193.4 million
 - Ongoing appropriations total \$189.2 million
 - One-time-only appropriations total \$4.1 million, a decrease of \$9.5 million when compared to the 2019 biennium.
- The legislature approved an increase of 12.57 FTE, 6.96 FTE less than the executive request. Specific increases in FTE:
 - Wildlife 10.32 FTE
 - Fisheries 2.00 FTE
 - Communication and Education 0.25 FTE
- Present law adjustments of \$11.0 million include:
 - Satewide Present Law (SWPL) adjustments for inflation and fixed cost
 - SWPL adjustments for personal services
 - Fisheries managment and hatchery operations
 - Warden overtime
 - Wildlife disease surveillance and response programs
 - Parks operations and equipment purchases
- New proposals of \$5.2 million include:
 - The legislature approved a funding switch of \$2.4 million from federal revenue to state special revenue within the Enforcement Division.
 - The legislature approved one-time-only funding to support SB 341, Public Access Land Act.
 - Drought resiliency
 - Fishing access site weed control
 - Enforcement division equipment replacement
 - Wildlife managment programs including mountain lion and wolf monitoring
 - Wildlife managment equipment replacement
 - Funding switch from state special revenue to federal source with the Parks Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	683.17	683.17	695.74	695.74
Personal Services	54,000,449	55,114,232	56,431,728	54,183,665	54,177,942
Operating Expenses	29,827,974	35,038,441	36,450,544	38,672,077	38,718,040
Equipment & Intangible Assets	1,421,818	1,567,933	557,938	3,084,438	1,047,938
Capital Outlay	123,631	123,631	0	0	0
Grants	895,482	1,320,608	1,335,194	1,317,694	1,317,694
Benefits & Claims	4,024	4,100	800	800	800
Transfers	295,228	403,757	403,757	403,757	403,757
Debt Service	14,521	14,522	14,521	14,521	14,521
Total Expenditures	\$86,583,127	\$93,587,224	\$95,194,482	\$97,676,952	\$95,680,692
State/Other Special Rev. Funds	63,782,993	67,930,686	68,519,236	72,848,417	71,630,503
Federal Spec. Rev. Funds	22,800,134	25,656,538	26,675,246	24,828,535	24,050,189
Total Funds	\$86,583,127	\$93,587,224	\$95,194,482	\$97,676,952	\$95,680,692
Total Ongoing	\$80,062,348	\$86,602,297	\$88,576,019	\$94,602,435	\$94,643,310
Total OTO	\$6,520,779	\$6,984,927	\$6,618,463	\$3,074,517	\$1,037,382

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	683.17	702.70	695.74	(6.96)	702.70	695.74	(6.96)	(6.96)
Personal Services	56,431,728	54,678,026	54,183,665	(494,361)	54,675,304	54,177,942	(497,362)	(991,723)
Operating Expenses	36,450,544	38,986,612	38,672,077	(314,535)	38,346,210	38,718,040	371,830	57,295
Equipment & Intangible Assets	557,938	3,161,438	3,084,438	(77,000)	1,124,938	1,047,938	(77,000)	(154,000)
Capital Outlay	0	0	0	0	0	0	0	0
Grants	1,335,194	1,317,694	1,317,694	0	1,317,694	1,317,694	0	0
Benefits & Claims	800	800	800	0	800	800	0	0
Transfers	403,757	456,757	403,757	(53,000)	456,757	403,757	(53,000)	(106,000)
Debt Service	14,521	14,521	14,521	0	14,521	14,521	0	0
Total Costs	\$95,194,482	\$98,615,848	\$97,676,952	(\$938,896)	\$95,936,224	\$95,680,692	(\$255,532)	(\$1,194,428)
General Fund	0	0	0	0	0	0	0	0
State/other Special Rev. Funds	68,519,236	72,505,057	72,848,417	343,360	70,591,576	71,630,503	1,038,927	1,382,287
Federal Spec. Rev. Funds	26,675,246	26,110,791	24,828,535	(1,282,256)	25,344,648	24,050,189	(1,294,459)	(2,576,715)
Other	0	0	0	0	0	0	0	0
Total Funds	\$95,194,482	\$98,615,848	\$97,676,952	(\$938,896)	\$95,936,224	\$95,680,692	(\$255,532)	(\$1,194,428)
Total Ongoing	\$88,576,019	\$95,042,348	\$94,602,435	(\$439,913)	\$95,099,224	\$94,643,310	(\$455,914)	(\$895,827)
Total OTO	\$6,618,463	\$3,573,500	\$3,074,517	(\$498,983)	\$837,000	\$1,037,382	\$200,382	(\$298,601)

The legislature approved total appropriations 0.6% or \$1.2 million lower than the executive request. The legislature approved:

- A funding switch from federal Pittman-Robertson funds to general license account state special revenue within the Enforcement Division. As a result, state special revenue increased by \$0.5 million and federal revenue decreased by \$1.3 million when compared to the executive request
- The legislature approved one-time-only funding to support SB 341 Public Access Land Act
- The executive requested an increase of 19.53 FTE of which the legislature approved 15.13 FTE
- Removed from the base currently vacant 2.56 FTE and the associated state special revenue totaling \$0.2 million.
- Approved the inclusion of language in HB 2 that gives the agency flexibility to fund personal services in the enforcement division with federal funds between 15.0% and 17.0%
- Approved other HB 2 language and proprietary rates as requested by the executive

Funding

The following table shows agency funding by source of authority.

Total Department of Fish, Wildlife, and Parks Funding by Source of Authority 2021 Biennium Budget Request - Department of Fish, Wildlife, and Parks						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
State Special Total	141,220,974	3,257,946	1,415,468	4,615,829	150,510,217	72.24 %
Federal Special Total	48,024,771	853,953	0	625,400	49,504,124	23.76 %
Proprietary Total	0	0	8,342,690	0	8,342,690	4.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$189,245,745	\$4,111,899	\$9,758,158	\$5,241,229	\$208,357,031	
Percent - Total All Sources	90.83 %	1.97 %	4.68 %	2.52 %		

Fish, Wildlife, and Parks (FWP) is predominately funded by state special revenue and federal revenue sources. State special revenue is from fees for hunting, fishing, and other recreational activities. Federal sources are predominately derived from federal excise taxes on hunting and fishing equipment, grants for endangered species, and state wildlife grants.

State special revenue from 40 different funds constitutes 74.7% of the total HB 2 funding and 72.2% of total funding for the agency. The General License Account accounts for majority the total funding for the agency. The largest source of federal funding is Pittman-Robertson and Dingell-Johnson funding which accounts for 17.5% of total funding.

FWP has non-budgeted proprietary funds for aircraft use, parks usage, copying, equipment, and warehouse inventory. These will be discussed further in the appropriate programs.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	88,576,019	88,576,019	177,152,038	91.62 %
SWPL Adjustments	0	0	0	0.00 %	849,977	826,498	1,676,475	0.87 %
PL Adjustments	0	0	0	0.00 %	4,759,502	4,533,108	9,292,610	4.81 %
New Proposals	0	0	0	0.00 %	3,491,454	1,745,067	5,236,521	2.71 %
Total Budget	\$0	\$0	\$0		\$97,676,952	\$95,680,692	\$193,357,644	

Language and Statutory Authority

The department may use federal funds for the Enforcement Division in excess of the federal special revenue in the Enforcement Division appropriation up to an additional 50% of that appropriation. If federal funds are used by the department for the Enforcement Division in excess of the federal special revenue in the Enforcement Division appropriation, the state special revenue appropriation must be reduced and federal special revenue appropriation increased by the amount of federal funds used.

If SB 341 is not passed and approved, the state special revenue appropriation for Public Access Land Act is void.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	33,091,703	25,476,345	(7,615,358)	(23.01)%
Operating Expenses	14,696,073	15,539,320	843,247	5.74 %
Equipment & Intangible Assets	917,188	945,768	28,580	3.12 %
Grants	532,554	529,140	(3,414)	(0.64)%
Transfers	4,784	4,784	0	0.00 %
Total Expenditures	\$49,242,302	\$42,495,357	(\$6,746,945)	(13.70)%
State/Other Special Rev. Funds	22,771,466	20,786,318	(1,985,148)	(8.72)%
Federal Spec. Rev. Funds	26,470,836	21,709,039	(4,761,797)	(17.99)%
Total Funds	\$49,242,302	\$42,495,357	(\$6,746,945)	(13.70)%
Total Ongoing	\$38,282,802	\$41,995,357	\$3,712,555	9.70 %
Total OTO	\$10,959,500	\$500,000	(\$10,459,500)	(95.44)%

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	172.65	172.65	174.65	174.65
Personal Services	15,861,457	16,707,876	16,383,827	12,740,406	12,735,939
Operating Expenses	5,582,260	6,869,882	7,826,191	7,760,333	7,778,987
Equipment & Intangible Assets	622,266	694,304	222,884	472,884	472,884
Grants	73,685	250,484	282,070	264,570	264,570
Transfers	0	2,392	2,392	2,392	2,392
Total Expenditures	\$22,139,668	\$24,524,938	\$24,717,364	\$21,240,585	\$21,254,772
State/Other Special Rev. Funds	11,158,209	11,627,084	11,144,382	10,388,245	10,398,073
Federal Spec. Rev. Funds	10,981,459	12,897,854	13,572,982	10,852,340	10,856,699
Total Funds	\$22,139,668	\$24,524,938	\$24,717,364	\$21,240,585	\$21,254,772
Total Ongoing	\$16,769,270	\$18,862,163	\$19,420,639	\$20,990,585	\$21,004,772
Total OTO	\$5,370,398	\$5,662,775	\$5,296,725	\$250,000	\$250,000

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Funding

The Fisheries Division is funded from state special revenue and federal sources. State special revenue is almost entirely funded from the general license account. Revenues include the sale of fishing and hunting licenses, camping fees, permit sales, a portion of vehicle license fees, and other miscellaneous revenue.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	19,420,639	19,420,639	38,841,278	91.40 %	
SWPL Adjustments	0	0	0	0.00 %	89,021	110,475	199,496	0.47 %	
PL Adjustments	0	0	0	0.00 %	1,132,612	1,128,346	2,260,958	5.32 %	
New Proposals	0	0	0	0.00 %	598,313	595,312	1,193,625	2.81 %	
Total Budget	\$0	\$0	\$0		\$21,240,585	\$21,254,772	\$42,495,357		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	66,242	22,779	89,021	0.00	0	82,169	28,306	110,475
DP 50 - Personal Services Adjustment	0.00	0	(120,004)	616	(119,388)	0.00	0	(123,102)	(552)	(123,654)
DP 301 - Fish Management Coordination	0.00	0	558,000	0	558,000	0.00	0	558,000	0	558,000
DP 302 - Regional Fish Management Operations	0.00	0	182,000	0	182,000	0.00	0	182,000	0	182,000
DP 303 - Hatchery Operations	0.00	0	223,279	38,721	262,000	0.00	0	223,279	38,721	262,000
DP 304 - Equipment - (BIEN/OTO)	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
Grand Total All Present Law Adjustments	0.00	\$0	\$1,159,517	\$62,116	\$1,221,633	0.00	\$0	\$1,172,346	\$66,475	\$1,238,821

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 301 - Fish Management Coordination -

The legislature approved an increase in state special revenue to support coordination and program management of exotic species and pathogens across the state.

DP 302 - Regional Fish Management Operations -

The legislature approved an increase in appropriation from the general license account to restore regional fisheries management activities that were reduced or eliminated during the 2019 biennium due to declining federal revenue. Management activities include enhancing public access opportunities, population surveys, population inventory. Funding would also support technical consulting for permitting and regulatory activities.

DP 303 - Hatchery Operations -

The legislature approved an increase in state special and federal revenues for hatcheries operations. This proposal will restore production to previous levels.

DP 304 - Equipment - (BIEN/OTO) -

The legislature approved a biennial and one-time-only appropriation of state special revenue to fund the purchase of equipment for the fish management and hatchery program. Equipment includes fish hauling trucks, tanks, motors, electro-fishing gear, and other miscellaneous equipment.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 305 - Drought Resiliency - (BIEN)	0.00	0	310,000	0	310,000	0.00	0	310,000	0	310,000
DP 307 - Fisheries FTE (RST)	2.00	0	138,313	0	138,313	2.00	0	135,312	0	135,312
DP 3000 - Improving Fishing Access Sites	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
Total	2.00	\$0	\$598,313	\$0	\$598,313	2.00	\$0	\$595,312	\$0	\$595,312

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 305 - Drought Resiliency - (BIEN) -

The legislature approved an increase in state special revenue for continuous drought management planning which informs angling restrictions and protects the state's instream water rights. It will enhance drought resiliency through the development and implementation of instream flow improvement projects (e.g. water leasing, provide matching funds for partner drought projects). It will allow the agency to form partnerships in water conservation efforts and drought planning and restore funding for critical continuous stream gauge monitoring.

DP 307 - Fisheries FTE (RST) -

The legislature approved an increase of 2.00 FTE and \$274,000 in personal services and associated operating expense to support critical native species coordination across the state, and hatchery operations. The legislature has restricted this appropriation for it's intended use.

DP 3000 - Improving Fishing Access Sites -

The legislature approved an increase in general license account state special revenue for at least five pilot projects to increase weed control and improve riparian habitat at the fishing access sites. The agency will report on the progress to the Environmental Quality Council (EQC) by December of each year of the 2021 Biennium. When reporting to the EQC the agency will report on actual areas sprayed, and actual habitat enhanced.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	19,264,019	20,104,882	840,863	4.36 %
Operating Expenses	4,411,778	4,531,007	119,229	2.70 %
Equipment & Intangible Assets	225,195	1,504,400	1,279,205	568.04 %
Transfers	106,088	106,088	0	0.00 %
Total Expenditures	\$24,007,080	\$26,246,377	\$2,239,297	9.33 %
State/Other Special Rev. Funds	19,220,189	23,149,422	3,929,233	20.44 %
Federal Spec. Rev. Funds	4,786,891	3,096,955	(1,689,936)	(35.30)%
Total Funds	\$24,007,080	\$26,246,377	\$2,239,297	9.33 %
Total Ongoing	\$23,408,248	\$24,916,377	\$1,508,129	6.44 %
Total OTO	\$598,832	\$1,330,000	\$731,168	122.10 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	115.50	115.50	115.50	115.50
Personal Services	9,178,745	9,291,765	9,972,254	10,054,043	10,050,839
Operating Expenses	2,060,979	2,190,600	2,221,178	2,255,144	2,275,863
Equipment & Intangible Assets	134,792	137,995	87,200	1,417,200	87,200
Transfers	53,000	53,044	53,044	53,044	53,044
Total Expenditures	\$11,427,516	\$11,673,404	\$12,333,676	\$13,779,431	\$12,466,946
State/Other Special Rev. Funds	9,287,762	9,320,808	9,899,381	11,977,978	11,171,444
Federal Spec. Rev. Funds	2,139,754	2,352,596	2,434,295	1,801,453	1,295,502
Total Funds	\$11,427,516	\$11,673,404	\$12,333,676	\$13,779,431	\$12,466,946
Total Ongoing	\$11,128,235	\$11,373,988	\$12,034,260	\$12,449,431	\$12,466,946
Total OTO	\$299,281	\$299,416	\$299,416	\$1,330,000	\$0

Page Reference

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Funding

The largest source of funding for the Enforcement Division is the general license account. General license account revenues include the sale of fishing and hunting licenses, camping fees, permit sales, a portion of vehicle license fees, and other miscellaneous revenue. Other sources of funding come from motor vehicle registrations, snowmobile permits and pass fees.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	12,034,260	12,034,260	24,068,520	91.70 %	
SWPL Adjustments	0	0	0	0.00 %	85,971	106,690	192,661	0.73 %	
PL Adjustments	0	0	0	0.00 %	329,200	325,996	655,196	2.50 %	
New Proposals	0	0	0	0.00 %	1,330,000	0	1,330,000	5.07 %	
Total Budget	\$0	\$0	\$0		\$13,779,431	\$12,466,946	\$26,246,377		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	53,416	32,555	85,971	0.00	0	66,289	40,401	106,690
DP 50 - Personal Services Adjustment	0.00	0	128,953	46,987	175,940	0.00	0	127,254	45,482	172,736
DP 402 - Warden Overtime	0.00	0	153,260	0	153,260	0.00	0	153,260	0	153,260
Grand Total All Present Law Adjustments	0.00	\$0	\$335,629	\$79,542	\$415,171	0.00	\$0	\$346,803	\$85,883	\$432,686

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 402 - Warden Overtime -

The legislature approved an increase in state special revenue authority to fund overtime compensation for game wardens. Aquatic invasive species enforcement, expanded shoulder seasons, and response to chronic wasting disease is driving increases in hours worked.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 401 - Enforcement Boat Replacement (BIEN/OTO)	0.00	0	500,000	500,000	1,000,000	0.00	0	0	0	0
DP 402 - Enforcement Equipment Replacement (BIEN/OTO)	0.00	0	330,000	0	330,000	0.00	0	0	0	0
DP 404 - DP 404 - Enforcement Funding Switch PR To GL	0.00	0	1,212,384	(1,212,384)	0	0.00	0	1,224,676	(1,224,676)	0
Total	0.00	\$0	\$2,042,384	(\$712,384)	\$1,330,000	0.00	\$0	\$1,224,676	(\$1,224,676)	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 401 - Enforcement Boat Replacement (BIEN/OTO) -

The legislature approved a one-time-only biennial appropriation from the general license account to match federal Coast Guard grant money to replace aging and obsolete enforcement division watercraft across the state. This would establish a fleet system for agency watercraft similar to agency vehicles. The life span of watercraft purchased under this proposal is expected to be 15 to 20 years.

DP 402 - Enforcement Equipment Replacement (BIEN/OTO) -

The legislature approved a one-time-only biennial appropriation from the general license account to replace and update aging and obsolete off highway vehicle and snowmobile inventory across the state with up to 25 OHV's and 15 snowmobiles. Current equipment is up to 20 years old and requires excessive maintenance. New equipment life span expectancy is 15 years or more.

DP 404 - DP 404 - Enforcement Funding Switch PR To GL -

The legislature approved a funding switch from federal special revenue to the state special revenue within the Enforcement Division of the Department of Fish, Wildlife, and Parks. The funding switch reduces the amount of Pittman-Robertson federal special revenue and increases general license state special revenue by a like amount.

The legislature also approved HB 2 language that would require the Enforcement Division to use federal Pittman-Robertson and associated state match dollars for a minimum of 15.0% of its total personal services budget, but to allow the discretion to use additional federal funds up to 17.0% of the total personal services Enforcement Division budget.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	20,527,720	21,635,490	1,107,770	5.40 %
Operating Expenses	26,842,480	27,993,374	1,150,894	4.29 %
Equipment & Intangible Assets	92,434	562,234	469,800	508.25 %
Grants	358,600	341,600	(17,000)	(4.74)%
Benefits & Claims	4,900	1,600	(3,300)	(67.35)%
Total Expenditures	\$47,826,134	\$50,534,298	\$2,708,164	5.66 %
State/Other Special Rev. Funds	30,102,629	30,655,734	553,105	1.84 %
Federal Spec. Rev. Funds	17,723,505	19,878,564	2,155,059	12.16 %
Total Funds	\$47,826,134	\$50,534,298	\$2,708,164	5.66 %
Total Ongoing	\$46,079,826	\$49,552,399	\$3,472,573	7.54 %
Total OTO	\$1,746,308	\$981,899	(\$764,409)	(43.77)%

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	133.57	133.57	143.89	143.89
Personal Services	10,107,338	10,107,649	10,420,071	10,819,280	10,816,210
Operating Expenses	10,291,848	13,369,759	13,472,721	13,985,515	14,007,859
Equipment & Intangible Assets	26,187	44,567	47,867	484,367	77,867
Grants	187,741	187,800	170,800	170,800	170,800
Benefits & Claims	4,024	4,100	800	800	800
Total Expenditures	\$20,617,138	\$23,713,875	\$24,112,259	\$25,460,762	\$25,073,536
State/Other Special Rev. Funds	12,379,472	14,958,420	15,144,209	15,375,726	15,280,008
Federal Spec. Rev. Funds	8,237,666	8,755,455	8,968,050	10,085,036	9,793,528
Total Funds	\$20,617,138	\$23,713,875	\$24,112,259	\$25,460,762	\$25,073,536
Total Ongoing	\$19,888,210	\$22,840,514	\$23,239,312	\$24,766,245	\$24,786,154
Total OTO	\$728,928	\$873,361	\$872,947	\$694,517	\$287,382

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Funding

The program is funded with state special and federal revenues. The hunting access account receives revenue from the sale of bird, deer and big game licenses; used to support hunter access programs. The general license account receives revenues from the sale of hunting and fishing licenses, camping fees, and the sale of permits and is used to benefit both anglers and hunters. The habitat trust account receives a portion of the revenue from hunting licenses and is used to

support the Habitat Montana Program. Federal revenue comes from an excise tax on fishing equipment, sporting arms, and ammunition. Federal funds support management of fish and wildlife projects.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	23,239,312	23,239,312	46,478,624	91.97 %	
SWPL Adjustments	0	0	0	0.00 %	103,220	128,095	231,315	0.46 %	
PL Adjustments	0	0	0	0.00 %	1,083,066	1,078,771	2,161,837	4.28 %	
New Proposals	0	0	0	0.00 %	1,035,164	627,358	1,662,522	3.29 %	
Total Budget	\$0	\$0	\$0		\$25,460,762	\$25,073,536	\$50,534,298		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	42,229	60,991	103,220	0.00	0	52,406	75,689	128,095
DP 50 - Personal Services Adjustment	(2.56)	0	(72,970)	46,031	(26,939)	(2.56)	0	(72,920)	52,926	(19,994)
DP 501 - Restore Bison Containment Program (OTO)	0.50	0	57,859	0	57,859	0.50	0	57,763	0	57,763
DP 502 - Wildlife Disease Surveillance and Response	1.00	0	99,593	298,222	397,815	1.00	0	98,756	296,268	395,024
DP 504 - Wildlife Grizzly Bear Program	4.38	0	106,336	317,838	424,174	4.38	0	104,090	312,268	416,358
DP 505 - Wildlife Wolf Program Ongoing	2.50	0	204,025	26,132	230,157	2.50	0	203,680	25,940	229,620
Grand Total All Present Law Adjustments	5.82	\$0	\$437,072	\$749,214	\$1,186,286	5.82	\$0	\$443,775	\$763,091	\$1,206,866

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

This change package includes funding to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the statewide Motor Pool operated by the Department of Transportation.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- Removal of 2.56 FTE currently vacant from the base
- Reduction in state special revenue of \$250,000

DP 501 - Restore Bison Containment Program (OTO) -

The legislature approved an increase in state special revenue appropriation to support management of bison near Yellowstone Park. This proposal includes an increase of 0.50 FTE and associated personal services and operating expense for seasonal help.

DP 502 - Wildlife Disease Surveillance and Response -

The legislature approved an increase in state special and federal authority to support Chronic Wasting Disease (CWD) surveillance and response. The proposal adds 1.00 FTE and associated personal services and operating expenses. The additional staff will coordinate sample collection and response in targeted surveillance areas.

DP 504 - Wildlife Grizzly Bear Program -

The legislature approved an increase in state special and federal authority to support bear management outreach and conflict response. The proposal adds 4.38 FTE and associated personal services and operating expense.

DP 505 - Wildlife Wolf Program Ongoing -

The legislature approved an increase of 2.50 FTE as ongoing and associated personal services and operating expense to comply with the statutory requirement to use radio-tracking collars to monitor wolf packs (87-5-132, MCA).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 501 - Wildlife Planner	1.00	0	32,463	97,421	129,884	1.00	0	32,389	97,168	129,557
DP 502 - Mountain Lion Monitoring	0.00	0	40,110	120,331	160,441	0.00	0	40,062	120,187	160,249
DP 503 - Wildlife Weed Bill Coordinator	1.00	0	27,044	81,137	108,181	1.00	0	26,983	80,950	107,933
DP 505 - Wildlife Management Area Equipment (BIEN/OTO)	0.00	0	101,625	304,875	406,500	0.00	0	0	0	0
DP 5051 - Wildlife Wolf Program (OTO)	2.50	0	205,656	24,502	230,158	2.50	0	205,043	24,576	229,619
Total	4.50	\$0	\$406,898	\$628,266	\$1,035,164	4.50	\$0	\$304,477	\$322,881	\$627,358

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 501 - Wildlife Planner -

The legislature approved an increase of 1.00 FTE funded by state special revenue and federal special revenue authority. The additional staff will work on species management plans and help direct management actions and priorities for different wildlife species in the state.

DP 502 - Mountain Lion Monitoring -

The legislature approved an increase in state special revenue and federal special revenue authority to fund mountain lion monitoring. The proposal increases the budget for personal services but does not increase FTE. Authority is needed to hire seasonal field coordinator and hounds-men to accomplish needed monitoring.

DP 503 - Wildlife Weed Bill Coordinator -

The legislature approved an increase of 1.00 FTE for a grant coordinator to help applicants develop grant applications, complete necessary NEPA requirements, implement projects, evaluate compliance, and staff the advisory council. HB 434, passed in the 2017 Legislative Session, created a Wildlife Habitat Weed Grant Program and established an 18-person advisory council. The program authorizes spending up to \$2.0 million of Pittman-Robertson funds annually for implementing weed management grants. The proposal is funded from state special revenue and federal sources.

DP 505 - Wildlife Management Area Equipment (BIEN/OTO) -

The legislature approved a one-time-only biennial appropriation of state special and federal special authority for equipment to maintain and make improvements to Wildlife Management Areas (WMA's) in Regions 1, 2, 3, 4, and 6. Equipment includes such items as UTVs, ATVs with roll cages, and hydraulic post pounders. This equipment would replace some aging equipment. A core function of the WMA Maintenance Program is to fulfill the Good Neighbor Policy while achieving WMA maintenance standards for weed control, fencing to manage livestock, signs, parking area and road maintenance, erosion control, habitat enhancement, and other infrastructure installation and maintenance (e.g., cattle guards, gates, water control structures).

DP 5051 - Wildlife Wolf Program (OTO) -

The legislature approved an increase of 2.50 FTE and associated operating expense as one-time-only to augment the statutory requirement to use radio-tracking collars to monitor wolf packs (87-5-132, MCA).

Other Issues -**Proprietary Rates**

06540 – Aircraft Proprietary Proposed Budget

FWP's aircraft fund provides specialized flying services using fixed wing and helicopter aircraft to employees including low level flying in various terrains to survey fish and wildlife, plant fish, and record radio telemetry locations. These users are mostly fish and wildlife biologists.

Proprietary Proposed Budget

The Biennium Report on Internal Service and Enterprise Funds for fund 06540 shows the financial information for the fund from FY 2016 through FY 2021. The report is provided as submitted by the executive, LFD has edited and reconfigured the table for clarity.

06540 - Aircraft Proprietary Fund Balance						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Budgeted</u>	<u>Budgeted</u>
Beginning Fund Balance	\$316,855	\$492,045	\$756,380	\$893,228	\$1,104,113	\$1,246,498
Revenue	571,446	748,429	583,296	575,000	586,500	598,230
Expenditures	<u>(396,256)</u>	<u>(484,094)</u>	<u>(446,448)</u>	<u>(364,115)</u>	<u>(444,115)</u>	<u>(444,115)</u>
Ending Fund Balance	\$492,045	\$756,380	\$893,228	1,104,113	\$1,246,498	\$1,400,613

Revenue

The revenue source is the intra-departmental reimbursement of aircraft fleet rate charges. Revenues are used to account for the costs of providing a department-owned aircraft fleet.

Expenses

The aircraft fund seeks to recover sufficient funds to cover insurance costs, fuel, repair costs, and general operational costs of the aircraft. Personal services are not covered by this fund. The two largest costs are fuel and repairs.

Proprietary Rates

The rates approved by the legislature are the maximum the program may charge during the biennium, they are not the rates the program must charge. For the 2021 biennium the table below summarizes rates approved by the legislature.

Proposed Rates for Fixed Wing and Rotary Aircraft (dollars per hour)						
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Two place - single engine	\$150	\$150	\$150	\$150	\$201	\$206
Four place - single engine	\$500	\$500	\$500	\$500	\$282	\$233
Turbine Helicopter	\$500	\$500	\$500	\$500	\$516	\$531

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,222,713	10,946,858	724,145	7.08 %
Operating Expenses	3,826,067	4,740,539	914,472	23.90 %
Equipment & Intangible Assets	714,476	958,476	244,000	34.15 %
Grants	901,844	901,844	0	0.00 %
Total Expenditures	\$15,665,100	\$17,547,717	\$1,882,617	12.02 %
State/Other Special Rev. Funds	15,324,544	16,627,782	1,303,238	8.50 %
Federal Spec. Rev. Funds	340,556	919,935	579,379	170.13 %
Total Funds	\$15,665,100	\$17,547,717	\$1,882,617	12.02 %
Total Ongoing	\$15,665,100	\$17,247,717	\$1,582,617	10.10 %
Total OTO	\$0	\$300,000	\$300,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	81.68	81.68	81.68	81.68
Personal Services	4,953,273	4,995,406	5,227,307	5,473,652	5,473,206
Operating Expenses	1,748,031	1,885,957	1,940,110	2,367,026	2,373,513
Equipment & Intangible Assets	549,048	595,238	119,238	629,238	329,238
Grants	392,976	450,922	450,922	450,922	450,922
Total Expenditures	\$7,643,328	\$7,927,523	\$7,737,577	\$8,920,838	\$8,626,879
State/Other Special Rev. Funds	7,504,136	7,760,785	7,563,759	8,460,951	8,166,831
Federal Spec. Rev. Funds	139,192	166,738	173,818	459,887	460,048
Total Funds	\$7,643,328	\$7,927,523	\$7,737,577	\$8,920,838	\$8,626,879
Total Ongoing	\$7,643,328	\$7,927,523	\$7,737,577	\$8,620,838	\$8,626,879
Total OTO	\$0	\$0	\$0	\$300,000	\$0

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Funding

The program is funded with revenue from day-use park entry fees, camping fees, cabin site rentals, a portion of state gasoline dealers license and distribution tax, coal tax dollars, recreational and commercial user fees for floating and camping on the Smith River, and other miscellaneous taxes, fees, and permit revenue. Statutory appropriations come from 6.5% of the total bed accommodation tax and is used for the maintenance of facilities in state parks that have both resident and non-resident use. The revenue is statutorily appropriated as provided in 17-7-502, MCA.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	7,737,577	7,737,577	15,475,154	88.19 %	
SWPL Adjustments	0	0	0	0.00 %	26,916	33,403	60,319	0.34 %	
PL Adjustments	0	0	0	0.00 %	1,156,345	855,899	2,012,244	11.47 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$8,920,838	\$8,626,879	\$17,547,717		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	26,177	739	26,916	0.00	0	32,485	918	33,403
DP 50 - Personal Services Adjustment	0.00	0	161,015	85,330	246,345	0.00	0	160,587	85,312	245,899
DP 601 - Parks Operations Increase	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
DP 603 - Parks Equipment (BIEN/OTO)	0.00	0	300,000	0	300,000	0.00	0	0	0	0
DP 605 - Parks Snowmobile Groomers (BIEN)	0.00	0	210,000	0	210,000	0.00	0	210,000	0	210,000
Grand Total All Present Law Adjustments	0.00	\$0	\$1,097,192	\$86,069	\$1,183,261	0.00	\$0	\$803,072	\$86,230	\$889,302

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 601 - Parks Operations Increase -

The legislature approved an increase of state special revenue to support higher maintenance cost at state parks. The higher cost is due to an increase in visitation and increased operational costs.

DP 603 - Parks Equipment (BIEN/OTO) -

The legislature approved a one-time-only biennial increase in state special revenue authority to purchase heavy equipment to maintain and repair infrastructure such as drain fields, campsite leveling, road maintenance and repair, removal of hazards, and snow removal at parks statewide.

DP 605 - Parks Snowmobile Groomers (BIEN) -

The legislature approved an increase in state special revenue to purchase snowmobile trail groomers at the level authorized during the 2017 session. The funding was fully spent in FY 2018 and therefore not captured as part of the 2019 base.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 604 - Parks Fund Switch	0.00	0	(200,000)	200,000	0	0.00	0	(200,000)	200,000	0
Total	0.00	\$0	(\$200,000)	\$200,000	\$0	0.00	\$0	(\$200,000)	\$200,000	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 604 - Parks Fund Switch -

The legislature approved a switch of \$0.4 million in funding from state special revenue to federal sources. This proposal will change appropriation as follows:

- Decrease state special revenue appropriation from 02411 (parks earned revenue) by \$2.4 million
- Increase state special revenue appropriation from 02409 (general license account) by \$2.0 million
- Increase federal special revenue appropriation from 03097 (federal Dingell Johnson) by \$0.4 million

The state parks system is heavily utilized by hunters and anglers as demonstrated by a survey conducted by the department. This request will support those activities with the funding designated for them.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change	
Personal Services	4,308,788	4,352,960	44,172	1.03 %	
Operating Expenses	2,865,810	2,871,264	5,454	0.19 %	
Grants	862,804	862,804	0	0.00 %	
Total Expenditures	\$8,037,402	\$8,087,028	\$49,626	0.62 %	
State/Other Special Rev. Funds	6,125,716	6,121,916	(3,800)	(0.06)%	
Federal Spec. Rev. Funds	1,911,686	1,965,112	53,426	2.79 %	
Total Funds	\$8,037,402	\$8,087,028	\$49,626	0.62 %	
Total Ongoing	\$7,871,982	\$8,087,028	\$215,046	2.73 %	
Total OTO	\$165,420	\$0	(\$165,420)	(100.00)%	

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	25.75	25.75	26.00	26.00
Personal Services	2,047,711	2,113,031	2,195,757	2,177,875	2,175,085
Operating Expenses	1,388,575	1,436,542	1,429,268	1,436,073	1,435,191
Grants	241,080	431,402	431,402	431,402	431,402
Total Expenditures	\$3,677,366	\$3,980,975	\$4,056,427	\$4,045,350	\$4,041,678
State/Other Special Rev. Funds	2,840,625	3,032,579	3,093,137	3,062,753	3,059,163
Federal Spec. Rev. Funds	836,741	948,396	963,290	982,597	982,515
Total Funds	\$3,677,366	\$3,980,975	\$4,056,427	\$4,045,350	\$4,041,678
Total Ongoing	\$3,621,573	\$3,898,265	\$3,973,717	\$4,045,350	\$4,041,678
Total OTO	\$55,793	\$82,710	\$82,710	\$0	\$0

Page Reference

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Funding

The program is funded almost entirely from the state general license account and federal sources. State special revenues are from the sale of fishing and hunting licenses, camping fees, permit sales, commercial use fees, and other miscellaneous state revenues. Federal revenue sources are from an excise tax on the sale of fishing gear, sporting arms, and ammunition.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	3,973,717	3,973,717	7,947,434	98.27 %
SWPL Adjustments	0	0	0	0.00 %	7,955	9,873	17,828	0.22 %
PL Adjustments	0	0	0	0.00 %	35,701	35,691	71,392	0.88 %
New Proposals	0	0	0	0.00 %	27,977	22,397	50,374	0.62 %
Total Budget	\$0	\$0	\$0		\$4,045,350	\$4,041,678	\$8,087,028	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	7,955	0	7,955	0.00	0	9,873	0	9,873
DP 50 - Personal Services Adjustment	0.00	0	30,408	5,293	35,701	0.00	0	30,047	5,644	35,691
Grand Total All Present Law Adjustments	0.00	\$0	\$38,363	\$5,293	\$43,656	0.00	\$0	\$39,920	\$5,644	\$45,564

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 8011 - Education FTE	0.25	0	13,963	14,014	27,977	0.25	0	8,816	13,581	22,397
Total	0.25	\$0	\$13,963	\$14,014	\$27,977	0.25	\$0	\$8,816	\$13,581	\$22,397

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 8011 - Education FTE -

The legislature approved an increase of 0.25 FTE and associated personal services and operating expense. It is the intent of the legislature that this funding be used to support education services in Miles City Montana.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	11,970,668	12,767,995	797,327	6.66 %
Operating Expenses	14,946,697	16,680,208	1,733,511	11.60 %
Equipment & Intangible Assets	131,502	131,502	0	0.00 %
Capital Outlay	123,631	0	(123,631)	(100.00)%
Transfers	415,388	415,388	0	0.00 %
Total Expenditures	\$27,587,886	\$29,995,093	\$2,407,207	8.73 %
State/Other Special Rev. Funds	26,974,816	29,175,875	2,201,059	8.16 %
Federal Spec. Rev. Funds	613,070	819,218	206,148	33.63 %
Total Funds	\$27,587,886	\$29,995,093	\$2,407,207	8.73 %
Total Ongoing	\$27,517,072	\$29,995,093	\$2,478,021	9.01 %
Total OTO	\$70,814	\$0	(\$70,814)	(100.00)%

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	74.81	74.81	74.81	74.81
Personal Services	5,829,626	5,875,988	6,094,680	6,379,678	6,388,317
Operating Expenses	6,906,958	7,392,684	7,554,013	8,352,037	8,328,171
Equipment & Intangible Assets	59,447	65,751	65,751	65,751	65,751
Capital Outlay	123,631	123,631	0	0	0
Transfers	102,839	207,694	207,694	207,694	207,694
Total Expenditures	\$13,022,501	\$13,665,748	\$13,922,138	\$15,005,160	\$14,989,933
State/Other Special Rev. Funds	12,754,817	13,371,006	13,603,810	14,602,841	14,573,034
Federal Spec. Rev. Funds	267,684	294,742	318,328	402,319	416,899
Total Funds	\$13,022,501	\$13,665,748	\$13,922,138	\$15,005,160	\$14,989,933
Total Ongoing	\$12,987,101	\$13,630,341	\$13,886,731	\$15,005,160	\$14,989,933
Total OTO	\$35,400	\$35,407	\$35,407	\$0	\$0

Page Reference

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Funding

The program is funded primarily with state special revenue from the sale of hunting and fishing licenses. Proprietary revenue includes charges for duplicating service, vehicle fleet, and warehouse fees.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	13,886,731	13,886,731	27,773,462	92.59 %	
SWPL Adjustments	0	0	0	0.00 %	526,481	425,042	951,523	3.17 %	
PL Adjustments	0	0	0	0.00 %	591,948	678,160	1,270,108	4.23 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$15,005,160	\$14,989,933	\$29,995,093		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	505,340	17,961	523,301	0.00	0	407,483	13,612	421,095
DP 3 - Inflation Deflation	0.00	0	3,180	0	3,180	0.00	0	3,947	0	3,947
DP 50 - Personal Services Adjustment	0.00	0	308,072	12,333	320,405	0.00	0	316,294	12,750	329,044
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	54,208	2,410	56,618	0.00	0	54,207	2,411	56,618
DP 904 - Fleet Program Rate Adjustment	0.00	0	163,638	51,287	214,925	0.00	0	222,700	69,798	292,498
Grand Total All Present Law Adjustments	0.00	\$0	\$1,034,438	\$83,991	\$1,118,429	0.00	\$0	\$1,004,631	\$98,571	\$1,103,202

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 904 - Fleet Program Rate Adjustment -

The legislature approved an increase in general license authority and federal revenue to support fleet rate adjustments proposed in the proprietary rates.

Other Issues -**Proprietary Rates****06501 – Duplicating Center**

FWP's duplicating center provides duplicating and bindery services to employees.

Proprietary Proposed Budget

The Biennium Report on Internal Service and Enterprise Funds for fund 06501 shows the financial information for the fund from FY 2016 through FY 2021. The report is provided as submitted by the executive, LFD has edited and reconfigured the figure for clarity.

06501 - Duplicating Center						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Budgeted</u>	<u>Budgeted</u>
Beginning Fund Balance	\$6,498	\$5,107	\$3,194	(\$8,084)	\$9,335	\$26,754
Revenue	75,710	87,348	84,378	97,000	97,000	97,000
Expenditures	<u>(77,101)</u>	<u>(89,261)</u>	<u>(95,656)</u>	<u>(79,581)</u>	<u>(79,581)</u>	<u>(79,581)</u>
Ending Fund Balance	\$5,107	\$3,194	(\$8,084)	\$9,335	\$26,754	\$44,173

Revenue

Revenues are generated from charges on a per page basis for both copying and binding.

Expenses

Expenses recovered in the rates are the personal services, operating expenses, and the raw materials needed for duplicating.

Proprietary Rates

The rates approved by the legislature are the maximum the program may charge during the biennium, they are not the rates the program must charge. For the 2021 biennium the table below summarizes rates approved by the legislature.

	Proposed Rates					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Per Copy						
1-20	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
21-100	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
101-1000	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
1,001-5,000	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Color - per sheet	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Binding						
Collating - per sheet	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Hand Stapling - per set	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Saddle Stitch - per set	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Folding - per sheet	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Punching - per sheet	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Cutting - per minute	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
Desktop Publishing - Per Hour	\$0.00	\$0.00	\$46.36	\$46.36	\$46.36	\$46.36

Proprietary Rates

The rates approved by the legislature are the maximum the program may charge during the biennium, they are not the rates the program must charge. For the 2021 biennium the table below summarizes rates approved by the legislature.

Vehicles

Tier one:

a. Class 210 (Sedan)	FY 2020	FY 2021
Per Hour Assigned	\$0.452	\$0.389
Per Mile Operated	\$0.141	\$0.149
b. Class 310 (Van)		
Per Hour Assigned	\$0.236	\$0.243
Per Mile Operated	\$0.410	\$0.418
c. Class 410 (Utility)		
Per Hour Assigned	\$0.909	\$0.888
Per Mile Operated	\$0.196	\$0.204
d. Class 610 (1/2 Ton Pickup)		

	Per Hour Assigned	\$0.741	\$0.828
	Per Mile Operated	\$0.268	\$0.276
e.	Class 710 (3/4 Ton Pickup)		
	Per Hour Assigned	\$1.049	\$1.035
	Per Mile Operated	\$0.314	\$0.322
Tier two:			
a.	Class 210 (Sedan)	FY 2020	FY 2021
	Per Hour Assigned	\$0.452	\$0.389
	Per Mile Operated	\$0.157	\$0.165
b.	Class 310 (Van)		
	Per Hour Assigned	\$0.236	\$0.243
	Per Mile Operated	\$0.438	\$0.446
c.	Class 410 (Utility)		
	Per Hour Assigned	\$0.909	\$0.888
	Per Mile Operated	\$0.222	\$0.230
d.	Class 610 (1/2 Ton Pickup)		
	Per Hour Assigned	\$0.741	\$0.828
	Per Mile Operated	\$0.302	\$0.310
e.	Class 710 (3/4 Ton Pickup)		
	Per Hour Assigned	\$1.049	\$1.035
	Per Mile Operated	\$0.358	\$0.366

Tier three:

a.	Class 210 (Sedan)	FY 2020	FY 2021
	Per Hour Assigned	\$0.452	\$0.389
	Per Mile Operated	\$0.173	\$0.181
b.	Class 310 (Van)		
	Per Hour Assigned	\$0.236	\$0.243

	Per Mile Operated	\$0.466	\$0.474
c.	Class 410 (Utility)		
	Per Hour Assigned	\$0.909	\$0.888
	Per Mile Operated	\$0.248	\$0.256
d.	Class 610 (1/2 Ton Pickup)		
	Per Hour Assigned	\$0.741	\$0.828
	Per Mile Operated	\$0.336	\$0.344
e.	Class 710 (3/4 Ton Pickup)		
	Per Hour Assigned	\$1.049	\$1.035
	Per Mile Operated	\$0.401	\$0.409

Proprietary Rates

The rates approved by the legislature are the maximum the program may charge during the biennium, they are not the rates the program must charge.

- 25.0% added to the cost of the inventory items

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	12,160,349	13,077,077	916,728	7.54 %
Operating Expenses	3,900,080	5,034,405	1,134,325	29.08 %
Equipment & Intangible Assets	45,076	29,996	(15,080)	(33.45)%
Transfers	281,254	281,254	0	0.00 %
Debt Service	29,043	29,042	(1)	0.00 %
Total Expenditures	\$16,415,802	\$18,451,774	\$2,035,972	12.40 %
State/Other Special Rev. Funds	15,930,562	17,961,873	2,031,311	12.75 %
Federal Spec. Rev. Funds	485,240	489,901	4,661	0.96 %
Total Funds	\$16,415,802	\$18,451,774	\$2,035,972	12.40 %
Total Ongoing	\$16,353,286	\$17,451,774	\$1,098,488	6.72 %
Total OTO	\$62,516	\$1,000,000	\$937,484	1,499.59 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	79.21	79.21	79.21	79.21
Personal Services	6,022,299	6,022,517	6,137,832	6,538,731	6,538,346
Operating Expenses	1,849,323	1,893,017	2,007,063	2,515,949	2,518,456
Equipment & Intangible Assets	30,078	30,078	14,998	14,998	14,998
Transfers	139,389	140,627	140,627	140,627	140,627
Debt Service	14,521	14,522	14,521	14,521	14,521
Total Expenditures	\$8,055,610	\$8,100,761	\$8,315,041	\$9,224,826	\$9,226,948
State/Other Special Rev. Funds	7,857,972	7,860,004	8,070,558	8,979,923	8,981,950
Federal Spec. Rev. Funds	197,638	240,757	244,483	244,903	244,998
Total Funds	\$8,055,610	\$8,100,761	\$8,315,041	\$9,224,826	\$9,226,948
Total Ongoing	\$8,024,631	\$8,069,503	\$8,283,783	\$8,724,826	\$8,726,948
Total OTO	\$30,979	\$31,258	\$31,258	\$500,000	\$500,000

Page Reference

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Funding

The program is primarily funded with state special revenue. State revenue is from the sale of hunting license, fishing licenses and various permit sales and fees. Federal revenue is from excise tax on the sale of sporting arms, ammunition, and fishing gear.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	8,283,783	8,283,783	16,567,566	89.79 %	
SWPL Adjustments	0	0	0	0.00 %	10,413	12,920	23,333	0.13 %	
PL Adjustments	0	0	0	0.00 %	430,630	430,245	860,875	4.67 %	
New Proposals	0	0	0	0.00 %	500,000	500,000	1,000,000	5.42 %	
Total Budget	\$0	\$0	\$0		\$9,224,826	\$9,226,948	\$18,451,774		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	0	10,247	166	10,413	0.00	0	12,714	206	12,920
DP 50 - Personal Services Adjustment	0.00	0	430,376	254	430,630	0.00	0	429,936	309	430,245
Grand Total All Present Law Adjustments	0.00	\$0	\$440,623	\$420	\$441,043	0.00	\$0	\$442,650	\$515	\$443,165

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/ program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1201 - Public Access Land Act (RST/BIEN/OTO)	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
Total	0.00	\$0	\$500,000	\$0	\$500,000	0.00	\$0	\$500,000	\$0	\$500,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1201 - Public Access Land Act (RST/BIEN/OTO) -

The legislature approved an appropriation of \$1.0 million for the biennium from the state special revenue general license account. The appropriation is to fund public access land agreements authorized in SB 341. The legislature approved the inclusion of language in HB 2 that would void this appropriation should SB 341 not be passed and approved.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	57,386,465	63,085,411	5,698,946	9.93 %
Operating Expenses	58,456,632	61,280,368	2,823,736	4.83 %
Equipment & Intangible Assets	221,394	203,480	(17,914)	(8.09)%
Grants	3,375,036	3,371,726	(3,310)	(0.10)%
Transfers	7,479,211	5,464,796	(2,014,415)	(26.93)%
Total Expenditures	\$126,918,738	\$133,405,781	\$6,487,043	5.11 %
General Fund	9,765,835	10,804,099	1,038,264	10.63 %
State/Other Special Rev. Funds	71,523,431	75,203,837	3,680,406	5.15 %
Federal Spec. Rev. Funds	45,629,472	47,397,845	1,768,373	3.88 %
Total Funds	\$126,918,738	\$133,405,781	\$6,487,043	5.11 %
Total Ongoing	\$124,918,738	\$133,405,781	\$8,487,043	6.79 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

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Agency Highlights

Department of Environmental Quality Major Budget Highlights	
<p>The legislature approved an increase of 5.1% or \$6.5 million in total appropriations when compared to the 2019 biennium appropriation, and a 4.7% or \$6.0 million increase above base funding.</p> <ul style="list-style-type: none"> • Total appropriation for the 2021 biennium is \$133.4 million • The legislature removed from the base, 1.00 FTE and associated funding of \$100,000 in general fund • The legislature approved \$4.5 million in present law adjustments: <ul style="list-style-type: none"> ◦ \$4.2 million for personal services ◦ \$0.3 million for inflation and fixed costs • The legislature approved the expanded use of the Orphan Share Account, the expanded use includes an increase in appropriation of \$0.25 million • The legislature approved a \$1.0 million appropriation of state special revenue Petroleum Tank Clean Up funds to the Waste Management & Remediation Division for tank clean up 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	366.54	366.54	365.54	365.54
Personal Services	27,500,825	27,924,196	29,462,269	31,543,787	31,541,624
Operating Expenses	18,434,383	28,739,601	29,717,031	30,636,375	30,643,993
Equipment & Intangible Assets	17,914	119,654	101,740	101,740	101,740
Grants	1,768,298	1,689,173	1,685,863	1,685,863	1,685,863
Transfers	2,901,651	3,746,813	3,732,398	2,732,398	2,732,398
Total Expenditures	\$50,623,071	\$62,219,437	\$64,699,301	\$66,700,163	\$66,705,618
General Fund	4,541,231	4,566,124	5,199,711	5,402,889	5,401,210
State/Other Special Rev. Funds	28,007,786	35,062,631	36,460,800	37,592,244	37,611,593
Federal Spec. Rev. Funds	18,074,054	22,590,682	23,038,790	23,705,030	23,692,815
Total Funds	\$50,623,071	\$62,219,437	\$64,699,301	\$66,700,163	\$66,705,618
Total Ongoing	\$50,297,463	\$61,219,437	\$63,699,301	\$66,700,163	\$66,705,618
Total OTO	\$325,608	\$1,000,000	\$1,000,000	\$0	\$0

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	366.54	366.54	365.54	(1.00)	366.54	365.54	(1.00)	(1.00)
Personal Services	29,462,269	31,593,787	31,543,787	(50,000)	31,591,624	31,541,624	(50,000)	(100,000)
Operating Expenses	29,717,031	30,136,375	30,636,375	500,000	30,143,993	30,643,993	500,000	1,000,000
Equipment & Intangible Assets	101,740	101,740	101,740	0	101,740	101,740	0	0
Grants	1,685,863	1,685,863	1,685,863	0	1,685,863	1,685,863	0	0
Transfers	3,732,398	2,732,398	2,732,398	0	2,732,398	2,732,398	0	0
Total Costs	\$64,699,301	\$66,250,163	\$66,700,163	\$450,000	\$66,255,618	\$66,705,618	\$450,000	\$900,000
General Fund	5,199,711	5,452,889	5,402,889	(50,000)	5,451,210	5,401,210	(50,000)	(100,000)
State/other Special Rev. Funds	36,460,800	37,092,244	37,592,244	500,000	37,111,593	37,611,593	500,000	1,000,000
Federal Spec. Rev. Funds	23,038,790	23,705,030	23,705,030	0	23,692,815	23,692,815	0	0
Other	0	0	0	0	0	0	0	0
Total Funds	\$64,699,301	\$66,250,163	\$66,700,163	\$450,000	\$66,255,618	\$66,705,618	\$450,000	\$900,000
Total Ongoing	\$63,699,301	\$66,250,163	\$66,700,163	\$450,000	\$66,255,618	\$66,705,618	\$450,000	\$900,000
Total OTO	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature approved total appropriations 0.1% or \$0.9 million higher than the executive request. The legislature approved a reduction in general fund of \$100,000, an increase in state special revenue of \$1.0 million, and federal special revenue at the level requested by the executive.

- The legislature removed from the base 1.00 FTE and the associated general fund of \$0.1 million

- The legislature approved a \$1.0 million appropriation of state special revenue from the Petroleum Tank Cleanup to the Waste Management & Remediation Division
- The legislature approved HB 2 language and proprietary rates as proposed by the executive

Funding

The following table shows agency funding by source of authority.

Total Department of Environmental Quality Funding by Source of Authority 2021 Biennium Budget Request - Department of Environmental Quality						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	10,804,099	0	0	0	10,804,099	6.60 %
State Special Total	75,203,837	0	2,400,000	9,980,000	87,583,837	53.54 %
Federal Special Total	47,397,845	0	0	0	47,397,845	28.97 %
Proprietary Total	0	0	17,802,519	0	17,802,519	10.88 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$133,405,781	\$0	\$20,202,519	\$9,980,000	\$163,588,300	
Percent - Total All Sources	81.55 %	0.00 %	12.35 %	6.10 %		

The department's largest source of funding is state special revenue. This revenue is derived from permitting fees, fines, and bond proceeds utilized to support specific department functions such as permitting, enforcement, and remediation. The federal revenue is provided from the U.S. Environmental Protection Agency (EPA) performance partnership grant, the Super Fund Program, and other federal grant resources. General fund is utilized for personal services, travel, communications, and equipment.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	5,199,711	5,199,711	10,399,422	96.25 %	63,699,301	63,699,301	127,398,602	95.50 %
SWPL Adjustments	26,675	26,926	53,601	0.50 %	169,344	176,962	346,306	0.26 %
PL Adjustments	176,503	174,573	351,076	3.25 %	2,081,518	2,079,355	4,160,873	3.12 %
New Proposals	0	0	0	0.00 %	750,000	750,000	1,500,000	1.12 %
Total Budget	\$5,402,889	\$5,401,210	\$10,804,099		\$66,700,163	\$66,705,618	\$133,405,781	

Language and Statutory Authority

The department is appropriated up to \$1,000,000 of the funds recovered under the Petroleum Tank Release Compensation Board subrogation program in the 2021 biennium for the purpose of paying contract expenses related to the recovery of funds.

If the Carpenter/Snow Creek site is approved for federal superfund funding by the Environmental Protection Agency, the department is appropriated \$2.2 million in state special revenue from the CERCLA bond proceeds account.

The Water Quality Division is authorized to decrease federal special revenue and increase state special revenue in the drinking water and/or water pollution control revolving loan programs by a like amount within the administration account, when the amount of federal capitalization funds have been expended or when federal funds and bond proceeds will be used for other program purposes.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,634,961	3,697,862	62,901	1.73 %
Operating Expenses	5,788,447	5,833,549	45,102	0.78 %
Total Expenditures	\$9,423,408	\$9,531,411	\$108,003	1.15 %
General Fund	1,406,665	1,574,778	168,113	11.95 %
State/Other Special Rev. Funds	6,456,120	6,499,308	43,188	0.67 %
Federal Spec. Rev. Funds	1,560,623	1,457,325	(103,298)	(6.62)%
Total Funds	\$9,423,408	\$9,531,411	\$108,003	1.15 %
Total Ongoing	\$9,423,408	\$9,531,411	\$108,003	1.15 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	20.58	20.58	20.58	20.58
Personal Services	1,667,875	1,776,938	1,858,023	1,848,688	1,849,174
Operating Expenses	1,808,474	2,879,212	2,909,235	2,916,733	2,916,816
Total Expenditures	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
General Fund	619,282	625,577	781,088	787,481	787,297
State/Other Special Rev. Funds	2,219,966	3,220,827	3,235,293	3,249,434	3,249,874
Federal Spec. Rev. Funds	637,101	809,746	750,877	728,506	728,819
Total Funds	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
Total Ongoing	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

Most of the activities in the Central Management Program are funded with non-budgeted proprietary funds that are not appropriated through HB 2. The proprietary funding is based upon a negotiated indirect rate with the Environmental Protection Agency (EPA). The indirect rate is assessed against personal services and operations.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	781,088	781,088	1,562,176	99.20 %	4,767,258	4,767,258	9,534,516	100.03 %
SWPL Adjustments	6,393	6,209	12,602	0.80 %	7,498	7,581	15,079	0.16 %
PL Adjustments	0	0	0	0.00 %	(9,335)	(8,849)	(18,184)	(0.19)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$787,481	\$787,297	\$1,574,778		\$4,765,421	\$4,765,990	\$9,531,411	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	6,393	0	0	6,393	0.00	6,209	0	0	6,209
DP 3 - Inflation Deflation	0.00	0	0	1,105	1,105	0.00	0	0	1,372	1,372
DP 50 - SWPL Personal Services Adjustment	0.00	0	14,141	(23,476)	(9,335)	0.00	0	14,581	(23,430)	(8,849)
Grand Total All Present Law Adjustments	0.00	\$6,393	\$14,141	(\$22,371)	(\$1,837)	0.00	\$6,209	\$14,581	(\$22,058)	(\$1,268)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the division the legislature approved the executive proposal for statewide present law adjustments for personal services.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	21,390,740	23,465,149	2,074,409	9.70 %
Operating Expenses	11,502,946	11,647,965	145,019	1.26 %
Equipment & Intangible Assets	17,914	0	(17,914)	(100.00)%
Grants	327,350	324,040	(3,310)	(1.01)%
Transfers	8,002	8,002	0	0.00 %
Total Expenditures	\$33,246,952	\$35,445,156	\$2,198,204	6.61 %
General Fund	4,823,580	5,141,434	317,854	6.59 %
State/Other Special Rev. Funds	13,285,221	14,103,003	817,782	6.16 %
Federal Spec. Rev. Funds	15,138,151	16,200,719	1,062,568	7.02 %
Total Funds	\$33,246,952	\$35,445,156	\$2,198,204	6.61 %
Total Ongoing	\$33,246,952	\$35,445,156	\$2,198,204	6.61 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	134.67	134.67	133.67	133.67
Personal Services	10,360,455	10,491,651	10,899,089	11,731,555	11,733,594
Operating Expenses	4,325,277	5,730,164	5,772,782	5,823,666	5,824,299
Equipment & Intangible Assets	17,914	17,914	0	0	0
Grants	201,701	165,330	162,020	162,020	162,020
Transfers	10,817	4,001	4,001	4,001	4,001
Total Expenditures	\$14,916,164	\$16,409,060	\$16,837,892	\$17,721,242	\$17,723,914
General Fund	2,325,153	2,327,934	2,495,646	2,570,053	2,571,381
State/Other Special Rev. Funds	6,338,387	6,590,892	6,694,329	7,051,153	7,051,850
Federal Spec. Rev. Funds	6,252,624	7,490,234	7,647,917	8,100,036	8,100,683
Total Funds	\$14,916,164	\$16,409,060	\$16,837,892	\$17,721,242	\$17,723,914
Total Ongoing	\$14,916,164	\$16,409,060	\$16,837,892	\$17,721,242	\$17,723,914
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Water Quality Division is funded primarily with state special and federal funds. State special and federal funds constitute 85.3% of the total budget. The divisions primary state special revenue funds are the fees collected for montana pollutant discharge elimination system permits, wastewater revolving funds, drinking water revolving funds, and fees for

subdivision plat reviews. The largest portion of federal funds is provided through the Environmental Protection Agency (EPA) programs, including the performance partnership grant and funds for non-point source water projects under the federal Clean Water Act. General fund supports personal services and operating expenses.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,495,646	2,495,646	4,991,292	97.08 %	16,837,892	16,837,892	33,675,784	95.01 %
SWPL Adjustments	10,293	10,372	20,665	0.40 %	50,884	51,517	102,401	0.29 %
PL Adjustments	64,114	65,363	129,477	2.52 %	832,466	834,505	1,666,971	4.70 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,570,053	\$2,571,381	\$5,141,434		\$17,721,242	\$17,723,914	\$35,445,156	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	8,905	15,423	18,768	43,096	0.00	8,648	14,978	18,227	41,853
DP 3 - Inflation Deflation	0.00	1,388	3,618	2,782	7,788	0.00	1,724	4,488	3,452	9,664
DP 50 - SWPL Personal Services Adjustment	(1.00)	64,114	337,783	430,569	832,466	(1.00)	65,363	338,055	431,087	834,505
Grand Total All Present Law Adjustments	(1.00)	\$74,407	\$356,824	\$452,119	\$883,350	(1.00)	\$75,735	\$357,521	\$452,766	\$886,022

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- Removal of 1.00 FTE from the base
- Reduction in general fund of \$100,000

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	13,988,294	16,491,158	2,502,864	17.89 %
Operating Expenses	19,369,774	21,007,521	1,637,747	8.46 %
Grants	3,047,686	3,047,686	0	0.00 %
Transfers	7,429,398	5,429,398	(2,000,000)	(26.92)%
Total Expenditures	\$43,835,152	\$45,975,763	\$2,140,611	4.88 %
General Fund	595,706	665,884	70,178	11.78 %
State/Other Special Rev. Funds	23,535,887	24,885,460	1,349,573	5.73 %
Federal Spec. Rev. Funds	19,703,559	20,424,419	720,860	3.66 %
Total Funds	\$43,835,152	\$45,975,763	\$2,140,611	4.88 %
Total Ongoing	\$41,835,152	\$45,975,763	\$4,140,611	9.90 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	100.01	100.01	100.01	100.01
Personal Services	7,144,683	6,735,350	7,252,944	8,247,700	8,243,458
Operating Expenses	6,283,303	9,661,057	9,708,717	10,503,440	10,504,081
Grants	1,566,597	1,523,843	1,523,843	1,523,843	1,523,843
Transfers	2,872,750	3,714,699	3,714,699	2,714,699	2,714,699
Total Expenditures	\$17,867,333	\$21,634,949	\$22,200,203	\$22,989,682	\$22,986,081
General Fund	249,396	262,764	332,942	332,942	332,942
State/Other Special Rev. Funds	10,173,168	11,606,474	11,929,413	12,444,017	12,441,443
Federal Spec. Rev. Funds	7,444,769	9,765,711	9,937,848	10,212,723	10,211,696
Total Funds	\$17,867,333	\$21,634,949	\$22,200,203	\$22,989,682	\$22,986,081
Total Ongoing	\$17,541,725	\$20,634,949	\$21,200,203	\$22,989,682	\$22,986,081
Total OTO	\$325,608	\$1,000,000	\$1,000,000	\$0	\$0

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Funding

The Waste Management and Remediation Division is funded with general fund, state special and federal revenue. State special revenue comes from \$0.0075 gas tax for petroleum tank cleanup, registration fees for underground storage tanks, and interest proceeds from the Resource Indemnity Trust (RIT). Federal special revenue is derived from the federal EPA

for superfund oversight and various other activities. Other federal revenue sources include the Office of Surface Mining for the Abandoned Mine Lands Program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	332,942	332,942	665,884	100.00 %	21,200,203	21,200,203	42,400,406	92.22 %
SWPL Adjustments	0	0	0	0.00 %	44,723	45,364	90,087	0.20 %
PL Adjustments	0	0	0	0.00 %	994,756	990,514	1,985,270	4.32 %
New Proposals	0	0	0	0.00 %	750,000	750,000	1,500,000	3.26 %
Total Budget	\$332,942	\$332,942	\$665,884		\$22,989,682	\$22,986,081	\$45,975,763	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	26,269	11,301	37,570	0.00	0	24,494	11,993	36,487
DP 3 - Inflation Deflation	0.00	0	5,739	1,414	7,153	0.00	0	7,122	1,755	8,877
DP 50 - SWPL Personal Services Adjustment	0.00	0	732,596	262,160	994,756	0.00	0	730,414	260,100	990,514
Grand Total All Present Law Adjustments	0.00	\$0	\$764,604	\$274,875	\$1,039,479	0.00	\$0	\$762,030	\$273,848	\$1,035,878

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the division the legislature approved the executive proposal for statewide present law adjustments for personal services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Orphan Share Expanded Use (Restricted/Bien)	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
DP 40 - Petroleum Tank Clean up	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
Total	0.00	\$0	\$750,000	\$0	\$750,000	0.00	\$0	\$750,000	\$0	\$750,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Orphan Share Expanded Use (Restricted/Bien) -

The legislature approved an expanded use of the orphan share account to allow the Department of Environmental Quality (DEQ) to evaluate and take remedial actions to respond to a release or threatened release at petroleum or hazardous substance sites.

DP 40 - Petroleum Tank Clean up -

The legislature approved an increase in appropriation of \$1.0 million from the state special revenue petroleum storage tank cleanup account.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,679,099	18,652,627	973,528	5.51 %
Operating Expenses	21,294,965	22,287,533	992,568	4.66 %
Equipment & Intangible Assets	203,480	203,480	0	0.00 %
Transfers	41,811	27,396	(14,415)	(34.48)%
Total Expenditures	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
General Fund	2,939,884	3,422,003	482,119	16.40 %
State/Other Special Rev. Funds	27,052,332	28,433,651	1,381,319	5.11 %
Federal Spec. Rev. Funds	9,227,139	9,315,382	88,243	0.96 %
Total Funds	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
Total Ongoing	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	105.53	105.53	105.53	105.53
Personal Services	7,953,910	8,581,860	9,097,239	9,326,392	9,326,235
Operating Expenses	5,886,849	10,218,926	11,076,039	11,140,625	11,146,908
Equipment & Intangible Assets	0	101,740	101,740	101,740	101,740
Transfers	18,084	28,113	13,698	13,698	13,698
Total Expenditures	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
General Fund	1,347,400	1,349,849	1,590,035	1,712,413	1,709,590
State/Other Special Rev. Funds	8,771,883	13,055,799	13,996,533	14,206,277	14,227,374
Federal Spec. Rev. Funds	3,739,560	4,524,991	4,702,148	4,663,765	4,651,617
Total Funds	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
Total Ongoing	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Air and Mining Division is funded primarily with state special and federal revenues. State special revenue consists of forfeited mining and reclamation bonds, and air quality fees. The agency also receives Resource Indemnity Trust (RIT) interest via the natural resources operations fund. Hard rock mining reclamation revenue is primarily from interest earned with the state Board of Investments and funds transferred from the hard rock mining reclamation debt service fund. Federal

revenues come primarily from EPA, Department of Energy, and Department of Interior grants. General fund supports personal services and operating expense.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,590,035	1,590,035	3,180,070	92.93 %	20,288,716	20,288,716	40,577,432	98.56 %
SWPL Adjustments	9,989	10,345	20,334	0.59 %	64,586	70,869	135,455	0.33 %
PL Adjustments	112,389	109,210	221,599	6.48 %	229,153	228,996	458,149	1.11 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,712,413	\$1,709,590	\$3,422,003		\$20,582,455	\$20,588,581	\$41,171,036	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	6,517	8,288	19,589	34,394	0.00	6,217	8,795	18,390	33,402
DP 3 - Inflation Deflation	0.00	3,472	6,977	19,743	30,192	0.00	4,128	10,341	22,998	37,467
DP 50 - SWPL Personal Services Adjustment	0.00	112,389	194,479	(77,715)	229,153	0.00	109,210	211,705	(91,919)	228,996
Grand Total All Present Law Adjustments	0.00	\$122,378	\$209,744	(\$38,383)	\$293,739	0.00	\$119,555	\$230,841	(\$50,531)	\$299,865

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the division the legislature approved the executive proposal for statewide present law adjustments for personal services.

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	693,371	778,615	85,244	12.29 %
Operating Expenses	500,500	503,800	3,300	0.66 %
Total Expenditures	\$1,193,871	\$1,282,415	\$88,544	7.42 %
State/Other Special Rev. Funds	1,193,871	1,282,415	88,544	7.42 %
Total Funds	\$1,193,871	\$1,282,415	\$88,544	7.42 %
Total Ongoing	\$1,193,871	\$1,282,415	\$88,544	7.42 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.75	5.75	5.75	5.75
Personal Services	373,902	338,397	354,974	389,452	389,163
Operating Expenses	130,480	250,242	250,258	251,911	251,889
Total Expenditures	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
State/Other Special Rev. Funds	504,382	588,639	605,232	641,363	641,052
Total Funds	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
Total Ongoing	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The program is funded entirely through a portion of the \$0.0075 tax on gasoline, diesel, heating oil, and aviation fuel. Statutory appropriations pay for the reimbursement due to storage tank releases as described in 75-11-313, MCA.

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	605,232	605,232	1,210,464	94.39 %
SWPL Adjustments	0	0	0	0.00 %	1,653	1,631	3,284	0.26 %
PL Adjustments	0	0	0	0.00 %	34,478	34,189	68,667	5.35 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$641,363	\$641,052	\$1,282,415	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	1,554	0	1,554	0.00	0	1,508	0	1,508
DP 3 - Inflation Deflation	0.00	0	99	0	99	0.00	0	123	0	123
DP 50 - SWPL Personal Services Adjustment	0.00	0	34,478	0	34,478	0.00	0	34,189	0	34,189
Grand Total All Present Law Adjustments	0.00	\$0	\$36,131	\$0	\$36,131	0.00	\$0	\$35,820	\$0	\$35,820

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the division the legislature approved the executive proposal for statewide present law adjustments for personal services.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	321,029,659	340,130,772	19,101,113	5.95 %
Operating Expenses	934,919,006	941,552,882	6,633,876	0.71 %
Equipment & Intangible Assets	6,520,316	7,972,316	1,452,000	22.27 %
Capital Outlay	25,913,930	25,913,730	(200)	0.00 %
Grants	53,812,036	47,710,640	(6,101,396)	(11.34)%
Transfers	4,509,894	3,660,156	(849,738)	(18.84)%
Debt Service	170,540	170,540	0	0.00 %
Total Expenditures	\$1,346,875,381	\$1,367,111,036	\$20,235,655	1.50 %
State/Other Special Rev. Funds	505,174,709	512,812,274	7,637,565	1.51 %
Federal Spec. Rev. Funds	841,700,672	854,298,762	12,598,090	1.50 %
Total Funds	\$1,346,875,381	\$1,367,111,036	\$20,235,655	1.50 %
Total Ongoing	\$1,346,875,381	\$1,366,206,036	\$19,330,655	1.44 %
Total OTO	\$0	\$905,000	\$905,000	100.00 %

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Agency Highlights

**Department of Transportation
Major Budget Highlights**

- The legislature adopted a budget for the Department of Transportation (MDT) with appropriations of \$1.4 billion in the 2021 biennium, an increase of \$20.2 million or 1.5% from the 2019 biennium budget
- The legislature reduced the executive request by \$0.9 million, mainly from the reduction of funding for 5.00 FTE in each year of the biennium
- \$19.1 million of the total increase is in personal services costs resulting from changes in the pay plan, a reduced rate of vacancy saving, and the addition of 7.00 FTE in a new proposal in FY 2021
- \$12.0 million in biennial present law adjustments result in 59.5% of the total change, and are substantially made up of two adjustments:
 - The Maintenance Program includes \$4.0 million for materials and overtime for winter maintenance functions
 - The Rail, Transit, and Planning Program includes \$3.9 million to provide buses and bus facilities from increased federal authority
- Two new proposals net to a biennial reduction of \$4.4 million and consist of:
 - A reduction of \$6.0 million in grant funding in the Construction Program
 - \$1.6 million of funding for a new Rural Traffic Management Center in the Maintenance Program

Agency Actuals and Budget Comparison

Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1,990.27	1,990.27	1,986.27	1,992.27
Personal Services	152,210,150	157,482,539	163,547,120	169,893,139	170,237,633
Operating Expenses	421,201,157	467,655,778	467,263,228	470,490,138	471,062,744
Equipment & Intangible Assets	1,705,715	3,262,658	3,257,658	4,044,658	3,927,658
Capital Outlay	6,493,807	12,957,065	12,956,865	12,956,865	12,956,865
Grants	19,655,328	28,993,112	24,818,924	23,805,320	23,905,320
Transfers	1,710,726	2,679,816	1,830,078	1,830,078	1,830,078
Debt Service	63,953	85,270	85,270	85,270	85,270
Total Expenditures	\$603,040,836	\$673,116,238	\$673,759,143	\$683,105,468	\$684,005,568
State/Other Special Rev. Funds	224,460,662	256,480,955	248,693,754	256,331,223	256,481,051
Federal Spec. Rev. Funds	378,580,174	416,635,283	425,065,389	426,774,245	427,524,517
Total Funds	\$603,040,836	\$673,116,238	\$673,759,143	\$683,105,468	\$684,005,568
Total Ongoing	\$603,040,836	\$673,116,238	\$673,759,143	\$682,645,468	\$683,560,568
Total OTO	\$0	\$0	\$0	\$460,000	\$445,000

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	1,990.27	1,991.27	1,986.27	(5.00)	1,997.27	1,992.27	(5.00)	(5.00)
Personal Services	163,547,120	170,296,777	169,893,139	(403,638)	170,641,272	170,237,633	(403,639)	(807,277)
Operating Expenses	467,263,228	470,484,813	470,490,138	5,325	471,062,419	471,062,744	325	5,650
Equipment & Intangible Assets	3,257,658	4,044,658	4,044,658	0	3,927,658	3,927,658	0	0
Capital Outlay	12,956,865	12,956,865	12,956,865	0	12,956,865	12,956,865	0	0
Grants	24,818,924	23,805,320	23,805,320	0	23,905,320	23,905,320	0	0
Transfers	1,830,078	1,890,078	1,830,078	(60,000)	1,890,078	1,830,078	(60,000)	(120,000)
Debt Service	85,270	85,270	85,270	0	85,270	85,270	0	0
Total Costs	\$673,759,143	\$683,563,781	\$683,105,468	(\$458,313)	\$684,468,882	\$684,005,568	(\$463,314)	(\$921,627)
State/other Special Rev. Funds	248,693,754	257,459,183	256,331,223	(1,127,960)	257,634,260	256,481,051	(1,153,209)	(2,281,169)
Federal Spec. Rev. Funds	425,065,389	426,104,598	426,774,245	669,647	426,834,622	427,524,517	689,895	1,359,542
Other	0	0	0	0	0	0	0	0
Total Funds	\$673,759,143	\$683,563,781	\$683,105,468	(\$458,313)	\$684,468,882	\$684,005,568	(\$463,314)	(\$921,627)
Total Ongoing	\$673,759,143	\$683,103,781	\$682,645,468	(\$458,313)	\$684,023,882	\$683,560,568	(\$463,314)	(\$921,627)
Total OTO	\$0	\$460,000	\$460,000	\$0	\$445,000	\$445,000	\$0	\$0

The legislatively adopted budget for MDT is \$0.9 million, or 0.1% less than the executive recommendation in the 2021 biennium. The primary change was a reduction of personal services of \$807,276 over the biennium, costs associated with 5.00 FTE.

Funding

The following table shows agency funding by source of authority.

Total Department of Transportation Funding by Source of Authority 2021 Biennium Budget Request - Department of Transportation						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
State Special Total	512,632,274	180,000	0	80,260,066	593,072,340	38.47 %
Federal Special Total	853,573,762	725,000	0	19,335,900	873,634,662	56.67 %
Proprietary Total	0	0	74,785,170	0	74,785,170	4.85 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$1,366,206,036	\$905,000	\$74,785,170	\$99,595,966	\$1,541,492,172	
Percent - Total All Sources	88.63 %	0.06 %	4.85 %	6.46 %		

The department is funded from a combination of state special revenue and federal special revenue. Included in the figure above is the funding for the three proprietary programs: the State Motor Pool internal service program, the MDT Equipment internal service program, and the Yellowstone Airport enterprise program. Statutory appropriations consist of distributions of gasoline taxes to local and tribal governments (state special funds) and federal debt service payments.

MDT is primarily financed through three state special revenue accounts. The three major accounts make up 98.0% of the agency's HB 2 state special revenues. The revenues that fund the accounts can be grouped in two general categories, constitutionally restricted and non-restricted revenues.

Restricted revenues are derived from gross vehicle weight fees and excise and license taxes on gasoline, fuel, and other energy sources that are used to propel vehicles on public highways. These funds are deposited into the highway state special restricted account (HSSRA) and the bridge and road safety and accountability act/account (BaRSAA).

Non-restricted revenues are derived from special use permits and motor fuel penalties and interest payments. The funds are deposited into the highway state special non-restricted account (HSSRA-Non-Restricted). MDT relies on these funds for maintenance and other functions not directly related to road and highway construction and maintenance, such as emergency services and transit grants.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	673,759,143	673,759,143	1,347,518,286	98.57 %	
SWPL Adjustments	0	0	0	0.00 %	6,148,791	5,866,994	12,015,785	0.88 %	
PL Adjustments	0	0	0	0.00 %	5,424,091	6,582,600	12,006,691	0.88 %	
New Proposals	0	0	0	0.00 %	(2,226,557)	(2,203,169)	(4,429,726)	(0.32)%	
Total Budget	\$0	\$0	\$0		\$683,105,468	\$684,005,568	\$1,367,111,036		

Language and Statutory Authority

The department may adjust appropriations between state special revenue and federal special revenue funds if the total state special revenue authority by program is not increased by more than 10% of the total appropriations established by the legislature.

All appropriations in the department are biennial.

The state motor pool shall grant up to two surplus vehicles per year for courtesy cars to municipal airports as defined in 67-10-903.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	31,769,194	33,981,259	2,212,065	6.96 %
Operating Expenses	30,929,980	32,066,568	1,136,588	3.67 %
Equipment & Intangible Assets	96,606	91,606	(5,000)	(5.18)%
Capital Outlay	200	0	(200)	(100.00)%
Grants	150,000	150,000	0	0.00 %
Transfers	16,777	0	(16,777)	(100.00)%
Debt Service	170,540	170,540	0	0.00 %
Total Expenditures	\$63,133,297	\$66,459,973	\$3,326,676	5.27 %
State/Other Special Rev. Funds	60,050,686	62,903,559	2,852,873	4.75 %
Federal Spec. Rev. Funds	3,082,611	3,556,414	473,803	15.37 %
Total Funds	\$63,133,297	\$66,459,973	\$3,326,676	5.27 %
Total Ongoing	\$63,133,297	\$66,459,973	\$3,326,676	5.27 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	179.80	179.80	177.80	177.80
Personal Services	14,608,030	15,627,062	16,142,132	16,989,380	16,991,879
Operating Expenses	14,115,363	15,554,577	15,375,403	16,135,861	15,930,707
Equipment & Intangible Assets	50,789	50,803	45,803	45,803	45,803
Capital Outlay	8	200	0	0	0
Grants	75,000	75,000	75,000	75,000	75,000
Transfers	16,770	16,777	0	0	0
Debt Service	63,953	85,270	85,270	85,270	85,270
Total Expenditures	\$28,929,913	\$31,409,689	\$31,723,608	\$33,331,314	\$33,128,659
State/Other Special Rev. Funds	27,866,711	29,864,597	30,186,089	31,556,258	31,347,301
Federal Spec. Rev. Funds	1,063,202	1,545,092	1,537,519	1,775,056	1,781,358
Total Funds	\$28,929,913	\$31,409,689	\$31,723,608	\$33,331,314	\$33,128,659
Total Ongoing	\$28,929,913	\$31,409,689	\$31,723,608	\$33,331,314	\$33,128,659
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The General Operations Program is primarily funded from the restricted highway state special revenue account and federal highway trust special revenue. The restricted highway state special revenue account receives revenue from motor fuel

taxes, gross vehicle weight permit fees, and reimbursements for indirect costs associated with the federal-aid highway program via a Federal Highways Administration (FHWA) approved indirect cost plan. Federal funding is available for assistance for disadvantaged businesses, on-the-job training programs, fuel tax evasion prevention efforts, and direct administrative expenses associated with the federal-aid highway program.

The General Operations Program is also responsible for \$79.8 million of statutory appropriations. Most, \$69.1 million, are the distributions of fuel taxes to cities, towns, counties, and consolidated city-county governments. The \$10.7 million of statutory distributions through the tribal motor fuels accounts are a function of the revenue sharing agreements between the tribes and the state.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	31,723,608	31,723,608	63,447,216	95.47 %	
SWPL Adjustments	0	0	0	0.00 %	1,449,892	1,182,417	2,632,309	3.96 %	
PL Adjustments	0	0	0	0.00 %	157,814	222,634	380,448	0.57 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$33,331,314	\$33,128,659	\$66,459,973		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	882,248	109,827	992,075	0.00	0	882,360	112,214	994,574
DP 2 - Fixed Costs	0.00	0	451,247	0	451,247	0.00	0	179,690	0	179,690
DP 3 - Inflation Deflation	0.00	0	6,176	394	6,570	0.00	0	7,664	489	8,153
DP 50 - Personal Services Adjustment (2.00)	0	(144,827)	0	(144,827)	(2.00)	0	(144,827)	0	0	(144,827)
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	75,325	0	75,325	0.00	0	75,325	0	75,325
DP 106 - Fuel Tax Evasion Grant	0.00	0	0	127,316	127,316	0.00	0	0	131,136	131,136
DP 107 - Adobe Software Funding/Replacement	0.00	0	100,000	0	100,000	0.00	0	75,000	0	75,000
DP 108 - MCS- Customer Credentialing and Automated Routing Software	0.00	0	0	0	0	0.00	0	86,000	0	86,000
Grand Total All Present Law Adjustments (2.00)		\$0	\$1,370,169	\$237,537	\$1,607,706	(2.00)	\$0	\$1,161,212	\$243,839	\$1,405,051

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted statewide adjustments to the present law personal services budget, and made adjustments in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 50 - Personal Services Adjustment -

The legislature adopted this adjustment to personal services that reduces the funding associated with 2.00 FTE from the program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 106 - Fuel Tax Evasion Grant -

The legislature adopted an increase of authority for the federal fuel tax evasion grant program funding in the base of the program. The authority adds federal funding in the following areas: administration division, audit services, and legal services. The fuel tax evasion grants funding has been sustained in the 2019 biennium through budget amendments.

DP 107 - Adobe Software Funding/Replacement -

The legislature adopted an increase in state special revenue authority to replace Adobe software currently used within the agency. This appropriation will continue the provision of either Adobe PDF, or some similar software, in FY 2021.

DP 108 - MCS- Customer Credentialing and Automated Routing Software -

The legislature adopted an appropriation of state special revenue in FY 2021 for the ongoing costs of the Customer Credentialing System (CCS) and Automated Routing System (ARS).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	144,461,048	151,843,138	7,382,090	5.11 %
Operating Expenses	722,529,459	724,239,096	1,709,637	0.24 %
Equipment & Intangible Assets	5,330,524	5,330,524	0	0.00 %
Capital Outlay	25,913,730	25,913,730	0	0.00 %
Grants	14,261,256	8,261,256	(6,000,000)	(42.07)%
Total Expenditures	\$912,496,017	\$915,587,744	\$3,091,727	0.34 %
State/Other Special Rev. Funds	152,683,466	146,249,790	(6,433,676)	(4.21)%
Federal Spec. Rev. Funds	759,812,551	769,337,954	9,525,403	1.25 %
Total Funds	\$912,496,017	\$915,587,744	\$3,091,727	0.34 %
Total Ongoing	\$912,496,017	\$915,587,744	\$3,091,727	0.34 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, C-102

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	849.72	849.72	846.72	846.72
Personal Services	68,023,711	70,917,358	73,543,690	75,926,835	75,916,303
Operating Expenses	325,508,401	361,230,811	361,298,648	362,084,508	362,154,588
Equipment & Intangible Assets	1,358,895	2,665,262	2,665,262	2,665,262	2,665,262
Capital Outlay	6,493,799	12,956,865	12,956,865	12,956,865	12,956,865
Grants	932,660	7,130,628	7,130,628	4,130,628	4,130,628
Total Expenditures	\$402,317,466	\$454,900,924	\$457,595,093	\$457,764,098	\$457,823,646
State/Other Special Rev. Funds	58,502,565	81,103,488	71,579,978	73,098,306	73,151,484
Federal Spec. Rev. Funds	343,814,901	373,797,436	386,015,115	384,665,792	384,672,162
Total Funds	\$402,317,466	\$454,900,924	\$457,595,093	\$457,764,098	\$457,823,646
Total Ongoing	\$402,317,466	\$454,900,924	\$457,595,093	\$457,764,098	\$457,823,646
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, C-103

Funding

Costs eligible for reimbursement under the federal-aid construction program are funded with the restricted highway state special revenue accounts and federal special revenue funds distributed by the U.S. Department of Transportation and apportioned to Montana. Construction design, construction, and construction management costs, as well as indirect administrative costs for construction activities, are generally eligible for federal reimbursement. The state match requirement is based on a sliding scale match, which is currently 86.6% federal with a 13.4% state match for most direct

construction related costs. The primary sources of revenues in the restricted state special revenue accounts are highway-user fees derived from motor fuel taxes and gross vehicle weight fees.

The Construction Program is also responsible for \$19.6 million of statutory appropriations. Statutory appropriations include \$300,000 to be distributed for the purposes and functions of the Montana Local Technical Assistance Transportation Program at Montana State University and \$19.3 million, federally funded, for the debt service costs associated with previous work on Hwy 93. The federal debt service obligation will reach maturity in FY 2023.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	457,595,093	457,595,093	915,190,186	99.96 %	
SWPL Adjustments	0	0	0	0.00 %	2,657,099	2,648,993	5,306,092	0.58 %	
PL Adjustments	0	0	0	0.00 %	511,906	579,560	1,091,466	0.12 %	
New Proposals	0	0	0	0.00 %	(3,000,000)	(3,000,000)	(6,000,000)	(0.66)%	
Total Budget	\$0	\$0	\$0		\$457,764,098	\$457,823,646	\$915,587,744		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	959,543	1,682,413	2,641,956	0.00	0	956,260	1,675,164	2,631,424
DP 2 - Fixed Costs	0.00	0	4,886	189	5,075	0.00	0	4,886	189	5,075
DP 3 - Inflation Deflation	0.00	0	3,261	6,807	10,068	0.00	0	4,047	8,447	12,494
DP 50 - Personal Services Adjustment	(3.00)	0	(258,811)	0	(258,811)	(3.00)	0	(258,811)	0	(258,811)
DP 205 - BaRSAA Funding	0.00	0	0	0	0	0.00	0	0	0	0
DP 207 - Bridge and Road Fund Switch - BaRSAA	0.00	0	0	0	0	0.00	0	0	0	0
DP 208 - Engineering Software Licensing & Maintenance Contracts	0.00	0	630,773	139,944	770,717	0.00	0	686,448	151,923	838,371
Grand Total All Present Law Adjustments	(3.00)	\$0	\$1,339,652	\$1,829,353	\$3,169,005	(3.00)	\$0	\$1,392,830	\$1,835,723	\$3,228,553

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted statewide adjustments to the present law personal services budget, and made adjustments in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 50 - Personal Services Adjustment -

The legislature adopted this adjustment to personal services that reduces the funding associated with 3.00 FTE from the program.

DP 205 - BaRSAA Funding -

The legislature adopted taking \$12,800,000 each year of restricted bridge and road safety and accountability act (BaRSAA) authority from the base and placing the appropriation in a line item. This action will help members of the legislature and public to know the amount of funds to be tracked under the provisions of BaRSAA. This appropriation is not restricted, but the use of the funds is restricted in law.

DP 207 - Bridge and Road Fund Switch - BaRSAA -

The legislature adopted a fund switch of \$12,800,000 in FY 2020 and \$12,800,000 in FY 2021 of state special revenue in the restricted highway state special revenue account (HSSRA) to the restricted bridge and road safety and accountability account (BaRSAA) to adjust the contractor payments funding model for BaRSAA-selected projects.

DP 208 - Engineering Software Licensing & Maintenance Contracts -

The legislature adopted an increase in state special and federal special revenue appropriation for engineering software licensing and maintenance IT contract increases. The Engineering division has experienced additional software acquisition, licensing, and maintenance agreement costs and the price of existing contracts has been increasing by 2.0% to 5.0% each year.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 206 - FHWA Grant Reduction	0.00	0	178,676	(3,178,676)	(3,000,000)	0.00	0	178,676	(3,178,676)	(3,000,000)
Total	0.00	\$0	\$178,676	(\$3,178,676)	(\$3,000,000)	0.00	\$0	\$178,676	(\$3,178,676)	(\$3,000,000)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 206 - FHWA Grant Reduction -

The legislature adopted a reduction in federal appropriation for the elimination of the Community Transportation Enhancement Program (CTEP), which is no longer a federally funded program. This request shifts a small portion of the funding from federal authority for the Congestion Mitigation & Air Quality (CMAQ) program to state special revenue authority to ensure the appropriate level of matching funds are available for CMAQ grants.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	108,900,732	116,245,543	7,344,811	6.74 %
Operating Expenses	160,204,345	163,802,421	3,598,076	2.25 %
Equipment & Intangible Assets	450,416	1,247,416	797,000	176.95 %
Grants	25,000	50,000	25,000	100.00 %
Total Expenditures	\$269,580,493	\$281,345,380	\$11,764,887	4.36 %
State/Other Special Rev. Funds	253,158,387	263,682,358	10,523,971	4.16 %
Federal Spec. Rev. Funds	16,422,106	17,663,022	1,240,916	7.56 %
Total Funds	\$269,580,493	\$281,345,380	\$11,764,887	4.36 %
Total Ongoing	\$269,580,493	\$281,345,380	\$11,764,887	4.36 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, C-108

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	733.55	733.55	734.55	740.55
Personal Services	53,036,596	53,323,913	55,576,819	57,943,703	58,301,840
Operating Expenses	74,810,482	79,719,747	80,484,598	81,710,538	82,091,883
Equipment & Intangible Assets	128,276	225,208	225,208	902,208	345,208
Grants	0	0	25,000	25,000	25,000
Total Expenditures	\$127,975,354	\$133,268,868	\$136,311,625	\$140,581,449	\$140,763,931
State/Other Special Rev. Funds	119,737,178	124,985,702	128,172,685	131,760,071	131,922,287
Federal Spec. Rev. Funds	8,238,176	8,283,166	8,138,940	8,821,378	8,841,644
Total Funds	\$127,975,354	\$133,268,868	\$136,311,625	\$140,581,449	\$140,763,931
Total Ongoing	\$127,975,354	\$133,268,868	\$136,311,625	\$140,581,449	\$140,763,931
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, C-109

Funding

The state special revenue funding of the Maintenance Program is derived from highway state special revenue accounts. The funding proposal includes state special support from the restricted and non-restricted highway state special revenue accounts. Federal special revenue also funds qualifying highway maintenance activities determined by the Federal Highway Administration to extend the life of the highway system.

The Maintenance Program administers a statutory appropriation that funds activities related to shared-use paths. The funding for this appropriation is derived from an opt-in vehicle license fee for the maintenance and construction of shared use paths.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	136,311,625	136,311,625	272,623,250	96.90 %	
SWPL Adjustments	0	0	0	0.00 %	1,291,893	1,289,952	2,581,845	0.92 %	
PL Adjustments	0	0	0	0.00 %	2,204,488	2,365,523	4,570,011	1.62 %	
New Proposals	0	0	0	0.00 %	773,443	796,831	1,570,274	0.56 %	
Total Budget	\$0	\$0	\$0		\$140,581,449	\$140,763,931	\$281,345,380		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	1,257,778	12,663	1,270,441	0.00	0	1,255,541	12,649	1,268,190
DP 2 - Fixed Costs	0.00	0	20,169	0	20,169	0.00	0	20,169	0	20,169
DP 3 - Inflation Deflation	0.00	0	1,155	128	1,283	0.00	0	1,434	159	1,593
DP 301 - Maintenance Program Fund Switch	0.00	0	0	0	0	0.00	0	0	0	0
DP 306 - Secondary Roads	0.00	0	0	0	0	0.00	0	105,214	0	105,214
DP 307 - Restore Winter Maintenance - RST	0.00	0	2,000,000	0	2,000,000	0.00	0	2,000,000	0	2,000,000
DP 308 - Rest Area Contracts	0.00	0	204,488	0	204,488	0.00	0	260,309	0	260,309
Grand Total All Present Law Adjustments	0.00	\$0	\$3,483,590	\$12,791	\$3,496,381	0.00	\$0	\$3,642,667	\$12,808	\$3,655,475

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 301 - Maintenance Program Fund Switch -

The legislature adopted a funding switch of \$7,602,163 per year in budget authority from the restricted highway state special revenue account to the non-restricted highway state special revenue account.

DP 306 - Secondary Roads -

The legislature adopted an increase in state special revenue appropriation for the assumption of the maintenance responsibility on state secondary roads. Each year counties nominate secondary roads for improvement. Many of the projects result in gravel roads becoming paved, and in the 2021 biennium MDT anticipates that 10.8 miles of additional secondary roads would become eligible for MDT maintenance.

DP 307 - Restore Winter Maintenance - RST -

The legislature adopted an increase in appropriation for winter maintenance materials (brining salt, liquid de-icer, road salt, sand) and overtime costs. The legislature restricted this appropriation to the uses described here.

DP 308 - Rest Area Contracts -

The legislature adopted an increase in state special revenue appropriation for the service and upkeep of rest areas. This request would support the increase of contract costs that will be rebid for the 2021 biennium, which are expected to increase by 3.0% per year.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 310 - Rural Traffic Management Center	1.00	0	103,796	669,647	773,443	7.00	0	106,935	689,896	796,831
Total	1.00	\$0	\$103,796	\$669,647	\$773,443	7.00	\$0	\$106,935	\$689,896	\$796,831

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 310 - Rural Traffic Management Center -

The legislature adopted state and federal special revenue appropriations to establish a 24/7 Traffic Management Center (TMC) at a central location to handle road reporting, maintenance call outs, incident and construction reporting, and to enable notification of emergency personnel of incidents on state maintained highways. The FY 2020 costs include the addition of 1.00 FTE (a communication tech) and one-time-only operating costs to upgrade the communications equipment. The FY 2021 costs represent the new annual costs of the TMC, which will include the addition of another 6.00 FTE to operate the facility. The TMC is funded 86.6% with federal special revenue.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	838,055	858,834	20,779	2.48 %
Operating Expenses	4,551,292	4,453,660	(97,632)	(2.15)%
Equipment & Intangible Assets	7,213,506	7,603,506	390,000	5.41 %
Debt Service	228,898	38,898	(190,000)	(83.01)%
Total Expenditures	\$12,831,751	\$12,954,898	\$123,147	0.96 %
Proprietary Funds	12,831,751	12,954,898	123,147	0.96 %
Total Funds	\$12,831,751	\$12,954,898	\$123,147	0.96 %

Page Reference

Legislative Budget Analysis, C-114

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	6.00	6.00	6.00	6.00
Personal Services	395,008	415,933	422,122	429,021	429,813
Operating Expenses	2,293,173	2,329,385	2,221,907	2,226,911	2,226,749
Equipment & Intangible Assets	0	3,411,753	3,801,753	3,801,753	3,801,753
Debt Service	209,304	209,449	19,449	19,449	19,449
Total Expenditures	\$2,897,485	\$6,366,520	\$6,465,231	\$6,477,134	\$6,477,764
Proprietary Funds	2,897,485	6,366,520	6,465,231	6,477,134	6,477,764
Total Funds	\$2,897,485	\$6,366,520	\$6,465,231	\$6,477,134	\$6,477,764

Page Reference

Legislative Budget Analysis, C-115

Funding

Funding for the State Motor Pool is generated through rental and lease fees charged to the state agencies, which are deposited in a proprietary fund.

Funding Sources: The following sources of funding were used to pay for the services provided by this program in FY 2018:

- General fund (54.9%)
- State special revenue (21.3%)
- Federal special revenue (21.2%)
- Proprietary (2.1%)
- Other (0.5%)

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	6,465,231	6,465,231	12,930,462	99.81 %
SWPL Adjustments	0	0	0	0.00 %	11,903	12,533	24,436	0.19 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$6,477,134	\$6,477,764	\$12,954,898	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	6,899	0.00	0	0	0	7,691
DP 2 - Fixed Costs	0.00	0	0	0	5,004	0.00	0	0	0	4,842
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$11,903	0.00	\$0	\$0	\$0	\$12,533

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Other Issues -***Proprietary Rates***

The legislature adopted the rates for the Motor Pool Program as requested by the executive.

Motor Pool users pay a usage rate and an assigned rate. The usage rate is charged for actual miles driven and allows the program to recover costs directly related to the operation of the vehicle, such as repairs, parts, fuel, lubricants, and tires. The assigned rate is charged for hours the vehicle was used and allows the program to cover fixed costs associated with state ownership, such as insurance, interest payments on BOI loans, depreciation, and utilities. The rates approved by the legislature are the maximum the program may charge during the biennium, not the rates the program must charge. The state motor pool rates are included in HB 2, Section R.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	18,328,377	18,860,104	531,727	2.90 %
Operating Expenses	29,183,761	28,040,290	(1,143,471)	(3.92)%
Equipment & Intangible Assets	13,530,256	14,230,256	700,000	5.17 %
Total Expenditures	\$61,042,394	\$61,130,650	\$88,256	0.14 %
Proprietary Funds	61,042,394	61,130,650	88,256	0.14 %
Total Funds	\$61,042,394	\$61,130,650	\$88,256	0.14 %

Page Reference

Legislative Budget Analysis, C-119

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	123.00	123.00	123.00	123.00
Personal Services	8,913,455	9,093,403	9,234,974	9,431,895	9,428,209
Operating Expenses	15,009,694	15,159,803	14,023,958	14,025,121	14,015,169
Equipment & Intangible Assets	6,377,707	6,415,128	7,115,128	7,115,128	7,115,128
Total Expenditures	\$30,300,856	\$30,668,334	\$30,374,060	\$30,572,144	\$30,558,506
Proprietary Funds	30,300,856	30,668,334	30,374,060	30,572,144	30,558,506
Total Funds	\$30,300,856	\$30,668,334	\$30,374,060	\$30,572,144	\$30,558,506

Page Reference

Legislative Budget Analysis, C-120

Funding

Funding for the Equipment Program is generated through user fees charged to programs and divisions in MDT, which are deposited in a proprietary fund.

Funding Sources: The following sources of funding were used to pay for the equipment rentals from this program in FY 2018:

- 89.9% State special revenues
- 10.1% Federal special revenues

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	30,374,060	30,374,060	60,748,120	99.37 %
SWPL Adjustments	0	0	0	0.00 %	198,084	184,446	382,530	0.63 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$30,572,144	\$30,558,506	\$61,130,650	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	196,921	0.00	0	0	0	193,235
DP 2 - Fixed Costs	0.00	0	0	0	1,043	0.00	0	0	0	(8,938)
DP 3 - Inflation Deflation	0.00	0	0	0	120	0.00	0	0	0	149
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$198,084	0.00	\$0	\$0	\$0	\$184,446

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

Other Issues -**Proprietary Rates**

The legislature adopted a 60-day working capital rate for the Equipment Program.

The Equipment Program rental rates are based on a dual rate structure. The users pay a usage rate and an assigned rate. The usage rate is a mileage rate that is applied according to the actual miles/hours of use for vehicle or piece of equipment. The usage rate is designed to recover "direct costs" that include labor, parts, fuel, lubricants, and tires. The assigned rate is a per hour rate designed to recover "fixed costs" such as insurance, depreciation, and administrative overhead costs. Rental rates are adjusted yearly.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,506,349	18,683,046	1,176,697	6.72 %
Operating Expenses	5,867,272	5,940,043	72,771	1.24 %
Equipment & Intangible Assets	395,432	395,432	0	0.00 %
Transfers	99,432	99,432	0	0.00 %
Total Expenditures	\$23,868,485	\$25,117,953	\$1,249,468	5.23 %
State/Other Special Rev. Funds	18,114,004	19,041,329	927,325	5.12 %
Federal Spec. Rev. Funds	5,754,481	6,076,624	322,143	5.60 %
Total Funds	\$23,868,485	\$25,117,953	\$1,249,468	5.23 %
Total Ongoing	\$23,868,485	\$25,117,953	\$1,249,468	5.23 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, C-124

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	123.44	123.44	123.44	123.44
Personal Services	7,876,788	8,583,869	8,922,480	9,344,543	9,338,503
Operating Expenses	2,156,212	2,929,260	2,938,012	2,969,943	2,970,100
Equipment & Intangible Assets	116,955	197,716	197,716	197,716	197,716
Transfers	33,772	49,716	49,716	49,716	49,716
Total Expenditures	\$10,183,727	\$11,760,561	\$12,107,924	\$12,561,918	\$12,556,035
State/Other Special Rev. Funds	7,844,114	8,897,054	9,216,950	9,523,065	9,518,264
Federal Spec. Rev. Funds	2,339,613	2,863,507	2,890,974	3,038,853	3,037,771
Total Funds	\$10,183,727	\$11,760,561	\$12,107,924	\$12,561,918	\$12,556,035
Total Ongoing	\$10,183,727	\$11,760,561	\$12,107,924	\$12,561,918	\$12,556,035
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, C-125

Funding

MCS is funded by the highway state special revenue accounts and federal special revenue. Most of the funding in the 2021 biennium is provided in the constitutionally restricted highway state special revenue account. Other state special revenues supporting program activities include unified carrier registration fees and the highway non-restricted account. Federal funds are derived from federal grant programs and distributions from the federal highway trust.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	12,107,924	12,107,924	24,215,848	96.41 %
SWPL Adjustments	0	0	0	0.00 %	423,994	418,111	842,105	3.35 %
PL Adjustments	0	0	0	0.00 %	30,000	30,000	60,000	0.24 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$12,561,918	\$12,556,035	\$25,117,953	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	304,472	117,591	422,063	0.00	0	299,558	116,465	416,023
DP 2 - Fixed Costs	0.00	0	1,171	106	1,277	0.00	0	1,171	106	1,277
DP 3 - Inflation Deflation	0.00	0	472	182	654	0.00	0	585	226	811
DP 2207 - Fuel Tax Evasion Grant	0.00	0	0	30,000	30,000	0.00	0	0	30,000	30,000
Grand Total All Present Law Adjustments	0.00	\$0	\$306,115	\$147,879	\$453,994	0.00	\$0	\$301,314	\$146,797	\$448,111

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 2207 - Fuel Tax Evasion Grant -

The legislature adopted an increase in federal special revenue appropriation for the fuel tax evasion program. The fuel tax evasion grants have increased over the years and have been sustained through additional grants and budget amendments.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,593,258	1,619,891	26,633	1.67 %
Operating Expenses	2,666,381	2,542,041	(124,340)	(4.66)%
Equipment & Intangible Assets	0	110,000	110,000	0.00 %
Grants	781,687	848,000	66,313	8.48 %
Transfers	13,802	13,802	0	0.00 %
Total Expenditures	\$5,055,128	\$5,133,734	\$78,606	1.55 %
State/Other Special Rev. Funds	3,645,356	4,018,167	372,811	10.23 %
Federal Spec. Rev. Funds	1,409,772	1,115,567	(294,205)	(20.87)%
Total Funds	\$5,055,128	\$5,133,734	\$78,606	1.55 %
Total Ongoing	\$5,055,128	\$4,228,734	(\$826,394)	(16.35)%
Total OTO	\$0	\$905,000	\$905,000	100.00 %

Page Reference

Legislative Budget Analysis, C-128

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	9.00	9.00	9.00	9.00
Personal Services	713,885	784,252	809,006	810,424	809,467
Operating Expenses	377,703	1,862,543	803,838	1,223,236	1,318,805
Equipment & Intangible Assets	0	0	0	110,000	0
Grants	291,514	378,687	403,000	424,000	424,000
Transfers	5,878	6,901	6,901	6,901	6,901
Total Expenditures	\$1,388,980	\$3,032,383	\$2,022,745	\$2,574,561	\$2,559,173
State/Other Special Rev. Funds	1,426,634	1,817,557	1,827,799	2,064,115	1,954,052
Federal Spec. Rev. Funds	(37,654)	1,214,826	194,946	510,446	605,121
Total Funds	\$1,388,980	\$3,032,383	\$2,022,745	\$2,574,561	\$2,559,173
Total Ongoing	\$1,388,980	\$3,032,383	\$2,022,745	\$2,114,561	\$2,114,173
Total OTO	\$0	\$0	\$0	\$460,000	\$445,000

Page Reference

Legislative Budget Analysis, C-129

Funding

The Aeronautics Program is funded with state and federal special revenues. State special revenue funds are derived primarily from state aviation fuel taxes and aviation license fees. Federal special revenue comes from Federal Aviation Administration grants. Proprietary funding supports the Yellowstone Airport enterprise program, a non-HB 2 budget.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	2,022,745	2,022,745	4,045,490	78.80 %
SWPL Adjustments	0	0	0	0.00 %	(2,671)	(3,059)	(5,730)	(0.11)%
PL Adjustments	0	0	0	0.00 %	554,487	539,487	1,093,974	21.31 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$2,574,561	\$2,559,173	\$5,133,734	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	0	918	500	1,418		0.00	0	286	175	461
DP 2 - Fixed Costs										
0.00	0	(4,141)	0	(4,141)		0.00	0	(3,585)	0	(3,585)
DP 3 - Inflation Deflation										
0.00	0	52	0	52		0.00	0	65	0	65
DP 4006 - Cessna 206 Engine Rebuild - OTO										
0.00	0	110,000	0	110,000		0.00	0	0	0	0
DP 4007 - Precision Approach Path Indicator (PAPI) - OTO										
0.00	0	0	0	0		0.00	0	0	275,000	275,000
DP 4008 - Lincoln Airport Federally Supported Projects - OTO										
0.00	0	35,000	315,000	350,000		0.00	0	15,000	135,000	150,000
DP 4009 - Grant & Loan Increase										
0.00	0	94,487	0	94,487		0.00	0	94,487	0	94,487
DP 4010 - Aeronautical Charts - OTO										
0.00	0	0	0	0		0.00	0	20,000	0	20,000
Grand Total All Present Law Adjustments										
0.00	\$0	\$236,316	\$315,500	\$551,816		0.00	\$0	\$126,253	\$410,175	\$536,428

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 4006 - Cessna 206 Engine Rebuild - OTO -

The legislature adopted a state special revenue appropriation to rebuild the engine on the 1999 Cessna 206 aircraft. The engine is due to be overhauled. The aircraft is used primarily for air search and rescue and the Division is the first responder in case of a missing or overdue aircraft.

DP 4007 - Precision Approach Path Indicator (PAPI) - OTO -

The legislature adopted a federal special revenue appropriation for the construction of a Precision Approach Path Indicator (PAPI) at the Yellowstone Airport, a visual guidance system required by the FAA and the airline to continue commercial air carrier operations. The federal special revenues would be matched with \$25,000 of proprietary funding from the Yellowstone Airport budget.

DP 4008 - Lincoln Airport Federally Supported Projects - OTO -

The legislature adopted state and federal special revenue appropriations for maintenance activities at the Lincoln Airport. The appropriations will also provide funding for an airport master plan, which needs to be updated every ten years, a wildlife hazard assessment, and an Airport Geographic Information System (AGIS) survey, as recommended by the Federal Aviation Administration (FAA).

DP 4009 - Grant & Loan Increase -

The legislature adopted an increase of state special revenue appropriation for the program's grants, loans, and pavement preservation grants. This request will also increase the program operating budget for search and rescue, aviation education, maintenance of state-owned airports, and aviation support services.

DP 4010 - Aeronautical Charts - OTO -

The legislature adopted a state special revenue appropriation for the production of aeronautical charts. The chart is produced in a digital format for the MDT website. Due to the unique aspects of the chart, it is not possible for MDT to produce this chart in house.

Other Issues -**Yellowstone Airport Proprietary Program**

The Yellowstone Airport is an enterprise proprietary fund. As such, the legislature neither appropriates funds for the program nor approves rates. Instead the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund.

Proprietary Rates

There will be slight increases in fees and rates in the 2021 biennium.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	16,799,078	17,757,895	958,817	5.71 %
Operating Expenses	12,721,569	12,962,713	241,144	1.90 %
Equipment & Intangible Assets	247,338	797,338	550,000	222.37 %
Grants	38,594,093	38,401,384	(192,709)	(0.50)%
Transfers	4,379,883	3,546,922	(832,961)	(19.02)%
Total Expenditures	\$72,741,961	\$73,466,252	\$724,291	1.00 %
State/Other Special Rev. Funds	17,522,810	16,917,071	(605,739)	(3.46)%
Federal Spec. Rev. Funds	55,219,151	56,549,181	1,330,030	2.41 %
Total Funds	\$72,741,961	\$73,466,252	\$724,291	1.00 %
Total Ongoing	\$72,741,961	\$73,466,252	\$724,291	1.00 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, C-136

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	94.76	94.76	94.76	94.76
Personal Services	7,951,140	8,246,085	8,552,993	8,878,254	8,879,641
Operating Expenses	4,232,996	6,358,840	6,362,729	6,366,052	6,596,661
Equipment & Intangible Assets	50,800	123,669	123,669	123,669	673,669
Grants	18,356,154	21,408,797	17,185,296	19,150,692	19,250,692
Transfers	1,654,306	2,606,422	1,773,461	1,773,461	1,773,461
Total Expenditures	\$32,245,396	\$38,743,813	\$33,998,148	\$36,292,128	\$37,174,124
State/Other Special Rev. Funds	9,083,460	9,812,557	7,710,253	8,329,408	8,587,663
Federal Spec. Rev. Funds	23,161,936	28,931,256	26,287,895	27,962,720	28,586,461
Total Funds	\$32,245,396	\$38,743,813	\$33,998,148	\$36,292,128	\$37,174,124
Total Ongoing	\$32,245,396	\$38,743,813	\$33,998,148	\$36,292,128	\$37,174,124
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, C-137

Funding

The Rail, Transit, and Planning Division is funded with a combination of state and federal special revenue funds. Highway state special revenue from both the restricted and non-restricted highway state special revenue accounts support the overall administrative and operational costs of the program. Federal funding is derived from transit authority (FTA) local match funds, trans-aid special revenue, county DUI prevention funds, and the federal highway trust.

The RTP Program also administers a statutory appropriation that allows expenditures for shared-use paths. The funding for this appropriation is derived from an opt-in vehicle license fee for the maintenance and construction of shared use paths.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	33,998,148	33,998,148	67,996,296	92.55 %	
SWPL Adjustments	0	0	0	0.00 %	328,584	330,580	659,164	0.90 %	
PL Adjustments	0	0	0	0.00 %	1,965,396	2,845,396	4,810,792	6.55 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$36,292,128	\$37,174,124	\$73,466,252		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	150,436	174,825	325,261	0.00	0	152,082	174,566	326,648
DP 2 - Fixed Costs	0.00	0	792	0	792	0.00	0	792	0	792
DP 3 - Inflation Deflation	0.00	0	2,531	0	2,531	0.00	0	3,140	0	3,140
DP 5006 - Linear Referencing System Maintenance and Updates	0.00	0	0	0	0	0.00	0	16,000	64,000	80,000
DP 5007 - Program and Project Management System Maintenance & License	0.00	0	0	0	0	0.00	0	140,000	560,000	700,000
DP 5008 - Bus & Bus Facilities Funding	0.00	0	400,000	1,500,000	1,900,000	0.00	0	500,000	1,500,000	2,000,000
DP 5009 - Local Transit Provider Funding	0.00	0	65,396	0	65,396	0.00	0	65,396	0	65,396
Grand Total All Present Law Adjustments	0.00	\$0	\$619,155	\$1,674,825	\$2,293,980	0.00	\$0	\$877,410	\$2,298,566	\$3,175,976

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts.

DP 5006 - Linear Referencing System Maintenance and Updates -

The legislature adopted state and federal special revenue appropriations in FY 2021 for the annual license, maintenance, and operation for the new Advanced Linear Transportation Information System. This system aligns data between the agency's major management systems.

DP 5007 - Program and Project Management System Maintenance & License -

The legislature adopted state and federal special revenue appropriations in FY 2021 for the annual license, maintenance, and operation for the new Program and Project Management System. This system will be used to initiate and manage the federally funded program of projects from concept to completion.

DP 5008 - Bus & Bus Facilities Funding -

The legislature adopted state and federal special revenue appropriations to increase the budget for buses and bus facilities. The federal apportionment for buses and facilities has increased. State special revenue in this item is provided by local government agencies, which provide the matching funds upfront that are held in a state special revenue account.

DP 5009 - Local Transit Provider Funding -

The legislature adopted state special revenue appropriations to increase available funding in the local transit provider's matching funds for the anticipated levels in the Federal Transit Administration (FTA) program allocations and grants.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	16,627,287	18,487,951	1,860,664	11.19 %
Operating Expenses	5,537,625	7,171,113	1,633,488	29.50 %
Equipment & Intangible Assets	0	249,572	249,572	0.00 %
Transfers	774,954	798,962	24,008	3.10 %
Total Expenditures	\$22,939,866	\$26,707,598	\$3,767,732	16.42 %
General Fund	4,810,777	5,974,862	1,164,085	24.20 %
State/Other Special Rev. Funds	14,666,504	16,999,944	2,333,440	15.91 %
Federal Spec. Rev. Funds	3,460,579	3,732,792	272,213	7.87 %
Proprietary Funds	2,006	0	(2,006)	(100.00)%
Total Funds	\$22,939,866	\$26,707,598	\$3,767,732	16.42 %
Total Ongoing	\$22,924,866	\$26,055,115	\$3,130,249	13.65 %
Total OTO	\$15,000	\$652,483	\$637,483	4,249.89 %

Page Reference

Legislative Budget Analysis, page C-141

Agency Highlights

Department Livestock Major Budget Highlights
<p>The legislature approved an increase of 16.4% or \$3.8 million in total appropriations when compared to the 2019 biennium appropriation, and a 14.0% or \$3.3 million increase above base funding.</p> <ul style="list-style-type: none"> Total appropriation for the 2021 biennium is \$26.7 million: <ul style="list-style-type: none"> Ongoing appropriations total \$26.0 million One-time-only appropriations total \$0.7 million, a \$0.6 million increase when compared to the 2019 biennium The legislature approved a decrease of 3.25 FTE over the biennium: <ul style="list-style-type: none"> Removing 4.75 FTE from HB 2 and switching their funding to proprietary sources within the Animal Health Division The legislature approved a one-time-only increase of 1.50 FTE over the biennium in the Brands Enforcement Division The legislature approved one-time-only appropriations for the purchase of laboratory equipment, veterinary truck, updates to the MSU Bozeman's fiber optic network, and expanded brucellosis surveillance The legislature approved a budget correction adding \$1.2 million in general fund to the Animal Health Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	137.63	137.63	133.63	134.38
Personal Services	7,488,372	7,726,300	8,900,987	9,228,990	9,258,961
Operating Expenses	3,018,840	3,109,097	2,428,528	3,574,715	3,596,398
Equipment & Intangible Assets	0	0	0	219,572	30,000
Transfers	394,834	390,473	384,481	399,481	399,481
Total Expenditures	\$10,902,046	\$11,225,870	\$11,713,996	\$13,422,758	\$13,284,840
General Fund	2,228,890	2,248,445	2,562,332	2,962,777	3,012,085
State/Other Special Rev. Funds	7,004,224	7,270,776	7,395,728	8,594,072	8,405,872
Federal Spec. Rev. Funds	1,668,932	1,704,643	1,755,936	1,865,909	1,866,883
Proprietary Funds	0	2,006	0	0	0
Total Funds	\$10,902,046	\$11,225,870	\$11,713,996	\$13,422,758	\$13,284,840
Total Ongoing	\$10,890,167	\$11,210,870	\$11,713,996	\$13,051,194	\$13,003,921
Total OTO	\$11,879	\$15,000	\$0	\$371,564	\$280,919

Page Reference

Legislative Budget Analysis, page C-142

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	137.63	133.63	133.63	0.00	134.38	134.38	0.00	0.00
Personal Services	8,900,987	9,241,490	9,228,990	(12,500)	9,271,461	9,258,961	(12,500)	(25,000)
Operating Expenses	2,428,528	3,764,465	3,574,715	(189,750)	3,736,148	3,596,398	(139,750)	(329,500)
Equipment & Intangible Assets	0	219,572	219,572	0	30,000	30,000	0	0
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	0	0	0	0	0	0	0	0
Transfers	384,481	399,481	399,481	0	399,481	399,481	0	0
Total Costs	\$11,713,996	\$13,625,008	\$13,422,758	(\$202,250)	\$13,437,090	\$13,284,840	(\$152,250)	(\$354,500)
General Fund	2,562,332	3,112,088	2,962,777	(149,311)	3,111,396	3,012,085	(99,311)	(248,622)
State/other Special Rev. Funds	7,395,728	8,647,704	8,594,072	(53,632)	8,459,504	8,405,872	(53,632)	(107,264)
Federal Spec. Rev. Funds	1,755,936	1,865,216	1,865,909	693	1,866,190	1,866,883	693	1,386
Other	0	0	0	0	0	0	0	0
Total Funds	\$11,713,996	\$13,625,008	\$13,422,758	(\$202,250)	\$13,437,090	\$13,284,840	(\$152,250)	(\$354,500)
Total Ongoing	\$11,713,996	\$13,353,444	\$13,051,194	(\$302,250)	\$13,306,171	\$13,003,921	(\$302,250)	(\$604,500)
Total OTO	\$0	\$271,564	\$371,564	\$100,000	\$130,919	\$280,919	\$150,000	\$250,000

The legislature approved total appropriations 1.3% or \$355,000 lower than the executive request. The legislature approved a reduction in general fund of \$249,000, and \$107,000 in state special revenue compared to the executive request. Federal special revenue increased by \$1,400.

- The legislature reduced state special revenue for personal services by \$25,000
- The legislature approved a general fund appropriation of \$350,000 for brucellosis surveillance, \$250,000 less than the executive request
- Funding for brucellosis surveillance was appropriated \$100,000 as ongoing, and \$250,000 as one-time-only
- The legislature did not approve the executive request of \$100,000 in state special revenue to support public information services
- The legislature approved increases in SWPL adjustments for fixed costs of \$20,000 in general, state, and federal funds

Funding

The following table shows agency funding by source of authority.

Total Department of Livestock Funding by Source of Authority 2021 Biennium Budget Request - Department of Livestock						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	5,724,862	250,000	0	0	5,974,862	19.63 %
State Special Total	16,597,461	402,483	0	1,349,980	18,349,924	60.28 %
Federal Special Total	3,732,792	0	0	0	3,732,792	12.26 %
Proprietary Total	0	0	2,383,269	0	2,383,269	7.83 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$26,055,115	\$652,483	\$2,383,269	\$1,349,980	\$30,440,847	
Percent - Total All Sources	85.59 %	2.14 %	7.83 %	4.43 %		

The Department of Livestock is funded with general fund, state special revenue, and federal special revenue. General fund provides 22.4% of total HB 2 funds and 19.6% of total funding. General fund supports some administrative functions, the diagnostic lab, and provides matching funds for federal revenue expended on meat and poultry inspections. One-time-only (OTO) general funds support brucellosis surveillance.

State special revenue provides 63.7% of total HB 2 funds and 60.3% of total funding. State special revenue is primarily from taxes and fees assessed to livestock owners. Two state special revenue funds comprise 55.6% of HB 2. The livestock per capita fee, which is assessed on a per animal basis, and fees charged for inspections and brand recording fees.

Federal special revenue provides 14.0% of the total HB 2 budget and 12.3% of total funding. The majority of federal funds are U.S. Department of Agriculture matching funds for meat and poultry inspections and federal support for animal health programs. Other federal sources include the bison operations cooperative agreement and the Greater Yellowstone Inter-agency Brucellosis Committee grant for contracted research.

Proprietary revenue provides 7.8% of the total funding and is not included in HB 2. Proprietary revenues are generated by fee-for-service laboratory testing.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,562,332	2,562,332	5,124,664	85.77 %	11,713,996	11,713,996	23,427,992	87.72 %
SWPL Adjustments	10,887	12,643	23,530	0.39 %	209,724	171,586	381,310	1.43 %
PL Adjustments	415,378	413,150	828,528	13.87 %	1,349,874	1,341,132	2,691,006	10.08 %
New Proposals	(25,820)	23,960	(1,860)	(0.03)%	149,164	58,126	207,290	0.78 %
Total Budget	\$2,962,777	\$3,012,085	\$5,974,862		\$13,422,758	\$13,284,840	\$26,707,598	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,567,362	2,809,610	242,248	9.44 %
Operating Expenses	1,388,810	1,465,403	76,593	5.52 %
Transfers	252,954	204,962	(47,992)	(18.97)%
Total Expenditures	\$4,209,126	\$4,479,975	\$270,849	6.43 %
General Fund	175,726	223,278	47,552	27.06 %
State/Other Special Rev. Funds	4,033,400	4,256,697	223,297	5.54 %
Total Funds	\$4,209,126	\$4,479,975	\$270,849	6.43 %
Total Ongoing	\$4,209,126	\$4,479,975	\$270,849	6.43 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	17.00	17.00	17.00	17.00
Personal Services	1,153,029	1,288,784	1,278,578	1,404,866	1,404,744
Operating Expenses	738,483	787,942	600,868	755,202	710,201
Transfers	175,977	165,473	87,481	102,481	102,481
Total Expenditures	\$2,067,489	\$2,242,199	\$1,966,927	\$2,262,549	\$2,217,426
General Fund	82,252	82,661	93,065	111,712	111,566
State/Other Special Rev. Funds	1,985,237	2,159,538	1,873,862	2,150,837	2,105,860
Total Funds	\$2,067,489	\$2,242,199	\$1,966,927	\$2,262,549	\$2,217,426
Total Ongoing	\$2,067,489	\$2,242,199	\$1,966,927	\$2,262,549	\$2,217,426
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The program is funded primarily with state special revenue, of which the primary source are fees assessed on each head of livestock in the state, commonly known as the livestock per-capita fund. The Milk Control Bureau and the Milk Control Board are funded from fees charged to producers, distributors, and producer-distributors. General fund supports the activities of the Livestock Loss Board. Statutory appropriations do not require re-authorization by the legislature, the division expends state special revenue that is statutorily appropriated to the agency for livestock loss prevention and livestock loss compensation.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	93,065	93,065	186,130	83.36 %	1,966,927	1,966,927	3,933,854	87.81 %
SWPL Adjustments	(84)	20	(64)	(0.03)%	146,425	101,424	247,849	5.53 %
PL Adjustments	18,731	18,481	37,212	16.67 %	142,697	142,575	285,272	6.37 %
New Proposals	0	0	0	0.00 %	6,500	6,500	13,000	0.29 %
Total Budget	\$111,712	\$111,566	\$223,278		\$2,262,549	\$2,217,426	\$4,479,975	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	(84)	146,484	0	146,400	0.00	20	101,373	0	101,393
DP 3 - Inflation Deflation	0.00	0	25	0	25	0.00	0	31	0	31
DP 50 - SWPL Personal Services Adjustment	0.00	18,674	107,614	0	126,288	0.00	18,424	107,742	0	126,166
DP 55 - SWPL Fixed Cost Adjustment	0.00	57	1,352	0	1,409	0.00	57	1,352	0	1,409
DP 101 - DOR Fee Increase	0.00	0	15,000	0	15,000	0.00	0	15,000	0	15,000
Grand Total All Present Law Adjustments	0.00	\$18,647	\$270,475	\$0	\$289,122	0.00	\$18,501	\$225,498	\$0	\$243,999

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the centralized services division the legislature approved the executive proposal for statewide present law adjustments for personal services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 101 - DOR Fee Increase -

The legislature approved an increase in appropriation of state special revenue for administrative fees paid to the Department of Revenue (DOR) for administering the per-capita fee account. The agency pays DOR an administrative fee of 2.0% to collect per capita-fee revenues.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 104 - Milk Bureau Legal Costs	0.00	0	6,500	0	6,500	0.00	0	6,500	0	6,500
Total	0.00	\$0	\$6,500	\$0	\$6,500	0.00	\$0	\$6,500	\$0	\$6,500

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 104 - Milk Bureau Legal Costs -

The legislature approved an increase in state special revenue appropriation for legal expense.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	8,039,165	8,651,366	612,201	7.62 %
Operating Expenses	3,073,884	4,337,228	1,263,344	41.10 %
Equipment & Intangible Assets	0	249,572	249,572	0.00 %
Transfers	522,000	594,000	72,000	13.79 %
Total Expenditures	\$11,635,049	\$13,832,166	\$2,197,117	18.88 %
General Fund	4,635,051	5,751,584	1,116,533	24.09 %
State/Other Special Rev. Funds	3,537,413	4,347,790	810,377	22.91 %
Federal Spec. Rev. Funds	3,460,579	3,732,792	272,213	7.87 %
Proprietary Funds	2,006	0	(2,006)	(100.00)%
Total Funds	\$11,635,049	\$13,832,166	\$2,197,117	18.88 %
Total Ongoing	\$11,620,049	\$13,322,594	\$1,702,545	14.65 %
Total OTO	\$15,000	\$509,572	\$494,572	3,297.15 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	67.52	67.52	62.77	62.77
Personal Services	3,285,817	3,375,013	4,664,152	4,328,976	4,322,390
Operating Expenses	1,796,378	1,837,209	1,236,675	2,141,626	2,195,602
Equipment & Intangible Assets	0	0	0	219,572	30,000
Transfers	218,857	225,000	297,000	297,000	297,000
Total Expenditures	\$5,301,052	\$5,437,222	\$6,197,827	\$6,987,174	\$6,844,992
General Fund	2,146,638	2,165,784	2,469,267	2,851,065	2,900,519
State/Other Special Rev. Funds	1,485,482	1,564,789	1,972,624	2,270,200	2,077,590
Federal Spec. Rev. Funds	1,668,932	1,704,643	1,755,936	1,865,909	1,866,883
Proprietary Funds	0	2,006	0	0	0
Total Funds	\$5,301,052	\$5,437,222	\$6,197,827	\$6,987,174	\$6,844,992
Total Ongoing	\$5,289,173	\$5,422,222	\$6,197,827	\$6,662,602	\$6,659,992
Total OTO	\$11,879	\$15,000	\$0	\$324,572	\$185,000

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Funding

Animal Health Division is primarily funded with federal funds supporting bison operations and the Greater Yellowstone Interagency Brucellosis Committee (GYIBC) research and cooperative efforts. Animal health is also supported with a state

special revenue fund via the per-capita livestock fee to support disease control, import/export activities, and alternative livestock activities.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,469,267	2,469,267	4,938,534	85.86 %	6,197,827	6,197,827	12,395,654	89.61 %
SWPL Adjustments	10,971	12,623	23,594	0.41 %	25,226	28,925	54,151	0.39 %
PL Adjustments	396,647	394,669	791,316	13.76 %	703,513	697,597	1,401,110	10.13 %
New Proposals	(25,820)	23,960	(1,860)	(0.03)%	60,608	(79,357)	(18,749)	(0.14)%
Total Budget	\$2,851,065	\$2,900,519	\$5,751,584		\$6,987,174	\$6,844,992	\$13,832,166	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	4,306	4,626	1,563	10,495	0.00	4,352	4,673	1,620	10,645
DP 3 - Inflation Deflation	0.00	6,665	1,401	6,665	14,731	0.00	8,271	1,738	8,271	18,280
DP 50 - SWPL Personal Services Adjustment	0.00	(206,225)	203,924	(18,911)	(21,212)	0.00	(208,203)	200,675	(19,877)	(27,405)
DP 55 - SWPL Fixed Cost Adjustment	0.00	632	1,197	693	2,522	0.00	632	1,197	693	2,522
DP 401 - DSA Budget Correction	0.00	602,240	0	119,963	722,203	0.00	602,240	0	120,240	722,480
Grand Total All Present Law Adjustments	0.00	\$407,618	\$211,148	\$109,973	\$728,739	0.00	\$407,292	\$208,283	\$110,947	\$726,522

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature reduced state special revenue by \$25,000 compared to the executive request.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 401 - DSA Budget Correction -

The legislature approved an increase to general fund and federal fund appropriations to align the budget with anticipated expenditures for Montana's Designated Surveillance Area (DSA) for Brucellosis.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
Fiscal 2020						Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 402 - Proprietary Positions Reallocation	(4.75)	(175,820)	(138,144)	0	(313,964)	(4.75)	(176,040)	(138,317)	0	(314,357)
DP 404 - Lab Equipment (RST/OTO)	0.00	0	159,572	0	159,572	0.00	0	30,000	0	30,000
DP 405 - MVDL Network Upgrade (OTO)	0.00	0	40,000	0	40,000	0.00	0	5,000	0	5,000
DP 406 - Vet Truck Purchase (OTO)	0.00	0	25,000	0	25,000	0.00	0	0	0	0
DP 4031 - DSA Expansion Ongoing	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 4032 - DSA Expansion (RST/OTO)	0.00	100,000	0	0	100,000	0.00	150,000	0	0	150,000
Total	(4.75)	(\$25,820)	\$86,428	\$0	\$60,608	(4.75)	\$23,960	(\$103,317)	\$0	(\$79,357)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 402 - Proprietary Positions Reallocation -

The legislature approved the removal 4.75 FTE and associated expenditures from HB 2 and fund them with proprietary revenue from the department's diagnostic laboratory.

DP 404 - Lab Equipment (RST/OTO) -

The legislature approved a one-time-only increase in state special revenue to purchase laboratory equipment at the Montana Veterinary Diagnostic Lab.

DP 405 - MVDL Network Upgrade (OTO) -

The legislature approved a one-time-only increase of state special revenue to update the Montana Veterinary Diagnostic Lab (MVDL) to MSU Bozeman's new fiber network.

DP 406 - Vet Truck Purchase (OTO) -

The legislature approved a one-time-only increase in state special revenue to replace one veterinary truck.

DP 4031 - DSA Expansion Ongoing -

The legislature approved an increase in general fund appropriation for Montana's Designated Surveillance Area (DSA) for brucellosis. This decision package addresses the proposed DSA expansion in Beaverhead County that will include \$100,000 in each year of the biennium to test an additional 12,000 animals.

DP 4032 - DSA Expansion (RST/OTO) -

The legislature approved an increase in general fund appropriation of \$250,000 for Montana's Designated Surveillance Area (DSA) for brucellosis. This decision package addresses the proposed DSA expansion in Beaverhead County. The appropriation is one-time-only and restricted to address annual increases in testing.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,020,760	7,026,975	1,006,215	16.71 %
Operating Expenses	1,074,931	1,368,482	293,551	27.31 %
Total Expenditures	\$7,095,691	\$8,395,457	\$1,299,766	18.32 %
State/Other Special Rev. Funds	7,095,691	8,395,457	1,299,766	18.32 %
Total Funds	\$7,095,691	\$8,395,457	\$1,299,766	18.32 %
Total Ongoing	\$7,095,691	\$8,252,546	\$1,156,855	16.30 %
Total OTO	\$0	\$142,911	\$142,911	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	53.11	53.11	53.86	54.61
Personal Services	3,049,526	3,062,503	2,958,257	3,495,148	3,531,827
Operating Expenses	483,979	483,946	590,985	677,887	690,595
Total Expenditures	\$3,533,505	\$3,546,449	\$3,549,242	\$4,173,035	\$4,222,422
State/Other Special Rev. Funds	3,533,505	3,546,449	3,549,242	4,173,035	4,222,422
Total Funds	\$3,533,505	\$3,546,449	\$3,549,242	\$4,173,035	\$4,222,422
Total Ongoing	\$3,533,505	\$3,546,449	\$3,549,242	\$4,126,043	\$4,126,503
Total OTO	\$0	\$0	\$0	\$46,992	\$95,919

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Funding

The program is funded with revenue generated from fee charged for brand recording and market and local inspections as well as fees charged to stockowners on each head of livestock commonly referred to as per-capita fees.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	3,549,242	3,549,242	7,098,484	84.55 %	
SWPL Adjustments	0	0	0	0.00 %	38,073	41,237	79,310	0.94 %	
PL Adjustments	0	0	0	0.00 %	503,664	500,960	1,004,624	11.97 %	
New Proposals	0	0	0	0.00 %	82,056	130,983	213,039	2.54 %	
Total Budget	\$0	\$0	\$0		\$4,173,035	\$4,222,422	\$8,395,457		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	25,637	0	25,637	0.00	0	25,804	0	25,804
DP 3 - Inflation Deflation	0.00	0	12,436	0	12,436	0.00	0	15,433	0	15,433
DP 50 - SWPL Personal Services Adjustment	0.00	0	497,345	0	497,345	0.00	0	494,641	0	494,641
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	6,319	0	6,319	0.00	0	6,319	0	6,319
Grand Total All Present Law Adjustments	0.00	\$0	\$541,737	\$0	\$541,737	0.00	\$0	\$542,197	\$0	\$542,197

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. For the centralized services division the legislature approved the executive proposal for statewide present law adjustments for personal services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 601 - Law Enforcement Safety Equipment (OTO)	0.00	0	7,446	0	7,446	0.00	0	9,450	0	9,450
DP 602 - Brands Temp Workers (OTO)	0.75	0	39,546	0	39,546	1.50	0	86,469	0	86,469
DP 603 - Brands Enforcement Training	0.00	0	10,900	0	10,900	0.00	0	10,900	0	10,900
DP 604 - Leased Vehicles	0.00	0	24,164	0	24,164	0.00	0	24,164	0	24,164
Total	0.75	\$0	\$82,056	\$0	\$82,056	1.50	\$0	\$130,983	\$0	\$130,983

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 601 - Law Enforcement Safety Equipment (OTO) -

The legislature approved a one-time-only increase in state special revenue to replace handguns and ballistic vests for law enforcement.

DP 602 - Brands Temp Workers (OTO) -

The legislature approved a one-time-only increase of 0.75 FTE in FY 2020 and 0.75 FTE in FY 2021 (an increase of 1.50 FTE for the biennium). The additional FTE will assist with data entry work while the bureau implements new electronic inspection methods. Also in the Brands office, temporary staff are required for the decennial brands re-record. One full-time, temporary employee from October 1, 2020 through June 30, 2021 and one full-time temporary employee through a staffing agency from January 1- March 31, 2021.

DP 603 - Brands Enforcement Training -

The legislature approved an increase in state special revenue to fund training for law enforcement staff. Training is required for staff to be certified by the Peace Officers Standards and Training Council, commonly referred to as POST.

DP 604 - Leased Vehicles -

The legislature approved an increase in state special revenue to fund four leased vehicles to replace four vehicles owned by the department.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	76,025,979	84,637,281	8,611,302	11.33 %
Operating Expenses	36,213,204	44,058,486	7,845,282	21.66 %
Equipment & Intangible Assets	2,522,033	2,706,132	184,099	7.30 %
Capital Outlay	40,000	0	(40,000)	(100.00)%
Local Assistance	8,096,180	8,116,180	20,000	0.25 %
Grants	2,718,299	3,794,268	1,075,969	39.58 %
Benefits & Claims	400,000	800,000	400,000	100.00 %
Transfers	3,411,686	3,448,486	36,800	1.08 %
Debt Service	1,464,866	1,570,682	105,816	7.22 %
Total Expenditures	\$130,892,247	\$149,131,515	\$18,239,268	13.93 %
General Fund	52,109,118	61,765,529	9,656,411	18.53 %
State/Other Special Rev. Funds	74,011,815	81,046,300	7,034,485	9.50 %
Federal Spec. Rev. Funds	4,771,314	6,319,686	1,548,372	32.45 %
Total Funds	\$130,892,247	\$149,131,515	\$18,239,268	13.93 %
Total Ongoing	\$127,484,435	\$146,860,515	\$19,376,080	15.20 %
Total OTO	\$3,407,812	\$2,271,000	(\$1,136,812)	(33.36)%

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Agency Highlights

**Department of Natural Resources and Conservation
Major Budget Highlights**

The legislature approved an increase of 13.9% or \$18.2 million in total appropriations when compared to the 2019 biennium appropriation, and a 14.2% or \$18.6 million increase above base funding.

- Total appropriation for the 2021 biennium is \$149.1 million:
 - Ongoing appropriations total \$146.9 million
 - One-time-only appropriations total \$2.3 million, a \$1.1 million decrease when compared to the 2019 biennium
- The legislature approved an increase of 4.80 FTE over the biennium:
 - 2.00 FTE to support Good Neighbor Authority (GNA), funded with general fund
 - 6.50 FTE as one-time-only to support GNA, funded with general fund
 - 1.00 FTE to increase public access opportunities to state and federal lands
 - The legislature approved the removal of 4.70 FTE currently vacant from base funding and the associated general fund of \$0.5 million and state special revenue of \$0.2 million within the Director's Office and Forestry & Trust Lands Division
- The legislature approved a rent adjustment of \$0.2 million general fund and \$0.4 million total for the headquarters office located in Helena
- The legislature approved appropriation for the support of conservation districts of \$2.3 million in state special revenue, and \$40,000 in federal special revenue
- The legislature approved appropriations of \$1.0 million general fund and \$3.0 million total to fund the water rights compact, USGS stream gauge program, drought mitigation, state water projects planning, and upkeep and maintenance on state dams
- The legislature approved \$2.2 million in general fund authority for the GNA, \$0.4 million as ongoing and \$1.8 million one-time-only

Agency Actuals and Budget Comparison

Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	525.11	525.11	529.91	529.91
Personal Services	36,016,011	37,201,921	38,824,058	42,264,118	42,373,163
Operating Expenses	16,517,088	17,641,833	18,571,371	21,767,305	22,291,181
Equipment & Intangible Assets	813,713	1,132,967	1,389,066	1,353,066	1,353,066
Capital Outlay	11,067	40,000	0	0	0
Local Assistance	1,437,875	4,038,090	4,058,090	4,058,090	4,058,090
Grants	1,411,014	1,336,165	1,382,134	1,972,134	1,822,134
Benefits & Claims	0	200,000	200,000	400,000	400,000
Transfers	1,765,856	1,687,443	1,724,243	1,724,243	1,724,243
Debt Service	679,063	679,525	785,341	785,341	785,341
Total Expenditures	\$58,651,687	\$63,957,944	\$66,934,303	\$74,324,297	\$74,807,218
General Fund	24,709,942	24,981,294	27,127,824	30,909,058	30,856,471
State/Other Special Rev. Funds	31,747,315	36,696,628	37,315,187	40,508,048	40,538,252
Federal Spec. Rev. Funds	2,194,430	2,280,022	2,491,292	2,907,191	3,412,495
Total Funds	\$58,651,687	\$63,957,944	\$66,934,303	\$74,324,297	\$74,807,218
Total Ongoing	\$57,137,805	\$62,204,038	\$65,280,397	\$73,151,297	\$73,709,218
Total OTO	\$1,513,882	\$1,753,906	\$1,653,906	\$1,173,000	\$1,098,000

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	525.11	533.61	529.91	(3.70)	533.61	529.91	(3.70)	(3.70)
Personal Services	38,824,058	42,548,080	42,264,118	(283,962)	42,656,233	42,373,163	(283,070)	(567,032)
Operating Expenses	18,571,371	21,847,320	21,767,305	(80,015)	22,496,196	22,291,181	(205,015)	(285,030)
Equipment & Intangible Assets	1,389,066	1,353,066	1,353,066	0	1,353,066	1,353,066	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Local Assistance	4,058,090	4,058,090	4,058,090	0	4,058,090	4,058,090	0	0
Grants	1,382,134	1,472,134	1,972,134	500,000	1,472,134	1,822,134	350,000	850,000
Benefits & Claims	200,000	400,000	400,000	0	400,000	400,000	0	0
Transfers	1,724,243	1,724,243	1,724,243	0	1,724,243	1,724,243	0	0
Debt Service	785,341	785,341	785,341	0	785,341	785,341	0	0
Total Costs	\$66,934,303	\$74,188,274	\$74,324,297	\$136,023	\$74,945,303	\$74,807,218	(\$138,085)	(\$2,062)
General Fund	27,127,824	31,228,017	30,909,058	(318,959)	31,174,747	30,856,471	(318,276)	(637,235)
State/other Special Rev. Funds	37,315,187	40,053,385	40,508,048	454,663	40,358,380	40,538,252	179,872	634,535
Federal Spec. Rev. Funds	2,491,292	2,906,872	2,907,191	319	3,412,176	3,412,495	319	638
Other	0	0	0	0	0	0	0	0
Total Funds	\$66,934,303	\$74,188,274	\$74,324,297	\$136,023	\$74,945,303	\$74,807,218	(\$138,085)	(\$2,062)
Total Ongoing	\$65,280,397	\$73,210,274	\$73,151,297	(\$58,977)	\$73,717,303	\$73,709,218	(\$8,085)	(\$67,062)
Total OTO	\$1,653,906	\$978,000	\$1,173,000	\$195,000	\$1,228,000	\$1,098,000	(\$130,000)	\$65,000

The legislature approved total appropriations \$2,000 lower than the executive request. The legislature approved a reduction in general fund of \$637,000, an increase in state special revenue of \$635,000 compared to the executive request. The legislature approved executive proposals with the following amendments:

- Reserved Water Right Compacts Implementation reduced by \$0.2 million general fund
- Drought Mitigation reduced by \$0.1 million general fund
- State Water Projects Planning reduced by \$0.1 million state special revenue
- The legislature approved 1.00 FTE to support public access to state and federal lands, increase \$136,500 in general fund, and \$50,000 in state special revenue.
- The legislature substituted DP 50 for the executive proposed DP 1 SWPL adjustments for personal services reducing the executive request for general fund by \$0.5 million and, state special revenue by \$0.2 million. The legislature also removed 4.70 FTE from the base
- The legislature increased state special revenue appropriation for conservation districts by \$0.9 million compared to the executive request

In addition to the executive proposal for HB 2, the legislature approved language reducing federal funding for Good Neighbor Authority should HB 34 become law.

The legislature approved internal service rates as proposed by the legislature.

Funding

The following table shows agency funding by source of authority.

Total Department of Natural Resources and Conservation Funding by Source of Authority 2021 Biennium Budget Request - Department of Natural Resources and Conservation						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	59,859,529	1,906,000	0	0	61,765,529	38.53 %
State Special Total	80,681,300	365,000	0	4,064,616	85,110,916	53.10 %
Federal Special Total	6,319,686	0	0	0	6,319,686	3.94 %
Proprietary Total	0	0	7,088,441	0	7,088,441	4.42 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$146,860,515	\$2,271,000	\$7,088,441	\$4,064,616	\$160,284,572	
Percent - Total All Sources	91.62 %	1.42 %	4.42 %	2.54 %		

The Department of Natural Resources and Conservation (DNRC) is primarily funded with general fund and state special revenue funds. General funds are 41.4% of the HB 2 appropriation and 38.5% of total funding. State special revenue is 54.4% of the HB 2 funding and 53.1% of total funding, the largest sources of state special appropriation is the state trust lands administration account.

Federal revenue funds and proprietary funds associated with air operations and the state nursery make up the remainder of funding for DNRC.

DNRC has multiple statutory appropriations:

- Oil and gas production damage mitigation state special revenue fund is statutorily appropriated and under the authority of the Board of Oil and Gas. It receives \$650,000 from the Resource Indemnity Trust interest each biennium for the reclamation of drill sites and production areas associated with oil and natural gas production. Over the past five fiscal years, DNRC has expended an average of \$132,000 per year
- The trust land administration state special revenue fund which receives an \$80,000 transfer each biennium from the general fund for the purposes of administering the Morrill Trust lands. Over the past five fiscal years DNRC has expended an average of \$32,000 per year
- The wildfire suppression state special revenue fund which pays for the state share of wildfire suppression. The fund receives revenue from the Governor's unspent emergency general fund appropriation and general fund reversions in excess of 0.5% of the state general fund budget. Historically, the 10-year average for state wildfire costs is \$25.0 million
- The fire hazard reduction state special revenue fund which receives forfeited performance bonds on fire hazard reduction work and is used by DNRC to control timber debris. Over the past five fiscal years, DNRC has expended an average of \$15.9 million per year
- The federal fire reimbursement federal special revenue fund allows DNRC to spend federal fire reimbursements. Over the past five fiscal years, DNRC has expended an average of \$9.1 million per year

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	26,920,824	26,920,824	53,841,648	87.17 %	65,280,397	65,280,397	130,560,794	87.55 %
SWPL Adjustments	607,189	539,812	1,147,001	1.86 %	962,415	942,402	1,904,817	1.28 %
PL Adjustments	1,705,550	1,700,178	3,405,728	5.51 %	4,413,487	4,420,783	8,834,270	5.92 %
New Proposals	1,675,495	1,695,657	3,371,152	5.46 %	3,667,998	4,163,636	7,831,634	5.25 %
Total Budget	\$30,909,058	\$30,856,471	\$61,765,529		\$74,324,297	\$74,807,218	\$149,131,515	

Language and Statutory Authority

The department is authorized to decrease federal special revenue in the pollution control and/or drinking water revolving fund loan programs and increase state special revenue by a like amount within administration accounts when the amount of federal EPA CAP grant funds allocated for administration of the grant have been expended or federal funds and bond proceeds will be used for other program purposes as authorized in law providing for the distribution of funds.

During the 2021 biennium, up to \$600,000 from the loan loss reserve account of the private loan program established in 85-1-603 is appropriated to the department for the purchase of prior liens on property held as loan security as provided in 85-1-615.

During the 2021 biennium, up to \$1 million of funds currently in or to be deposited in the Broadwater replacement and renewal account is appropriated to the department for repairing or replacing equipment at the Broadwater hydropower facility.

During the 2021 biennium, up to \$100,000 of interest earned on the Broadwater water users account is appropriated to the department for the purpose of repair, improvement, or rehabilitation of the Broadwater-Missouri diversion project.

During the 2021 biennium, up to \$500,000 of funds currently in or to be deposited in the state project hydropower earnings account is appropriated for the purpose of repairing, improving, or rehabilitating department state water projects.

During the 2021 biennium, up to \$1 million of funds currently in or to be deposited in the contract timber harvest account is appropriated to the department for contract harvesting, a tool to improve forest health and generate revenue for trust beneficiaries.

During the 2021 biennium, up to \$500,000 of funds from the trust administration and/or forest improvement accounts are appropriated to the department for unexpected or emergency road system maintenance and/or repairs due to damage from erosion, public use, flooding, fire or other natural disasters. This appropriation would be limited to earthwork, gravel replacement, emergency repair, or replacement of stream crossing structures such as culverts and bridges.

If HB 34 is passed and approved, federal appropriations within the Forestry & Trust Lands Division is reduced by \$500,000 in FY 2020 and \$1,000,000 in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	9,460,028	9,614,823	154,795	1.64 %
Operating Expenses	2,650,270	4,262,636	1,612,366	60.84 %
Equipment & Intangible Assets	62,554	125,108	62,554	100.00 %
Transfers	1,000	1,000	0	0.00 %
Debt Service	27,184	43,400	16,216	59.65 %
Total Expenditures	\$12,201,036	\$14,046,967	\$1,845,931	15.13 %
General Fund	7,126,922	8,164,507	1,037,585	14.56 %
State/Other Special Rev. Funds	4,329,143	5,157,326	828,183	19.13 %
Federal Spec. Rev. Funds	744,971	725,134	(19,837)	(2.66)%
Total Funds	\$12,201,036	\$14,046,967	\$1,845,931	15.13 %
Total Ongoing	\$12,201,036	\$14,046,967	\$1,845,931	15.13 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	57.00	57.00	54.75	54.75
Personal Services	4,613,583	4,747,780	4,712,248	4,810,505	4,804,318
Operating Expenses	1,374,661	1,373,313	1,276,957	2,148,179	2,114,457
Equipment & Intangible Assets	0	0	62,554	62,554	62,554
Transfers	95	500	500	500	500
Debt Service	5,483	5,484	21,700	21,700	21,700
Total Expenditures	\$5,993,822	\$6,127,077	\$6,073,959	\$7,043,438	\$7,003,529
General Fund	3,412,082	3,545,336	3,581,586	4,124,356	4,040,151
State/Other Special Rev. Funds	2,138,966	2,138,967	2,190,176	2,559,210	2,598,116
Federal Spec. Rev. Funds	442,774	442,774	302,197	359,872	365,262
Total Funds	\$5,993,822	\$6,127,077	\$6,073,959	\$7,043,438	\$7,003,529
Total Ongoing	\$5,993,822	\$6,127,077	\$6,073,959	\$7,043,438	\$7,003,529
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The Director's Office is funded mostly with general fund and state special revenue generated from timber sales, taxes on oil and gas, fire protection taxes, and other taxes and fees. State special revenue is used to cover the costs of services

provided to other programs in the department. The remaining federal revenue is a portion of the federal funds provided for overhead costs.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,581,586	3,581,586	7,163,172	87.74 %	6,073,959	6,073,959	12,147,918	86.48 %
SWPL Adjustments	436,598	356,866	793,464	9.72 %	670,127	636,405	1,306,532	9.30 %
PL Adjustments	106,172	101,699	207,871	2.55 %	299,352	293,165	592,517	4.22 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$4,124,356	\$4,040,151	\$8,164,507		\$7,043,438	\$7,003,529	\$14,046,967	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	436,492	205,345	28,111	669,948	0.00	356,735	245,759	33,689	636,183
DP 3 - Inflation Deflation	0.00	106	62	11	179	0.00	131	78	13	222
DP 50 - Personal Services Adjustment	(2.25)	(6,580)	85,994	18,843	98,257	(2.25)	(11,053)	84,470	18,653	92,070
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	963	132	1,095	0.00	0	963	132	1,095
DP 211002 - DO-Rent Adjustment	0.00	112,752	76,670	10,578	200,000	0.00	112,752	76,670	10,578	200,000
Grand Total All Present Law Adjustments	(2.25)	\$542,770	\$369,034	\$57,675	\$969,479	(2.25)	\$458,565	\$407,940	\$63,065	\$929,570

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- The legislature removed 2.25 FTE from the base
- Reduction of \$0.4 million in general fund

- Reduction of \$0.1 million in state special revenue

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 211002 - DO-Rent Adjustment -

The legislature approved an increase in general fund, state special revenue, and federal funds for rent on the DNRC Director's Office portion of the headquarters office located in Helena.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,052,977	3,227,738	174,761	5.72 %
Operating Expenses	1,034,401	1,041,859	7,458	0.72 %
Equipment & Intangible Assets	113,100	113,100	0	0.00 %
Total Expenditures	\$4,200,478	\$4,382,697	\$182,219	4.34 %
State/Other Special Rev. Funds	3,997,376	4,169,333	171,957	4.30 %
Federal Spec. Rev. Funds	203,102	213,364	10,262	5.05 %
Total Funds	\$4,200,478	\$4,382,697	\$182,219	4.34 %
Total Ongoing	\$4,200,478	\$4,382,697	\$182,219	4.34 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	19.50	19.50	19.50	19.50
Personal Services	1,296,134	1,484,322	1,568,655	1,614,141	1,613,597
Operating Expenses	362,011	516,931	517,470	520,511	521,348
Equipment & Intangible Assets	29,850	56,550	56,550	56,550	56,550
Total Expenditures	\$1,687,995	\$2,057,803	\$2,142,675	\$2,191,202	\$2,191,495
State/Other Special Rev. Funds	1,633,143	1,961,383	2,035,993	2,084,520	2,084,813
Federal Spec. Rev. Funds	54,852	96,420	106,682	106,682	106,682
Total Funds	\$1,687,995	\$2,057,803	\$2,142,675	\$2,191,202	\$2,191,495
Total Ongoing	\$1,687,995	\$2,057,803	\$2,142,675	\$2,191,202	\$2,191,495
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The division is funded through taxes levied on oil and gas production and fees paid by operators of class II injection wells.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	2,142,675	2,142,675	4,285,350	97.78 %
SWPL Adjustments	0	0	0	0.00 %	1,851	2,688	4,539	0.10 %
PL Adjustments	0	0	0	0.00 %	46,676	46,132	92,808	2.12 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$2,191,202	\$2,191,495	\$4,382,697	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs										
0.00	0	1,851	0	1,851	0.00	0	2,688	0	2,688	
DP 50 - Personal Services Adjustment										
0.00	0	45,486	0	45,486	0.00	0	44,942	0	44,942	
DP 55 - SWPL Fixed Cost Adjustment										
0.00	0	1,190	0	1,190	0.00	0	1,190	0	1,190	
Grand Total All Present Law Adjustments	0.00	\$0	\$48,527	\$0	\$48,527	0.00	\$0	\$48,820	\$0	\$48,820

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/ program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

57060 - Department Of Natural Resources And Cons 23-Cons & Resource Development Division

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,523,515	4,781,878	258,363	5.71 %
Operating Expenses	5,692,389	5,758,559	66,170	1.16 %
Equipment & Intangible Assets	87,486	87,486	0	0.00 %
Local Assistance	8,096,180	8,116,180	20,000	0.25 %
Grants	2,331,383	3,249,338	917,955	39.37 %
Benefits & Claims	400,000	800,000	400,000	100.00 %
Transfers	1,325	0	(1,325)	(100.00)%
Total Expenditures	\$21,132,278	\$22,793,441	\$1,661,163	7.86 %
General Fund	3,256,235	3,414,550	158,315	4.86 %
State/Other Special Rev. Funds	17,160,386	18,800,803	1,640,417	9.56 %
Federal Spec. Rev. Funds	715,657	578,088	(137,569)	(19.22)%
Total Funds	\$21,132,278	\$22,793,441	\$1,661,163	7.86 %
Total Ongoing	\$19,730,994	\$22,603,441	\$2,872,447	14.56 %
Total OTO	\$1,401,284	\$190,000	(\$1,211,284)	(86.44)%

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	27.17	27.17	27.17	27.17
Personal Services	2,150,154	2,260,689	2,262,826	2,388,484	2,393,394
Operating Expenses	2,540,561	2,791,511	2,900,878	2,879,376	2,879,183
Equipment & Intangible Assets	0	43,743	43,743	43,743	43,743
Local Assistance	1,437,875	4,038,090	4,058,090	4,058,090	4,058,090
Grants	1,241,049	1,171,714	1,159,669	1,674,669	1,574,669
Benefits & Claims	0	200,000	200,000	400,000	400,000
Transfers	1,324	1,325	0	0	0
Total Expenditures	\$7,370,963	\$10,507,072	\$10,625,206	\$11,444,362	\$11,349,079
General Fund	1,519,135	1,528,342	1,727,893	1,706,745	1,707,805
State/Other Special Rev. Funds	5,582,909	8,709,812	8,450,574	9,448,573	9,352,230
Federal Spec. Rev. Funds	268,919	268,918	446,739	289,044	289,044
Total Funds	\$7,370,963	\$10,507,072	\$10,625,206	\$11,444,362	\$11,349,079
Total Ongoing	\$6,620,339	\$9,756,430	\$9,974,564	\$11,274,362	\$11,329,079
Total OTO	\$750,624	\$750,642	\$650,642	\$170,000	\$20,000

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57060 - Department Of Natural Resources And Cons 23-Cons & Resource Development Division

Funding

State special revenue is used to fund the Conservation Districts Bureau, Resources Development Bureau, and sage grouse conservation programs. Sources of revenue include interest and earnings from the resource indemnity trust, resource indemnity tax distributions, bond proceeds, and production taxes on oil and gas.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,612,893	1,612,893	3,225,786	94.47 %	9,974,564	9,974,564	19,949,128	87.52 %
SWPL Adjustments	8,213	8,151	16,364	0.48 %	23,550	23,357	46,907	0.21 %
PL Adjustments	85,639	86,761	172,400	5.05 %	976,248	981,158	1,957,406	8.59 %
New Proposals	0	0	0	0.00 %	470,000	370,000	840,000	3.69 %
Total Budget	\$1,706,745	\$1,707,805	\$3,414,550		\$11,444,362	\$11,349,079	\$22,793,441	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	7,876	14,710	0	22,586	0.00	7,732	14,428	0	22,160
DP 3 - Inflation Deflation	0.00	337	627	0	964	0.00	419	778	0	1,197
DP 50 - Personal Services Adjustment	0.00	85,639	240,019	0	325,658	0.00	86,761	243,807	0	330,568
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	5,464	126	5,590	0.00	0	5,464	126	5,590
DP 231001 - CARDD-Operating Adjustments-	0.00	0	15,000	20,000	35,000	0.00	0	15,000	20,000	35,000
DP 231003 - CARDD-CD Administration	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 231004 - CARDD 223 Program	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 231005 - CARDD-Salinity Control	0.00	0	30,000	0	30,000	0.00	0	30,000	0	30,000
DP 231006 - CARDD-Montana Rural Water	0.00	0	180,000	0	180,000	0.00	0	180,000	0	180,000
DP 231007 - CARDD-Drinking Water Loan Forgiveness	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 231009 - CARDD-Regional Water Administration	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
Grand Total All Present Law Adjustments	0.00	\$93,852	\$885,820	\$20,126	\$999,798	0.00	\$94,912	\$889,477	\$20,126	\$1,004,515

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged services are approved in the section of the budget that provides the services.

57060 - Department Of Natural Resources And Cons 23-Cons & Resource Development Division

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 231001 - CARDD-Operating Adjustments -

The legislature approved an increases in state special and federal revenue for operating expenses for the Conservation District and Resource Development Bureaus. This will be used to cover contracted service expenses that are expected to increase over the biennium.

DP 231003 - CARDD-CD Administration -

The legislature approved an increase in state special revenue to fund grants to conservation districts to assist with expenses related to the operation of the district.

DP 231004 - CARDD 223 Program -

The legislature approved an increase in state special revenue to support the Conservation District Grant 223 program. Additional funding is proposed to respond to flooding, forest fires, and the mitigation of these natural resource events.

DP 231005 - CARDD-Salinity Control -

The legislature approved an increase in state special revenue to assist the Conservation District Bureaus in the abatement of the statewide saline seep and to reclaim land affected by elevated groundwater levels.

DP 231006 - CARDD-Montana Rural Water -

The legislature approved an increase in state special revenue to support training and operating expenses of the Montana Rural Water staff. Montana Rural Water Systems staff provide training and technical assistance to insure rural communities operating drinking water and waste water systems comply with federal regulations.

DP 231007 - CARDD-Drinking Water Loan Forgiveness -

The legislature approved an increase in state special revenue in the form of loan forgiveness. This change package allows the state to provide local assistance to borrowers in the form of loan forgiveness. This is provided for in federal legislation.

DP 231009 - CARDD-Regional Water Administration -

The legislature approved an increase in state special revenue appropriation for the Regional Water Systems. This is to pay for operating expenses associated with the communication, travel, and other expenses of the Regional Water Board and state staff.

57060 - Department Of Natural Resources And Cons 23-Cons & Resource Development Division

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2310031 - CARDD-CD Aministration New Proposal										
	0.00	0	220,000	0	220,000	0.00	0	270,000	0	270,000
Total	0.00	\$0	\$220,000	\$0	\$220,000	0.00	\$0	\$270,000	\$0	\$270,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2310031 - CARDD-CD Aministration New Proposal -

The legislature approved an increase in conservation district state special revenue to fund grants for conservation district to assist with district operations.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	19,950,796	22,156,281	2,205,485	11.05 %
Operating Expenses	9,137,465	13,298,258	4,160,793	45.54 %
Equipment & Intangible Assets	165,439	266,998	101,559	61.39 %
Transfers	65,057	83,182	18,125	27.86 %
Debt Service	1,387,808	1,477,408	89,600	6.46 %
Total Expenditures	\$30,706,565	\$37,282,127	\$6,575,562	21.41 %
General Fund	17,079,059	21,177,134	4,098,075	23.99 %
State/Other Special Rev. Funds	13,243,876	15,551,485	2,307,609	17.42 %
Federal Spec. Rev. Funds	383,630	553,508	169,878	44.28 %
Total Funds	\$30,706,565	\$37,282,127	\$6,575,562	21.41 %
Total Ongoing	\$30,706,565	\$37,017,127	\$6,310,562	20.55 %
Total OTO	\$0	\$265,000	\$265,000	100.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	133.76	133.76	133.76	133.76
Personal Services	9,279,190	9,833,025	10,117,771	11,076,569	11,079,712
Operating Expenses	3,966,790	4,118,167	5,019,298	6,574,771	6,723,487
Equipment & Intangible Assets	31,191	31,940	133,499	133,499	133,499
Transfers	17,136	23,466	41,591	41,591	41,591
Debt Service	673,580	649,104	738,704	738,704	738,704
Total Expenditures	\$13,967,887	\$14,655,702	\$16,050,863	\$18,565,134	\$18,716,993
General Fund	7,830,224	7,949,644	9,129,415	10,577,101	10,600,033
State/Other Special Rev. Funds	6,023,176	6,590,306	6,653,570	7,711,236	7,840,249
Federal Spec. Rev. Funds	114,487	115,752	267,878	276,797	276,711
Total Funds	\$13,967,887	\$14,655,702	\$16,050,863	\$18,565,134	\$18,716,993
Total Ongoing	\$13,967,887	\$14,655,702	\$16,050,863	\$18,495,134	\$18,521,993
Total OTO	\$0	\$0	\$0	\$70,000	\$195,000

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Funding

The Water Resources Division is predominantly funded with general fund and state special revenue. Most of the state special revenue comes from state owned hydroelectric projects for the repair and rehabilitation of state owned water projects. Other state special revenue come from funds set aside for water adjudication.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	9,129,415	9,129,415	18,258,830	86.22 %	16,050,863	16,050,863	32,101,726	86.10 %
SWPL Adjustments	84,257	89,132	173,389	0.82 %	87,155	92,135	179,290	0.48 %
PL Adjustments	850,445	849,766	1,700,211	8.03 %	964,132	967,275	1,931,407	5.18 %
New Proposals	512,984	531,720	1,044,704	4.93 %	1,462,984	1,606,720	3,069,704	8.23 %
Total Budget	\$10,577,101	\$10,600,033	\$21,177,134		\$18,565,134	\$18,716,993	\$37,282,127	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 2 - Fixed Costs	0.00	67,276	2,275	0	69,551	0.00	68,013	2,275	0	70,288
DP 3 - Inflation Deflation	0.00	16,981	623	0	17,604	0.00	21,119	728	0	21,847
DP 50 - Personal Services Adjustment	0.00	850,445	99,495	8,858	958,798	0.00	849,766	103,403	8,772	961,941
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	5,273	61	5,334	0.00	0	5,273	61	5,334
Grand Total All Present Law Adjustments	0.00	\$934,702	\$107,666	\$8,919	\$1,051,287	0.00	\$938,898	\$111,679	\$8,833	\$1,059,410

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 241003 - WRD-Reserved Water Right Compacts Implementation Funding	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 241004 - WRD-Cost Share Support for USGS Coop Stream Gage Program	0.00	342,984	0	0	342,984	0.00	361,720	0	0	361,720
DP 241006 - WRD- MT Drought Mitigation, Resp. & Recovery (OTO)	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 241007 - WRD-External Engineering Review - Dam Designs (OTO)	0.00	20,000	0	0	20,000	0.00	20,000	0	0	20,000
DP 241008 - WRD-State Water Projects Planning Document (OTO)	0.00	0	0	0	0	0.00	0	125,000	0	125,000
DP 241009 - WRD-State Water Projects-Painted Rocks Dam Rehab Environme	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
DP 241010 - WRD-E. Fork Dam Rehabilitation Environmental Planning	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
DP 241011 - WRD-Painted Rocks Dam Access Road and Bridge	0.00	0	450,000	0	450,000	0.00	0	450,000	0	450,000
Total	0.00	\$512,984	\$950,000	\$0	\$1,462,984	0.00	\$531,720	\$1,075,000	\$0	\$1,606,720

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 241003 - WRD-Reserved Water Right Compacts Implementation Funding -

The legislature approved an increase the general fund appropriation of the Water Resources Division/Water Management Bureau. Funding would support the state's responsibilities in implementing the eighteen reserved water right compacts ratified by the Montana Legislature.

DP 241004 - WRD-Cost Share Support for USGS Coop Stream Gage Program -

The legislature approved an increase in general fund appropriation to the Water Resources Division/Water Management Bureau to fund its participation in the USGS Cooperative Stream Gage Program. The funding would meet the state's financial obligation to operate and maintain a network of 42 stream gages across Montana through the USGS Cooperative Stream Gage Program.

DP 241006 - WRD- MT Drought Mitigation, Resp. & Recovery (OTO) -

The legislature approved a one-time-only appropriation of general fund to update the Montana State Drought Mitigation, Response and Recovery Plan. Funds will be used to secure the contracted services necessary to develop a comprehensive State Drought Mitigation, Response and Recovery Plan. The current plan was last updated in 1995.

DP 241007 - WRD-External Engineering Review - Dam Designs (OTO) -

The legislature approved an increase in general fund appropriation to contract for the review of large and/or complex dam rehab designs. The complexity of many designs requires expert peer review that exceeds the in-house knowledge and experience of program staff.

DP 241008 - WRD-State Water Projects Planning Document (OTO) -

The legislature approved a one-time-only appropriation of general fund to contract for a full inventory, condition assessment, repair cost estimates, and economic analysis of state owned water storage projects. Deliverables would include a priority list of projects for rehabilitation and identification of state-owned projects with minimal benefit to the state.

DP 241009 - WRD-State Water Projects-Painted Rocks Dam Rehab Environme -

The legislature approved an increase of state special revenue authority to complete environmental compliance documents for the rehabilitation of Painted Rocks Dam. A feasibility study is currently in progress and scheduled for completion in 2019. To implement recommendations from the feasibility study, an environmental assessment or environmental impact statement is required.

DP 241010 - WRD-E. Fork Dam Rehabilitation Environmental Planning -

The legislature approved an increase of state special revenue appropriation to complete required environmental assessment or environmental impact statement prior to completing rehabilitation of the dam.

DP 241011 - WRD-Painted Rocks Dam Access Road and Bridge -

The legislature approved an increase in state special revenue appropriation for the construction of an access road and bridge to the downstream toe of the Painted Rocks Dam. The road will provide year-round access to facilitate maintenance, repair, and inspection of the dam.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	39,038,663	44,856,561	5,817,898	14.90 %
Operating Expenses	17,698,679	19,697,174	1,998,495	11.29 %
Equipment & Intangible Assets	2,093,454	2,113,440	19,986	0.95 %
Capital Outlay	40,000	0	(40,000)	(100.00)%
Grants	386,916	544,930	158,014	40.84 %
Transfers	3,344,304	3,364,304	20,000	0.60 %
Debt Service	49,874	49,874	0	0.00 %
Total Expenditures	\$62,651,890	\$70,626,283	\$7,974,393	12.73 %
General Fund	24,646,902	29,009,338	4,362,436	17.70 %
State/Other Special Rev. Funds	35,281,034	37,367,353	2,086,319	5.91 %
Federal Spec. Rev. Funds	2,723,954	4,249,592	1,525,638	56.01 %
Total Funds	\$62,651,890	\$70,626,283	\$7,974,393	12.73 %
Total Ongoing	\$60,645,362	\$68,810,283	\$8,164,921	13.46 %
Total OTO	\$2,006,528	\$1,816,000	(\$190,528)	(9.50)%

Page Reference

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	287.68	287.68	294.73	294.73
Personal Services	18,676,950	18,876,105	20,162,558	22,374,419	22,482,142
Operating Expenses	8,273,065	8,841,911	8,856,768	9,644,468	10,052,706
Equipment & Intangible Assets	752,672	1,000,734	1,092,720	1,056,720	1,056,720
Capital Outlay	11,067	40,000	0	0	0
Grants	169,965	164,451	222,465	297,465	247,465
Transfers	1,747,301	1,662,152	1,682,152	1,682,152	1,682,152
Debt Service	0	24,937	24,937	24,937	24,937
Total Expenditures	\$29,631,020	\$30,610,290	\$32,041,600	\$35,080,161	\$35,546,122
General Fund	11,948,501	11,957,972	12,688,930	14,500,856	14,508,482
State/Other Special Rev. Funds	16,369,121	17,296,160	17,984,874	18,704,509	18,662,844
Federal Spec. Rev. Funds	1,313,398	1,356,158	1,367,796	1,874,796	2,374,796
Total Funds	\$29,631,020	\$30,610,290	\$32,041,600	\$35,080,161	\$35,546,122
Total Ongoing	\$28,867,762	\$29,607,026	\$31,038,336	\$34,147,161	\$34,663,122
Total OTO	\$763,258	\$1,003,264	\$1,003,264	\$933,000	\$883,000

Page Reference

Legislative Budget Analysis, page C-194

57060 - Department Of Natural Resources And Conservation35-Forestry & Trust Lands Division

Funding

General fund provides general division support as well as the fixed costs of the Fire and Aviation Management program. Approximately 48.1% of all funding is from state special revenue. The primary source of state special funding comes from the fire protection taxes fund and the timber sales, forest resources fees, and Trust Lands Management Division (TLMD) administration fund revenue.

Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	12,596,930	12,596,930	25,193,860	86.85 %	31,038,336	31,038,336	62,076,672	87.89 %
SWPL Adjustments	78,121	85,663	163,784	0.56 %	179,732	187,817	367,549	0.52 %
PL Adjustments	663,294	661,952	1,325,246	4.57 %	2,127,079	2,133,053	4,260,132	6.03 %
New Proposals	1,162,511	1,163,937	2,326,448	8.02 %	1,735,014	2,186,916	3,921,930	5.55 %
Total Budget	\$14,500,856	\$14,508,482	\$29,009,338		\$35,080,161	\$35,546,122	\$70,626,283	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs										
0.00	71,646	90,636	0	162,282		0.00	77,626	88,534	0	166,160
DP 3 - Inflation Deflation										
0.00	6,475	10,975	0	17,450		0.00	8,037	13,620	0	21,657
DP 50 - Personal Services Adjustment										
(2.45)	663,294	783,745	7,000	1,454,039		(2.45)	661,952	791,061	7,000	1,460,013
DP 55 - SWPL Fixed Cost Adjustment										
0.00	0	11,776	0	11,776		0.00	0	11,776	0	11,776
DP 352001 - TL-Restoration of Trust Administration Appropriation										
0.00	0	661,264	0	661,264		0.00	0	661,264	0	661,264
Grand Total All Present Law Adjustments										
(2.45)	\$741,415	\$1,558,396	\$7,000	\$2,306,811		(2.45)	\$747,615	\$1,566,255	\$7,000	\$2,320,870

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

57060 - Department Of Natural Resources And Conservation35-Forestry & Trust Lands Division

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- The legislature removed 2.45 FTE from the base
- Reduction of \$0.2 million in general fund
- Reduction of \$0.1 million in state special revenue

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 352001 - TL-Restoration of Trust Administration Appropriation -

The legislature approved an increase in state special revenue for the Trust Lands Management Division. The Trust Administration Account supports projects related to timber sales, forest inventory, sustainable yield data collection, weed control projects, water rights adjudication on trust lands, land acquisition/sales, and cabin site sales.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
Fiscal 2020						Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 35111 - Public Access Opportunity Specialist	1.00	67,511	22,503	0	90,014	1.00	68,937	22,979	0	91,916
DP 351001 - FD-GNA Federal Engagement	2.00	212,000	0	0	212,000	2.00	212,000	0	0	212,000
DP 351002 - FD-GNA - (OTO)	6.50	883,000	0	0	883,000	6.50	883,000	0	0	883,000
DP 351003 - FD-GNA Program Income	0.00	0	0	500,000	500,000	0.00	0	0	1,000,000	1,000,000
DP 352002 - Prescribed Burn Pilot Project (BIEN/OTO)	0.00	0	50,000	0	50,000	0.00	0	0	0	0
Total	9.50	\$1,162,511	\$72,503	\$500,000	\$1,735,014	9.50	\$1,163,937	\$22,979	\$1,000,000	\$2,186,916

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 35111 - Public Access Opportunity Specialist -

The legislature approved 1.00 FTE to support efforts to increase public access to state and federal lands.

DP 351001 - FD-GNA Federal Engagement -

The legislature approved an increase in general fund appropriation to support the addition of 2.00 FTE, USFS Liaison position (1.00 FTE) Local Government Forest Advisor position (1.00 FTE) along with their associated operating and grants budgets. These two positions serve as the state's primary liaisons to federal and local government in coordinating and implementing Good Neighbor Authority (GNA) projects. The grants budget is used to assist local government entities with covering costs of engaging in federal forest management projects in their areas.

DP 351002 - FD-GNA - (OTO) -

The legislature approved a one-time-only increase of 6.50 FTE funded with general fund. The funding would support the expansion of the Good Neighbor Authority (GNA) projects to all seven national forests in Montana. The agency anticipates that future program revenue will support these position beyond the 2021 biennium.

DP 351003 - FD-GNA Program Income -

The legislature approved an increase in federal appropriation to utilize revenue generated through the Good Neighbor Authority (GNA) program.

DP 352002 - Prescribed Burn Pilot Project (BIEN/OTO)

The legislature approved an increase in appropriation of conservation district state special revenue for a prescribed burn pilot project to address conifer encroachment.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	15,581,958	17,169,732	1,587,774	10.19 %
Operating Expenses	9,481,127	9,030,543	(450,584)	(4.75)%
Equipment & Intangible Assets	871,713	847,778	(23,935)	(2.75)%
Grants	10,995,056	9,844,734	(1,150,322)	(10.46)%
Transfers	280,514	280,514	0	0.00 %
Total Expenditures	\$37,210,368	\$37,173,301	(\$37,067)	(0.10)%
General Fund	1,417,366	1,649,328	231,962	16.37 %
State/Other Special Rev. Funds	32,479,407	31,785,768	(693,639)	(2.14)%
Federal Spec. Rev. Funds	2,373,330	2,627,620	254,290	10.71 %
Proprietary Funds	940,265	1,110,585	170,320	18.11 %
Total Funds	\$37,210,368	\$37,173,301	(\$37,067)	(0.10)%
Total Ongoing	\$35,210,368	\$37,173,301	\$1,962,933	5.57 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

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Agency Highlights

Department of Agriculture Major Budget Highlights
<p>The legislature approved a reduction of 0.1% or \$37,000 in total appropriations when compared to the 2019 biennium appropriation, and a 4.2% or \$1.5 million increase above base funding.</p> <ul style="list-style-type: none"> Total appropriation for the 2021 biennium is \$37.2 million <ul style="list-style-type: none"> There are no one-time-only appropriations, which is a \$2.0 million decrease when compared to the 2019 biennium The legislature approved an increase of 0.03 FTE over the biennium including; <ul style="list-style-type: none"> The removal of 0.97 FTE from base funding and the associated general fund of \$20,000 and state special revenue of \$80,000 within the Agricultural Science Division and Agricultural Development Division The approval of 1.00 FTE as a state pesticide weed coordinator funded with \$180,000 state special revenue An increase of \$100,000 in state special revenue for noxious weed grants An increase of \$83,300 in state special revenue to support the Growth Through Agriculture program within the Agricultural Development Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	115.04	115.04	115.07	115.07
Personal Services	7,248,643	7,551,373	8,030,585	8,582,338	8,587,394
Operating Expenses	3,040,516	5,066,174	4,414,953	4,540,785	4,489,758
Equipment & Intangible Assets	203,851	447,824	423,889	423,889	423,889
Grants	5,590,802	6,164,339	4,830,717	4,913,367	4,931,367
Transfers	90,218	140,257	140,257	140,257	140,257
Total Expenditures	\$16,174,030	\$19,369,967	\$17,840,401	\$18,600,636	\$18,572,665
General Fund	675,726	679,829	737,537	848,313	801,015
State/Other Special Rev. Funds	14,000,890	17,061,357	15,418,050	15,883,892	15,901,876
Federal Spec. Rev. Funds	1,094,598	1,166,382	1,206,948	1,313,190	1,314,430
Proprietary Funds	402,816	462,399	477,866	555,241	555,344
Total Funds	\$16,174,030	\$19,369,967	\$17,840,401	\$18,600,636	\$18,572,665
Total Ongoing	\$16,174,030	\$17,369,967	\$17,840,401	\$18,600,636	\$18,572,665
Total OTO	\$0	\$2,000,000	\$0	\$0	\$0

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	115.04	116.04	115.07	(0.97)	116.04	115.07	(0.97)	(0.97)
Personal Services	8,030,585	8,632,338	8,582,338	(50,000)	8,637,394	8,587,394	(50,000)	(100,000)
Operating Expenses	4,414,953	4,533,009	4,540,785	7,776	4,481,982	4,489,758	7,776	15,552
Equipment & Intangible Assets	423,889	423,889	423,889	0	423,889	423,889	0	0
Grants	4,830,717	4,880,717	4,913,367	32,650	4,880,717	4,931,367	50,650	83,300
Transfers	140,257	140,257	140,257	0	140,257	140,257	0	0
Total Costs	\$17,840,401	\$18,610,210	\$18,600,636	(\$9,574)	\$18,564,239	\$18,572,665	\$8,426	(\$1,148)
General Fund	737,537	858,313	848,313	(10,000)	811,015	801,015	(10,000)	(20,000)
State/other Special Rev. Funds	15,418,050	15,883,946	15,883,892	(54)	15,883,926	15,901,876	17,950	17,896
Federal Spec. Rev. Funds	1,206,948	1,312,962	1,313,190	228	1,314,206	1,314,430	224	452
Other	477,866	554,989	555,241	252	555,092	555,344	252	504
Total Funds	\$17,840,401	\$18,610,210	\$18,600,636	(\$9,574)	\$18,564,239	\$18,572,665	\$8,426	(\$1,148)
Total Ongoing	\$17,840,401	\$18,610,210	\$18,600,636	(\$9,574)	\$18,564,239	\$18,572,665	\$8,426	(\$1,148)
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature approved total appropriations \$1,100 lower than the executive request. Compared to the executive, the legislature approved a reduction in general fund of \$20,000, and an increase of \$17,900 in state special revenue.

- The legislature removed from the base 1.00 FTE and associated appropriation of \$20,000 general fund, and \$80,000 in state special revenue.
- The legislature increased state special revenue by \$83,300 to support growth through agriculture
- The legislature increased state special revenue by \$14,600 for fixed cost adjustments

Funding

The following table shows agency funding by source of authority.

Total Department of Agriculture Funding by Source of Authority 2021 Biennium Budget Request - Department of Agriculture						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,649,328	0	0	2,130,969	3,780,297	8.08 %
State Special Total	31,785,768	0	0	5,699,074	37,484,842	80.16 %
Federal Special Total	2,627,620	0	0	0	2,627,620	5.62 %
Proprietary Total	1,110,585	0	116,400	1,640,000	2,866,985	6.13 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$37,173,301	\$0	\$116,400	\$9,470,043	\$46,759,744	
Percent - Total All Sources	79.50 %	0.00 %	0.25 %	20.25 %		

The Department of Agriculture is funded from general fund, state special revenue, federal special revenue, and proprietary funds. State special revenue is the predominant funding source funding 85.5% of HB 2, and 80.2% of total funding. Major state special revenue funds include

- Wheat and barley research and marketing account
- Noxious weed admin account
- Pesticide account

General fund comprises 4.4% of the HB 2 appropriation and 8.1% of all sources of funding. HB 2 general fund appropriation supports personal services, operating expenses, and grants. Proprietary non-budgeted funds support the administration of the hail insurance program; the remaining proprietary funding is statutorily appropriated hail insurance benefits and claims. Other state special statutory appropriations support agriculture development programs.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	737,537	737,537	1,475,074	89.43 %	17,840,401	17,840,401	35,680,802	95.98 %
SWPL Adjustments	59,306	10,307	69,613	4.22 %	111,147	58,928	170,075	0.46 %
PL Adjustments	51,470	53,171	104,641	6.34 %	649,088	673,336	1,322,424	3.56 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$848,313	\$801,015	\$1,649,328		\$18,600,636	\$18,572,665	\$37,173,301	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,522,035	2,688,309	166,274	6.59 %
Operating Expenses	442,239	470,342	28,103	6.35 %
Equipment & Intangible Assets	10,000	10,000	0	0.00 %
Transfers	1,000	1,000	0	0.00 %
Total Expenditures	\$2,975,274	\$3,169,651	\$194,377	6.53 %
General Fund	249,895	280,852	30,957	12.39 %
State/Other Special Rev. Funds	2,421,809	2,561,360	139,551	5.76 %
Federal Spec. Rev. Funds	151,428	164,669	13,241	8.74 %
Proprietary Funds	152,142	162,770	10,628	6.99 %
Total Funds	\$2,975,274	\$3,169,651	\$194,377	6.53 %
Total Ongoing	\$2,975,274	\$3,169,651	\$194,377	6.53 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	15.10	15.10	15.10	15.10
Personal Services	1,199,815	1,231,367	1,290,668	1,343,622	1,344,687
Operating Expenses	215,235	240,752	201,487	259,784	210,558
Equipment & Intangible Assets	0	5,000	5,000	5,000	5,000
Transfers	45	500	500	500	500
Total Expenditures	\$1,415,095	\$1,477,619	\$1,497,655	\$1,608,906	\$1,560,745
General Fund	138,206	139,550	110,345	165,011	115,841
State/Other Special Rev. Funds	1,137,994	1,191,900	1,229,909	1,280,239	1,281,121
Federal Spec. Rev. Funds	64,919	72,172	79,256	82,304	82,365
Proprietary Funds	73,976	73,997	78,145	81,352	81,418
Total Funds	\$1,415,095	\$1,477,619	\$1,497,655	\$1,608,906	\$1,560,745
Total Ongoing	\$1,415,095	\$1,477,619	\$1,497,655	\$1,608,906	\$1,560,745
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The agency is funded primarily with state special revenue generated from user fees. State special revenue funds are used to administer programs that promote Montana agriculture. General fund and federal revenue supports personal services

and associated operating expenses. Proprietary revenue is generated through premiums charged to participants in the hail insurance program. Proprietary funds support personal services for staff that administer the hail insurance program.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	110,345	110,345	220,690	78.58 %	1,497,655	1,497,655	2,995,310	94.50 %	
SWPL Adjustments	52,045	2,822	54,867	19.54 %	58,297	9,071	67,368	2.13 %	
PL Adjustments	2,621	2,674	5,295	1.89 %	52,954	54,019	106,973	3.37 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$165,011	\$115,841	\$280,852		\$1,608,906	\$1,560,745	\$3,169,651		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	52,038	6,252	0	58,290	0.00	2,813	6,249	0	9,062
DP 3 - Inflation Deflation	0.00	7	0	0	7	0.00	9	0	0	9
DP 50 - SWPL Personal Services Adjustment	0.00	2,621	44,078	3,048	52,954	0.00	2,674	44,963	3,109	54,019
Grand Total All Present Law Adjustments	0.00	\$54,666	\$50,330	\$3,048	\$111,251	0.00	\$5,496	\$51,212	\$3,109	\$63,090

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. The legislature approved SWPL adjustments for personal services as proposed by the executive.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	8,787,947	9,681,829	893,882	10.17 %
Operating Expenses	3,597,866	3,694,195	96,329	2.68 %
Equipment & Intangible Assets	678,024	678,024	0	0.00 %
Grants	4,476,583	4,566,570	89,987	2.01 %
Total Expenditures	\$17,540,420	\$18,620,618	\$1,080,198	6.16 %
General Fund	430,286	456,609	26,323	6.12 %
State/Other Special Rev. Funds	15,086,039	15,951,860	865,821	5.74 %
Federal Spec. Rev. Funds	2,024,095	2,212,149	188,054	9.29 %
Total Funds	\$17,540,420	\$18,620,618	\$1,080,198	6.16 %
Total Ongoing	\$17,540,420	\$18,620,618	\$1,080,198	6.16 %
Total OTO	\$0	\$0	\$0	0.00 %

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	61.42	61.42	61.70	61.70
Personal Services	4,234,720	4,250,393	4,537,554	4,841,961	4,839,868
Operating Expenses	1,376,839	1,796,750	1,801,116	1,847,558	1,846,637
Equipment & Intangible Assets	106,884	339,012	339,012	339,012	339,012
Grants	2,379,325	2,243,298	2,233,285	2,283,285	2,283,285
Total Expenditures	\$8,097,768	\$8,629,453	\$8,910,967	\$9,311,816	\$9,308,802
General Fund	200,068	201,156	229,130	228,290	228,319
State/Other Special Rev. Funds	6,959,573	7,431,663	7,654,376	7,977,491	7,974,369
Federal Spec. Rev. Funds	938,127	996,634	1,027,461	1,106,035	1,106,114
Total Funds	\$8,097,768	\$8,629,453	\$8,910,967	\$9,311,816	\$9,308,802
Total Ongoing	\$8,097,768	\$8,629,453	\$8,910,967	\$9,311,816	\$9,308,802
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The division is funded with general fund, state special revenue, and federal funds. State special revenue is the largest source of funding for the division. State special revenue is derived primarily from fees assessed for regulatory activities, product registration, and technical services. Federal funds come from the U.S. Department of Agriculture and support noxious weed mitigation. Federal funds also support portions of the Bovine Spongiform Encephalopathy (BSE), commonly

known as “mad cow disease,” feed sampling program. General fund supports inspection and testing for prohibited materials in feed related to BSE and noxious weed control grants.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	229,130	229,130	458,260	100.36 %	8,910,967	8,910,967	17,821,934	95.71 %
SWPL Adjustments	559	587	1,146	0.25 %	36,283	34,170	70,453	0.38 %
PL Adjustments	(1,399)	(1,398)	(2,797)	(0.61)%	364,566	363,665	728,231	3.91 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$228,290	\$228,319	\$456,609		\$9,311,816	\$9,308,802	\$18,620,618	

Present Law Adjustments -

The “Present Law Adjustments” table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	559	34,201	1,435	36,195	0.00	587	32,198	1,275	34,060
DP 3 - Inflation Deflation	0.00	0	88	0	88	0.00	0	110	0	110
DP 50 - SWPL Personal Services Adjustment	(0.72)	(1,399)	139,509	77,049	215,159	(0.72)	(1,398)	136,775	77,292	212,669
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	3,878	90	3,968	0.00	0	3,882	86	3,968
DP 3004 - MT Plants Contract	0.00	0	795	0	795	0.00	0	1,610	0	1,610
DP 3005 - State Pesticide Weed Coordinator	1.00	0	89,248	0	89,248	1.00	0	89,645	0	89,645
DP 3006 - Noxious Weed Grant Authority	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 3007 - ASD Rent	0.00	0	5,396	0	5,396	0.00	0	5,773	0	5,773
Grand Total All Present Law Adjustments	0.28	(\$840)	\$323,115	\$78,574	\$400,849	0.28	(\$811)	\$319,993	\$78,653	\$397,835

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- The legislature removed 0.72 FTE from the base
- Reduction of \$80,000 in state special revenue

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 3004 - MT Plants Contract -

The legislature approved an increase in state special revenue to support contract increase for the online one-stop-shop for licensing, registration, e-payments and other agricultural related services.

DP 3005 - State Pesticide Weed Coordinator -

The legislature approved an increase in state special revenue for a state weed coordinator. Revenue is from the pesticide account and will be budgeted for personal services. This proposal increases FTE by 1.00.

DP 3006 - Noxious Weed Grant Authority -

The legislature approved additional grant authority for the department's noxious weed programs. This proposal would be for grants funded from the noxious weed administration account, a state special revenue account.

DP 3007 - ASD Rent -

The legislature approved inflationary increases for lease contracts already in place. The leases are for office space in various counties.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,271,976	4,799,594	527,618	12.35 %
Operating Expenses	5,441,022	4,866,006	(575,016)	(10.57)%
Equipment & Intangible Assets	183,689	159,754	(23,935)	(13.03)%
Grants	6,518,473	5,278,164	(1,240,309)	(19.03)%
Transfers	279,514	279,514	0	0.00 %
Total Expenditures	\$16,694,674	\$15,383,032	(\$1,311,642)	(7.86)%
General Fund	737,185	911,867	174,682	23.70 %
State/Other Special Rev. Funds	14,971,559	13,272,548	(1,699,011)	(11.35)%
Federal Spec. Rev. Funds	197,807	250,802	52,995	26.79 %
Proprietary Funds	788,123	947,815	159,692	20.26 %
Total Funds	\$16,694,674	\$15,383,032	(\$1,311,642)	(7.86)%
Total Ongoing	\$14,694,674	\$15,383,032	\$688,358	4.68 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

Page Reference

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Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	38.52	38.52	38.27	38.27
Personal Services	1,814,108	2,069,613	2,202,363	2,396,755	2,402,839
Operating Expenses	1,448,442	3,028,672	2,412,350	2,433,443	2,432,563
Equipment & Intangible Assets	96,967	103,812	79,877	79,877	79,877
Grants	3,211,477	3,921,041	2,597,432	2,630,082	2,648,082
Transfers	90,173	139,757	139,757	139,757	139,757
Total Expenditures	\$6,661,167	\$9,262,895	\$7,431,779	\$7,679,914	\$7,703,118
General Fund	337,452	339,123	398,062	455,012	456,855
State/Other Special Rev. Funds	5,903,323	8,437,794	6,533,765	6,626,162	6,646,386
Federal Spec. Rev. Funds	91,552	97,576	100,231	124,851	125,951
Proprietary Funds	328,840	388,402	399,721	473,889	473,926
Total Funds	\$6,661,167	\$9,262,895	\$7,431,779	\$7,679,914	\$7,703,118
Total Ongoing	\$6,661,167	\$7,262,895	\$7,431,779	\$7,679,914	\$7,703,118
Total OTO	\$0	\$2,000,000	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, page C-216

Funding

The division is funded with general fund, state special revenue, and federal special revenue. General fund supports division administration personal services and associated operating expense. State special revenue, the primary source of

funding, is mainly comprised of the wheat & barley research & marketing account which is supported by levies on each bushel of wheat and barley produced in the state. Other sources of revenue include grain testing fees and alfalfa seed assessments. Levies on the net revenue of pulse crops produced in the state are statutorily appropriated to the pulse crop research & marketing fund. Federal special revenue is from federal grants used to develop agriculture markets, marketing projects, and for related operating costs. Proprietary funding supports beginning farm loans and expenditures from the hail insurance program.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	398,062	398,062	796,124	87.31 %	7,431,779	7,431,779	14,863,558	96.62 %
SWPL Adjustments	6,702	6,898	13,600	1.49 %	16,567	15,687	32,254	0.21 %
PL Adjustments	50,248	51,895	102,143	11.20 %	231,568	255,652	487,220	3.17 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$455,012	\$456,855	\$911,867		\$7,679,914	\$7,703,118	\$15,383,032	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs										
0.00	6,393	7,592	635	16,258		0.00	6,515	6,520	618	15,304
DP 3 - Inflation Deflation										
0.00	309	0	0	309		0.00	383	0	0	383
DP 50 - SWPL Personal Services Adjustment										
(0.25)	50,248	48,019	23,847	194,392		(0.25)	51,895	51,315	24,964	200,476
DP 55 - SWPL Fixed Cost Adjustment										
0.00	0	3,418	138	3,808		0.00	0	3,418	138	3,808
DP 5005 - Growth Through Agriculture Appropriation Adjustment										
0.00	0	32,650	0	32,650		0.00	0	50,650	0	50,650
DP 5007 - ADD Rent										
0.00	0	718	0	718		0.00	0	718	0	718
Grand Total All Present Law Adjustments										
(0.25)	\$56,950	\$92,397	\$24,620	\$248,135		(0.25)	\$58,793	\$112,621	\$25,720	\$271,339

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - SWPL Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments to the executive request include:

- The legislature removed 0.25 FTE from the base
- Reduction of \$20,000 in general fund

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 5005 - Growth Through Agriculture Appropriation Adjustment -

The legislature approved an increase in state special revenue to align appropriation with anticipated revenues. Statute increased the share of coal tax revenue for the growth through agriculture program (15-35-108, MCA).

DP 5007 - ADD Rent -

The legislature approved an increase in appropriation to pay for lease contracts already in place. These leases are for office space located in various counties.

JUDICIAL BRANCH, LAW ENFORCEMENT & JUSTICE

SECTION D

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

AGENCIES

JUDICIAL BRANCH
DEPARTMENT OF JUSTICE
PUBLIC SERVICE COMMISSION
OFFICE OF STATE PUBLIC DEFENDER
DEPARTMENT OF CORRECTIONS

APPROPRIATIONS SUBCOMMITTEE MEMBERS

REPRESENTATIVE MATT REGIER (CHAIR)
REPRESENTATIVE KIMBERLY DUDIK
REPRESENTATIVE RYAN LYNCH
REPRESENTATIVE CARL GLIMM
SENATOR DAVID HOWARD (VICE-CHAIR)
SENATOR RYAN OSMUNDSON
SENATOR NATE MCCONNELL

FISCAL DIVISION STAFF

KRIS WILKINSON
MARCI LEWANDOWSKI
WALKER HOPKINS

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	68,962,185	78,062,946	9,100,761	13.20 %
Operating Expenses	16,774,193	17,357,798	583,605	3.48 %
Equipment & Intangible Assets	280,379	346,232	65,853	23.49 %
Grants	1,229,849	913,497	(316,352)	(25.72)%
Benefits & Claims	6,402,569	10,281,379	3,878,810	60.58 %
Transfers	3,829,428	0	(3,829,428)	(100.00)%
Debt Service	9,335	0	(9,335)	(100.00)%
Total Expenditures	\$97,487,938	\$106,961,852	\$9,473,914	9.72 %
General Fund	92,836,932	99,899,749	7,062,817	7.61 %
State/Other Special Rev. Funds	4,450,558	6,859,615	2,409,057	54.13 %
Federal Spec. Rev. Funds	200,448	202,488	2,040	1.02 %
Total Funds	\$97,487,938	\$106,961,852	\$9,473,914	9.72 %
Total Ongoing	\$95,606,213	\$105,409,670	\$9,803,457	10.25 %
Total OTO	\$1,881,725	\$1,552,182	(\$329,543)	(17.51)%

Page Reference

Legislative Budget Analysis, D-1.

Agency Highlights

Judicial Branch Major Budget Highlights
<ul style="list-style-type: none"> The legislature approved the Judicial Branch 2021 biennium budget at \$9.5 million or 9.7% higher than the 2019 biennium. As measured from FY 2019 and adjusted for HB 3, growth was 7.4%. Significant changes include: <ul style="list-style-type: none"> The transfer of Youth Parole from the Department of Corrections to Supreme Court Operations, including 2.00 FTE and \$1.2 million over the biennium The fund switch in the Pretrial Diversion Program as one-time-only from general fund to state special revenue funds proposed at \$1.6 million over the biennium The addition of \$1.2 million in state special revenue support for court appointed special advocates (CASA) and guardian ad litem (GAL) in child abuse and neglect cases requested A reduction of \$320,000 in general fund over the biennium due to the elimination of the Working Interdisciplinary Network of Guardianship Stakeholders (WINGS) Program from the Law Library

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	447.08	447.08	456.44	457.94
Personal Services	33,212,899	33,503,308	35,458,877	38,992,402	39,070,544
Operating Expenses	7,942,729	8,497,287	8,276,906	8,700,383	8,657,415
Equipment & Intangible Assets	107,215	107,263	173,116	173,116	173,116
Grants	30,657	585,867	643,982	456,510	456,987
Benefits & Claims	1,214,607	1,301,146	5,101,423	5,124,173	5,157,206
Transfers	3,829,428	3,829,428	0	0	0
Debt Service	460	460	8,875	0	0
Total Expenditures	\$46,337,995	\$47,824,759	\$49,663,179	\$53,446,584	\$53,515,268
General Fund	43,885,826	45,153,996	47,682,936	49,898,292	50,001,457
State/Other Special Rev. Funds	2,391,030	2,571,473	1,879,085	3,447,020	3,412,595
Federal Spec. Rev. Funds	61,139	99,290	101,158	101,272	101,216
Total Funds	\$46,337,995	\$47,824,759	\$49,663,179	\$53,446,584	\$53,515,268
Total Ongoing	\$46,015,297	\$46,883,995	\$48,722,218	\$52,670,493	\$52,739,177
Total OTO	\$322,698	\$940,764	\$940,961	\$776,091	\$776,091

Page Reference

Legislative Budget Analysis, D-2.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	447.08	454.44	456.44	2.00	455.94	457.94	2.00	2.00
Personal Services	35,458,877	39,082,874	38,992,402	(90,472)	39,161,015	39,070,544	(90,471)	(180,943)
Operating Expenses	8,276,906	8,102,119	8,700,383	598,264	8,059,152	8,657,415	598,263	1,196,527
Equipment & Intangible Assets	173,116	173,116	173,116	0	173,116	173,116	0	0
Grants	643,982	576,510	456,510	(120,000)	576,987	456,987	(120,000)	(240,000)
Benefits & Claims	5,101,423	5,124,173	5,124,173	0	5,157,206	5,157,206	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	8,875	8,875	0	(8,875)	8,875	0	(8,875)	(17,750)
Total Costs	\$49,663,179	\$53,067,667	\$53,446,584	\$378,917	\$53,136,351	\$53,515,268	\$378,917	\$757,834
General Fund	47,682,936	50,562,076	49,898,292	(663,784)	50,665,906	50,001,457	(664,449)	(1,328,233)
State/other Special Rev. Funds	1,879,085	2,404,079	3,447,020	1,042,941	2,368,989	3,412,595	1,043,606	2,086,547
Federal Spec. Rev. Funds	101,158	101,512	101,272	(240)	101,456	101,216	(240)	(480)
Total Funds	\$49,663,179	\$53,067,667	\$53,446,584	\$378,917	\$53,136,351	\$53,515,268	\$378,917	\$757,834
Total Ongoing	\$48,722,218	\$53,067,667	\$52,670,493	(\$397,174)	\$53,136,351	\$52,739,177	(\$397,174)	(\$794,348)
Total OTO	\$940,961	\$0	\$776,091	\$776,091	\$0	\$776,091	\$776,091	\$1,552,182

The major differences in the legislative budget compared to the executive budget are:

- The legislature funded the Pretrial Diversion Program with \$1.6 million in state special revenue to the pre-trial diversion account instead of general fund and adopted language to report on the number of program participants and related costs to the Law and Justice Interim Committee annually
- The legislature approved the transfer of Youth Parole from the Department of Corrections to Supreme Court Operations, including 2.00 FTE and associated funding
- The legislature approved the fund switch of \$300,000 over the biennium from general fund to state special revenue for juvenile delinquency intervention and placement (JDIP)
- The legislature reduced \$320,000 in general fund to remove the Working Interdisciplinary Network of Guardianship Stakeholders (WINGS) Program
- The legislature removed \$17,750 in debt service for copiers in the Law Library and reduced \$10,000 in general fund over the biennium
- The legislature approved \$12,296 in FY 2020 and \$11,777 in FY 2021 in general fund for Water Courts Supervision
- The legislature approved a reduction of \$51,245 in FY 2020 and \$51,245 in FY 2021 in District Court Operations and an increase in Legal Services Division in the Department of Justice by the same amount for witness expenses as provided in SB 26. This is contingent upon the passage and approval of SB 26.

Funding

The following table shows agency funding by source of authority.

Total Judicial Branch Funding by Source of Authority 2021 Biennium Budget Request - Judicial Branch						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	99,899,749	0	0	0	99,899,749	93.08 %
State Special Total	5,307,433	1,552,182	0	0	6,859,615	6.39 %
Federal Special Total	202,488	0	0	0	202,488	0.19 %
Proprietary Total	0	0	366,882	0	366,882	0.34 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$105,409,670	\$1,552,182	\$366,882	\$0	\$107,328,734	
Percent - Total All Sources	98.21 %	1.45 %	0.34 %	0.00 %		

The Judicial Branch is primarily supported by general fund with state special revenue supporting specific functions, the largest of which is the Water Court. The water adjudication fund supports a little over half of the funding for the Water Court. Other sources of state special revenue include fines, fees, and assessments for training events. In addition, the youth court intervention and prevention account that derives revenue from the transfer of unexpended general fund juvenile placement funds. The branch receives a small amount of federal special revenues for grants supporting specific projects such as the Court Assessment Program.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	46,741,975	46,741,975	93,483,950	93.58 %	48,722,218	48,722,218	97,444,436	91.10 %
SWPL Adjustments	2,893,380	2,846,173	5,739,553	5.75 %	2,888,653	2,841,390	5,730,043	5.36 %
PL Adjustments	12,296	23,941	36,237	0.04 %	637,997	615,217	1,253,214	1.17 %
New Proposals	250,641	389,368	640,009	0.64 %	1,197,716	1,336,443	2,534,159	2.37 %
Total Budget	\$49,898,292	\$50,001,457	\$99,899,749		\$53,446,584	\$53,515,268	\$106,961,852	

Language and Statutory Authority

Pretrial Program shall report on the number of program participants and related costs to the law and justice interim committee annually in September of each year.

If HB 111 is not passed and approved, then Youth Parole is void.

If SB 26 is not passed and approved, Supreme Court Operations are increased by \$51,245 in general fund in FY 2020 and \$51,245 in general fund in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	13,554,887	15,285,299	1,730,412	12.77 %
Operating Expenses	10,193,865	10,435,537	241,672	2.37 %
Equipment & Intangible Assets	8,885	17,770	8,885	100.00 %
Grants	1,109,849	913,497	(196,352)	(17.69)%
Benefits & Claims	6,332,569	10,211,379	3,878,810	61.25 %
Transfers	3,829,428	0	(3,829,428)	(100.00)%
Total Expenditures	\$35,029,483	\$36,863,482	\$1,833,999	5.24 %
General Fund	34,198,119	34,085,858	(112,261)	(0.33)%
State/Other Special Rev. Funds	630,916	2,575,136	1,944,220	308.16 %
Federal Spec. Rev. Funds	200,448	202,488	2,040	1.02 %
Total Funds	\$35,029,483	\$36,863,482	\$1,833,999	5.24 %
Total Ongoing	\$33,147,758	\$35,311,300	\$2,163,542	6.53 %
Total OTO	\$1,881,725	\$1,552,182	(\$329,543)	(17.51)%

Page Reference

Legislative Budget Analysis, D-8.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	82.75	82.75	91.00	92.50
Personal Services	6,502,669	6,556,129	6,998,758	7,601,637	7,683,662
Operating Expenses	4,914,767	5,017,725	5,176,140	5,222,455	5,213,082
Equipment & Intangible Assets	0	0	8,885	8,885	8,885
Grants	30,657	585,867	523,982	456,510	456,987
Benefits & Claims	1,194,430	1,266,146	5,066,423	5,089,173	5,122,206
Transfers	3,829,428	3,829,428	0	0	0
Total Expenditures	\$16,471,951	\$17,255,295	\$17,774,188	\$18,378,660	\$18,484,822
General Fund	16,179,306	16,840,547	17,357,572	16,989,820	17,096,038
State/Other Special Rev. Funds	231,506	315,458	315,458	1,287,568	1,287,568
Federal Spec. Rev. Funds	61,139	99,290	101,158	101,272	101,216
Total Funds	\$16,471,951	\$17,255,295	\$17,774,188	\$18,378,660	\$18,484,822
Total Ongoing	\$16,149,253	\$16,314,531	\$16,833,227	\$17,602,569	\$17,708,731
Total OTO	\$322,698	\$940,764	\$940,961	\$776,091	\$776,091

Page Reference

Legislative Budget Analysis, D-9.

Funding

General fund supports most costs of the program.

State special revenue supports administration of juvenile delinquency intervention prevention (JDIP) funds, training for judges from conference fees, legal assistance for indigent victims of domestic violence from court filing fees primarily from dissolution of marriage filings, and grants to drug courts from drug court fees charged to participants.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	16,416,611	16,416,611	32,833,222	96.33 %	16,833,227	16,833,227	33,666,454	91.33 %
SWPL Adjustments	106,323	61,650	167,973	0.49 %	106,402	61,673	168,075	0.46 %
PL Adjustments	0	12,164	12,164	0.04 %	25,070	37,234	62,304	0.17 %
New Proposals	466,886	605,613	1,072,499	3.15 %	1,413,961	1,552,688	2,966,649	8.05 %
Total Budget	\$16,989,820	\$17,096,038	\$34,085,858		\$18,378,660	\$18,484,822	\$36,863,482	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
DP 1 - Personal Services	0.00	424,700	0	354	425,054	0.00	419,693	0	298	419,991
DP 2 - Fixed Costs										
DP 2 - Fixed Costs	0.00	(322,733)	(275)	0	(323,008)	0.00	(363,447)	(275)	0	(363,722)
DP 3 - Inflation Deflation										
DP 3 - Inflation Deflation	0.00	4,356	0	0	4,356	0.00	5,404	0	0	5,404
DP 55 - SWPL Fixed Cost Adjustment										
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	70	0	70	0.00	0	70	0	70
DP 103 - Drug Court General Fund FTE and Additional Fees Authority										
DP 103 - Drug Court General Fund FTE and Additional Fees Authority	2.50	0	25,000	0	25,000	2.50	0	25,000	0	25,000
DP 104 - Rent Increase										
DP 104 - Rent Increase	0.00	0	0	0	0	0.00	12,164	0	0	12,164
Grand Total All Present Law Adjustments	2.50	\$106,323	\$24,795	\$354	\$131,472	2.50	\$73,814	\$24,795	\$298	\$98,907

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Supreme Court Operations.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 103 - Drug Court General Fund FTE and Additional Fees Authority -

The legislature approved 2.50 permanent FTE be approved for the drug courts. Juvenile Drug Court will receive 0.50 FTE, 1.00 FTE is for the Adult Drug Court, and 1.00 FTE is for Veterans Treatment Court. The positions have been filled with HB 2 modified FTE since FY 2016.

Also included is an additional \$25,000 of state special revenue fund authority in each year of the biennium related to fees collected from drug court participants.

DP 104 - Rent Increase -

The legislature approved a general fund appropriation of \$12,164 in FY 2021 to cover an increase in lease payments for the space rented at the Park Avenue building. This reflects seven months at the new rate.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Funding for Expiring Grant Funded Drug Courts	0.00	0	0	0	0	1.50	138,815	0	0	138,815
DP 102 - Child Abuse Diversion Project	0.50	44,007	0	0	44,007	0.50	43,919	0	0	43,919
DP 211 - Youth Parole (HB 111)	2.00	572,879	21,224	0	594,103	2.00	572,879	21,224	0	594,103
DP 403 - Pretrial Program OTO	3.25	0	776,091	0	776,091	3.25	0	776,091	0	776,091
DP 404 - Funding Transfer for JDIP	0.00	(150,000)	150,000	(240)	(240)	0.00	(150,000)	150,000	(240)	(240)
Total	5.75	\$466,886	\$947,315	(\$240)	\$1,413,961	7.25	\$605,613	\$947,315	(\$240)	\$1,552,688

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Funding for Expiring Grant Funded Drug Courts -

The legislature approved funding to support 1.50 FTE in FY 2021. The 1st Judicial District Family Treatment Court (Lewis & Clark County) and the 20th Judicial District Adult Drug Court (Lake County) were initiated with federal Department of Justice drug court implementation grants that will expire on 9/30/2020.

DP 102 - Child Abuse Diversion Project -

The legislature approved 0.50 FTE and related funding for the Court Diversion Project. This program that was originally provided for in HB 612 passed by the 2015 Legislature and had one-time-only appropriations in the 2019 biennium. The program is designed to remove child abuse and neglect cases from the normal court track and place them into a diversion model. In the model, parents and the social worker develop a mediated treatment plan to transition children home. The

case is not filed in court, parties are not assigned attorneys, and it remains an informal matter. Child abuse and neglect cases are very time-consuming for the court, defense attorneys, and county attorneys.

DP 211 - Youth Parole (HB 111) -

The legislature provided appropriations for HB 111 Youth Parole, which provides \$572,879 in general fund and \$21,224 in state special revenue funds in FY 2020 and \$572,879 in general fund and \$21,224 in state special revenue funds in FY 2021. HB 111 moves 2.00 FTE into Supreme Court Operations and provides \$979,148 in operating expenses over the biennium if adopted. If HB 111 is not passed and approved, then Youth Parole is void.

DP 403 - Pretrial Program OTO -

The legislature approved a fund shift from general fund to state special revenue for a one-time-only request for 3.25 FTE and related funding to continue the Pretrial Diversion Program. The 3.25 FTE includes a 0.75 FTE pretrial program supervisor, 1.00 FTE and three 0.50 FTE public safety assessment coordinators.

This new program, required by the 2017 Montana Legislature, assists the criminal justice system with the handling of persons arrested and held in jail in five pilot counties (Butte-Silver Bow, Lake, Lewis & Clark, Missoula, and Yellowstone). The goals are to maximize public safety by reserving detention for those offenders who pose the greatest risk to reoffend or fail to appear in court, maximize court appearance, and maximize the appropriate use of release and detention by use of service designed to fulfill the two goals.

DP 404 - Funding Transfer for JDIP -

The legislature approved a funding switch of \$150,000 in FY 2020 and \$150,000 in FY 2021 from general fund to state special funds and a \$480 reduction in federal special revenue funds over the biennium for Juvenile Delinquency Intervention and Placement (JDIP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	761,000	794,063	33,063	4.34 %
Operating Expenses	724,625	735,661	11,036	1.52 %
Equipment & Intangible Assets	195,484	176,442	(19,042)	(9.74)%
Grants	120,000	0	(120,000)	(100.00)%
Debt Service	9,335	0	(9,335)	(100.00)%
Total Expenditures	\$1,810,444	\$1,706,166	(\$104,278)	(5.76)%
General Fund	1,810,444	1,706,166	(104,278)	(5.76)%
Total Funds	\$1,810,444	\$1,706,166	(\$104,278)	(5.76)%
Total Ongoing	\$1,810,444	\$1,706,166	(\$104,278)	(5.76)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-18.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	6.75	6.75	6.75	6.75
Personal Services	328,974	358,975	402,025	396,866	397,197
Operating Expenses	340,309	350,711	373,914	367,826	367,835
Equipment & Intangible Assets	107,215	107,263	88,221	88,221	88,221
Grants	0	0	120,000	0	0
Debt Service	460	460	8,875	0	0
Total Expenditures	\$776,958	\$817,409	\$993,035	\$852,913	\$853,253
General Fund	776,958	817,409	993,035	852,913	853,253
Total Funds	\$776,958	\$817,409	\$993,035	\$852,913	\$853,253
Total Ongoing	\$776,958	\$817,409	\$993,035	\$852,913	\$853,253
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-19.

Funding

HB 2 funding for the Law Library is entirely general fund. The Law Library also operates an enterprise type proprietary funded program for which the legislature does not approve rates.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	993,035	993,035	1,986,070	116.41 %	993,035	993,035	1,986,070	116.41 %
SWPL Adjustments	24,878	25,218	50,096	2.94 %	24,878	25,218	50,096	2.94 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(165,000)	(165,000)	(330,000)	(19.34)%	(165,000)	(165,000)	(330,000)	(19.34)%
Total Budget	\$852,913	\$853,253	\$1,706,166		\$852,913	\$853,253	\$1,706,166	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	24,841	0	0	24,841	0.00	25,172	0	0	25,172
DP 3 - Inflation Deflation	0.00	37	0	0	37	0.00	46	0	0	46
Grand Total All Present Law Adjustments	0.00	\$24,878	\$0	\$0	\$24,878	0.00	\$25,218	\$0	\$0	\$25,218

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Law Library.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 301 - WINGS Program	0.00	(160,000)	0	0	(160,000)	0.00	(160,000)	0	0	(160,000)
DP 302 - Copier Debt Service Adjustment	0.00	(5,000)	0	0	(5,000)	0.00	(5,000)	0	0	(5,000)
Total	0.00	(\$165,000)	\$0	\$0	(\$165,000)	0.00	(\$165,000)	\$0	\$0	(\$165,000)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 301 - WINGS Program -

The legislature approved a \$320,000 general fund reduction over the biennium by eliminating appropriations for the Montana Working Interdisciplinary Network of Guardianship Stakeholders (WINGS) Program.

DP 302 - Copier Debt Service Adjustment -

The legislature reduced \$10,000 in general fund over the biennium for an adjustment to debt service for copiers.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	49,850,464	56,750,800	6,900,336	13.84 %
Operating Expenses	5,267,200	5,633,486	366,286	6.95 %
Equipment & Intangible Assets	67,723	135,446	67,723	100.00 %
Benefits & Claims	70,000	70,000	0	0.00 %
Total Expenditures	\$55,255,387	\$62,589,732	\$7,334,345	13.27 %
General Fund	54,154,986	61,052,455	6,897,469	12.74 %
State/Other Special Rev. Funds	1,100,401	1,537,277	436,876	39.70 %
Total Funds	\$55,255,387	\$62,589,732	\$7,334,345	13.27 %
Total Ongoing	\$55,255,387	\$62,589,732	\$7,334,345	13.27 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-25.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	327.58	327.58	328.69	328.69
Personal Services	24,179,416	24,386,366	25,464,098	28,377,046	28,373,754
Operating Expenses	2,378,971	2,820,166	2,447,034	2,833,548	2,799,938
Equipment & Intangible Assets	0	0	67,723	67,723	67,723
Benefits & Claims	20,177	35,000	35,000	35,000	35,000
Total Expenditures	\$26,578,564	\$27,241,532	\$28,013,855	\$31,313,317	\$31,276,415
General Fund	25,761,388	26,327,868	27,827,118	30,527,466	30,524,989
State/Other Special Rev. Funds	817,176	913,664	186,737	785,851	751,426
Total Funds	\$26,578,564	\$27,241,532	\$28,013,855	\$31,313,317	\$31,276,415
Total Ongoing	\$26,578,564	\$27,241,532	\$28,013,855	\$31,313,317	\$31,276,415
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-26.

Funding

Most of the funding for District Court Operations comes from the general fund. State special revenues supporting the program come from court imposed fines and fees.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	27,827,118	27,827,118	55,654,236	91.16 %	28,013,855	28,013,855	56,027,710	89.52 %
SWPL Adjustments	2,751,593	2,749,116	5,500,709	9.01 %	2,751,206	2,748,729	5,499,935	8.79 %
PL Adjustments	0	0	0	0.00 %	599,501	565,076	1,164,577	1.86 %
New Proposals	(51,245)	(51,245)	(102,490)	(0.17)%	(51,245)	(51,245)	(102,490)	(0.16)%
Total Budget	\$30,527,466	\$30,524,989	\$61,052,455		\$31,313,317	\$31,276,415	\$62,589,732	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,748,207	0	0	2,748,207	0.00	2,744,914	0	0	2,744,914
DP 2 - Fixed Costs	0.00	0	(387)	0	(387)	0.00	0	(387)	0	(387)
DP 3 - Inflation Deflation	0.00	3,386	0	0	3,386	0.00	4,202	0	0	4,202
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	99	0	99	0.00	0	99	0	99
DP 401 - Funding for CASA/GAL	0.00	0	599,402	0	599,402	0.00	0	564,977	0	564,977
DP 402 - Retired Judges	1.11	0	0	0	0	1.11	0	0	0	0
Grand Total All Present Law Adjustments	1.11	\$2,751,593	\$599,114	\$0	\$3,350,707	1.11	\$2,749,116	\$564,689	\$0	\$3,313,805

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the District Court Operations.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 401 - Funding for CASA/GAL -

The legislature approved funding for statutorily required costs for the appointment of court appointed special advocates and guardians ad litem in child abuse and neglect cases. Authority is required to spend anticipated revenues.

DP 402 - Retired Judges -

District courts across the state bring in retired judges to preside in cases where a judge may need to recuse him/herself from a case or to cover other absences. The legislature approved the request for 1.11 FTE for the judges. To fund the costs in the 2021 biennium the proposal moves funding from operating expenses to personal services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 405 - SB 26 Witness Expenses	0.00	(51,245)	0	0	(51,245)	0.00	(51,245)	0	0	(51,245)
Total	0.00	(\$51,245)	\$0	\$0	(\$51,245)	0.00	(\$51,245)	\$0	\$0	(\$51,245)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 405 - SB 26 Witness Expenses -

The legislature approved the reduction of \$51,245 in FY 2020 and \$51,245 in FY 2021 from the District Court Operations and an increase by the same amount to Legal Service Division in Department of Justice for witness expenses as provided in SB 26. The change is contingent on passage and approval of SB 26.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,777,831	4,170,237	392,406	10.39 %
Operating Expenses	500,998	465,948	(35,050)	(7.00)%
Equipment & Intangible Assets	8,287	16,574	8,287	100.00 %
Total Expenditures	\$4,287,116	\$4,652,759	\$365,643	8.53 %
General Fund	1,567,875	1,905,557	337,682	21.54 %
State/Other Special Rev. Funds	2,719,241	2,747,202	27,961	1.03 %
Total Funds	\$4,287,116	\$4,652,759	\$365,643	8.53 %
Total Ongoing	\$4,287,116	\$4,652,759	\$365,643	8.53 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-30.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	24.50	24.50	24.50	24.50
Personal Services	1,704,750	1,704,749	2,073,082	2,085,378	2,084,859
Operating Expenses	264,731	264,735	236,263	232,974	232,974
Equipment & Intangible Assets	0	0	8,287	8,287	8,287
Total Expenditures	\$1,969,481	\$1,969,484	\$2,317,632	\$2,326,639	\$2,326,120
General Fund	627,133	627,133	940,742	953,038	952,519
State/Other Special Rev. Funds	1,342,348	1,342,351	1,376,890	1,373,601	1,373,601
Total Funds	\$1,969,481	\$1,969,484	\$2,317,632	\$2,326,639	\$2,326,120
Total Ongoing	\$1,969,481	\$1,969,484	\$2,317,632	\$2,326,639	\$2,326,120
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-31.

Funding

General fund provides a little less than half of the funding for Water Courts Supervision. The remaining funding is from the water adjudication state special revenue account.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	940,742	940,742	1,881,484	98.74 %	2,317,632	2,317,632	4,635,264	99.62 %
SWPL Adjustments	0	0	0	0.00 %	(4,419)	(4,419)	(8,838)	(0.19)%
PL Adjustments	12,296	11,777	24,073	1.26 %	13,426	12,907	26,333	0.57 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$953,038	\$952,519	\$1,905,557		\$2,326,639	\$2,326,120	\$4,652,759	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	(4,419)	0	(4,419)	0.00	0	(4,419)	0	(4,419)
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	1,130	0	1,130	0.00	0	1,130	0	1,130
DP 1001 - Statewide Present Law Fund Shift	0.00	12,296	0	0	12,296	0.00	11,777	0	0	11,777
Grand Total All Present Law Adjustments	0.00	\$12,296	(\$3,289)	\$0	\$9,007	0.00	\$11,777	(\$3,289)	\$0	\$8,488

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 1001 - Statewide Present Law Fund Shift -

The legislature approved \$12,296 in FY 2020 and \$11,777 in FY 2021 in general fund for Water Courts Supervision.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,018,003	1,062,547	44,544	4.38 %
Operating Expenses	87,505	87,166	(339)	(0.39)%
Total Expenditures	\$1,105,508	\$1,149,713	\$44,205	4.00 %
General Fund	1,105,508	1,149,713	44,205	4.00 %
Total Funds	\$1,105,508	\$1,149,713	\$44,205	4.00 %
Total Ongoing	\$1,105,508	\$1,149,713	\$44,205	4.00 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-34.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.50	5.50	5.50	5.50
Personal Services	497,090	497,089	520,914	531,475	531,072
Operating Expenses	43,951	43,950	43,555	43,580	43,586
Total Expenditures	\$541,041	\$541,039	\$564,469	\$575,055	\$574,658
General Fund	541,041	541,039	564,469	575,055	574,658
Total Funds	\$541,041	\$541,039	\$564,469	\$575,055	\$574,658
Total Ongoing	\$541,041	\$541,039	\$564,469	\$575,055	\$574,658
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-35.

Funding

The Clerk of Court Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	564,469	564,469	1,128,938	98.19 %	564,469	564,469	1,128,938	98.19 %
SWPL Adjustments	10,586	10,189	20,775	1.81 %	10,586	10,189	20,775	1.81 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$575,055	\$574,658	\$1,149,713		\$575,055	\$574,658	\$1,149,713	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	10,561	0	0	10,561	0.00	10,158	0	0	10,158
DP 3 - Inflation Deflation	0.00	25	0	0	25	0.00	31	0	0	31
Grand Total All Present Law Adjustments	0.00	\$10,586	\$0	\$0	\$10,586	0.00	\$10,189	\$0	\$0	\$10,189

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Clerk of Court.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	115,655,819	128,756,806	13,100,987	11.33 %
Operating Expenses	74,087,624	75,695,815	1,608,191	2.17 %
Equipment & Intangible Assets	6,419,625	4,864,150	(1,555,475)	(24.23)%
Capital Outlay	30,059	0	(30,059)	(100.00)%
Local Assistance	50,000	50,000	0	0.00 %
Grants	192,200	180,000	(12,200)	(6.35)%
Benefits & Claims	2,242,382	2,242,382	0	0.00 %
Transfers	22,590	22,590	0	0.00 %
Debt Service	1,116,294	669,594	(446,700)	(40.02)%
Total Expenditures	\$199,816,593	\$212,481,337	\$12,664,744	6.34 %
General Fund	65,697,785	70,970,901	5,273,116	8.03 %
State/Other Special Rev. Funds	127,638,911	134,682,258	7,043,347	5.52 %
Federal Spec. Rev. Funds	2,690,476	2,851,887	161,411	6.00 %
Proprietary Funds	3,789,421	3,976,291	186,870	4.93 %
Total Funds	\$199,816,593	\$212,481,337	\$12,664,744	6.34 %
Total Ongoing	\$198,016,593	\$211,081,674	\$13,065,081	6.60 %
Total OTO	\$1,800,000	\$1,399,663	(\$400,337)	(22.24)%

Page Reference

Legislative Budget Analysis, D-37.

Agency Highlights

Department of Justice Major Budget Highlights	
<ul style="list-style-type: none"> The legislature approved the Department of Justice 2021 biennium budget at \$12.7 million or 6.3% higher than the 2019 biennium budget. As measured from FY 2019, growth was 4.5%. Significant changes include: <ul style="list-style-type: none"> Additional personal services of \$3.8 million in the 2021 biennium for statewide present law adjustments Increased personal services authority of \$1.8 million for Montana highway patrol increases established by a statutorily required salary survey State special revenue funding of approximately \$0.3 million and 1.00 FTE for an additional Montana highway patrol officer A one-time-only appropriation of \$0.9 million in operating expenses over the biennium to provide for the criminal justice network and Criminal Records and Identification Services Section (CRISS) A reduction of \$1.7 million in operating expenses over the biennium The transfer of the Public Safety Standards & Training (POST) to the Montana Law Enforcement Academy switching funding from general fund to state special revenue 	

Agency Actuals and Budget Comparison

Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	770.41	770.41	776.91	776.91
Personal Services	59,046,979	56,723,563	58,932,256	64,403,133	64,353,673
Operating Expenses	28,369,657	35,339,212	38,748,412	38,329,094	37,366,721
Equipment & Intangible Assets	2,915,238	4,014,300	2,405,325	2,458,825	2,405,325
Capital Outlay	29,385	30,059	0	0	0
Local Assistance	8,657	25,000	25,000	25,000	25,000
Grants	122,200	102,200	90,000	90,000	90,000
Benefits & Claims	655,292	1,121,191	1,121,191	1,121,191	1,121,191
Transfers	11,295	11,295	11,295	11,295	11,295
Debt Service	73,450	781,497	334,797	334,797	334,797
Total Expenditures	\$91,232,153	\$98,148,317	\$101,668,276	\$106,773,335	\$105,708,002
General Fund	30,486,767	31,530,081	34,167,704	35,524,377	35,446,524
State/Other Special Rev. Funds	58,298,625	63,429,748	64,209,163	67,834,092	66,848,166
Federal Spec. Rev. Funds	818,033	1,334,835	1,355,641	1,425,962	1,425,925
Proprietary Funds	1,628,728	1,853,653	1,935,768	1,988,904	1,987,387
Total Funds	\$91,232,153	\$98,148,317	\$101,668,276	\$106,773,335	\$105,708,002
Total Ongoing	\$91,136,153	\$96,848,317	\$101,168,276	\$105,697,381	\$105,384,293
Total OTO	\$96,000	\$1,300,000	\$500,000	\$1,075,954	\$323,709

Page Reference

Legislative Budget Analysis, D-38.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	770.41	784.91	776.91	(8.00)	784.91	776.91	(8.00)	(8.00)
Personal Services	58,932,256	64,941,719	64,403,133	(538,586)	64,893,136	64,353,673	(539,463)	(1,078,049)
Operating Expenses	38,748,412	39,023,185	38,329,094	(694,091)	37,931,893	37,366,721	(565,172)	(1,259,263)
Equipment & Intangible Assets	2,405,325	2,582,825	2,458,825	(124,000)	2,405,325	2,405,325	0	(124,000)
Capital Outlay	0	0	0	0	0	0	0	0
Local Assistance	25,000	25,000	25,000	0	25,000	25,000	0	0
Grants	90,000	90,000	90,000	0	90,000	90,000	0	0
Benefits & Claims	1,121,191	1,121,191	1,121,191	0	1,121,191	1,121,191	0	0
Transfers	11,295	11,295	11,295	0	11,295	11,295	0	0
Debt Service	334,797	334,797	334,797	0	334,797	334,797	0	0
Total Costs	\$101,668,276	\$108,130,012	\$106,773,335	(\$1,356,677)	\$106,812,637	\$105,708,002	(\$1,104,635)	(\$2,461,312)
General Fund	34,167,704	36,860,313	35,524,377	(1,335,936)	36,780,486	35,446,524	(1,333,962)	(2,669,898)
State/other Special Rev. Funds	64,209,163	67,858,588	67,834,092	(24,496)	66,622,594	66,848,166	225,572	201,076
Federal Spec. Rev. Funds	1,355,641	1,423,048	1,425,962	2,914	1,423,011	1,425,925	2,914	5,828
Other	1,935,768	1,988,063	1,988,904	841	1,986,546	1,987,387	841	1,682
Total Funds	\$101,668,276	\$108,130,012	\$106,773,335	(\$1,356,677)	\$106,812,637	\$105,708,002	(\$1,104,635)	(\$2,461,312)
Total Ongoing	\$101,168,276	\$107,315,012	\$105,697,381	(\$1,617,631)	\$106,747,637	\$105,384,293	(\$1,363,344)	(\$2,980,975)
Total OTO	\$500,000	\$815,000	\$1,075,954	\$260,954	\$65,000	\$323,709	\$258,709	\$519,663

The major differences in the legislative budget compared to the executive budget are:

- The legislature approved a \$1.7 million reduction in operating expenses over the biennium
- The legislature approved 1.00 FTE and related funding for a Montana highway patrol trooper, 4.00 FTE less than requested by the executive
- The legislature adopted 1.00 FTE, or 0.5 FTE greater than the executive request, for a medical examiner in the Forensic Science Division as one-time-only
- The legislature approved the transfer of the Public Safety Officer Standards and Training (POST) to the Montana Law Enforcement Academy over the biennium
- The legislature approved an increase of \$51,245 in FY 2020 and \$51,245 in FY 2021 in Legal Services Division and a reduction by the same amount in District Court Operations in the Judicial Branch for witness expenses as provided in SB 26. This is contingent upon the passage and approval of SB 26
- The legislature approved an increase of \$125,000 in FY 2020 and \$125,000 in FY 2021 in general fund for the Forensic Science Division to test sexual assault evidence kits

Funding

The following table shows agency funding by source of authority.

Total Department of Justice Funding by Source of Authority 2021 Biennium Budget Request - Department of Justice						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	70,970,901	0	0	6,903,216	77,874,117	34.22 %
State Special Total	133,282,595	1,399,663	0	4,579,673	139,261,931	61.20 %
Federal Special Total	2,851,887	0	0	250,000	3,101,887	1.36 %
Proprietary Total	3,976,291	0	3,327,781	0	7,304,072	3.21 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$211,081,674	\$1,399,663	\$3,327,781	\$11,732,889	\$227,542,007	
Percent - Total All Sources	92.77 %	0.62 %	1.46 %	5.16 %		

Funding for the Department of Justice varies by division and function. General fund supports the Legal Services Division, Information Technology Services Division, Division of Criminal Investigations, Motor Vehicle Division, Forensic Science Division, Central Services Division, and Public Safety Officer Standards and Training (POST). For the 2021 biennium, general fund provided 34.1% of DOJ HB 2 funding.

State special revenue supports 61.3% of the DOJ HB 2 funding in the 2021 budget. State special revenue from consumer protection settlement proceeds supports consumer protection activities, gambling licensing fees support the Gambling Control Division, and motor vehicle fees support the Motor Vehicle Division.

Federal special revenue combined with general fund, support Medicaid fraud investigation and the Child Protection Unit within the Legal Services Division.

Proprietary funds support liquor licensing functions and legal service provided under contract to other state agencies.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	34,167,704	34,167,704	68,335,408	96.29 %	101,168,276	101,168,276	202,336,552	95.23 %
SWPL Adjustments	2,501,013	2,425,364	4,926,377	6.94 %	3,650,423	3,536,157	7,186,580	3.38 %
PL Adjustments	0	0	0	0.00 %	28,482	28,482	56,964	0.03 %
New Proposals	(1,144,340)	(1,146,544)	(2,290,884)	(3.23)%	1,926,154	975,087	2,901,241	1.37 %
Total Budget	\$35,524,377	\$35,446,524	\$70,970,901		\$106,773,335	\$105,708,002	\$212,481,337	

Language and Statutory Authority

It is the intent of the legislature that the department of justice eliminate all highway state special revenue nonrestricted account funding from its base budget in the 2023 biennium *in the Justice Information Technology Services Division, Division of Criminal Investigation, Forensic Science Division, and Central Services Division*.

Gambling Control Division shall report to the legislative finance committee annually in September as to the solvency of the gambling license fee account.

SB 26 Witness Expenses is contingent on passage and approval of SB 26.

By June 30, 2019, the state treasurer shall transfer \$250,000 from the account established in 30-14-143 to the general fund.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,812,466	12,282,732	1,470,266	13.60 %
Operating Expenses	4,378,962	5,064,264	685,302	15.65 %
Benefits & Claims	2,242,382	2,242,382	0	0.00 %
Total Expenditures	\$17,433,810	\$19,589,378	\$2,155,568	12.36 %
General Fund	13,443,006	15,208,659	1,765,653	13.13 %
State/Other Special Rev. Funds	2,527,719	2,854,525	326,806	12.93 %
Federal Spec. Rev. Funds	1,463,085	1,526,194	63,109	4.31 %
Total Funds	\$17,433,810	\$19,589,378	\$2,155,568	12.36 %
Total Ongoing	\$17,433,810	\$19,589,378	\$2,155,568	12.36 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-47.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	63.50	63.50	63.50	63.50
Personal Services	5,722,488	5,372,743	5,439,723	6,143,755	6,138,977
Operating Expenses	1,289,301	1,735,786	2,643,176	2,530,017	2,534,247
Benefits & Claims	655,292	1,121,191	1,121,191	1,121,191	1,121,191
Total Expenditures	\$7,667,081	\$8,229,720	\$9,204,090	\$9,794,963	\$9,794,415
General Fund	6,254,817	6,255,397	7,187,609	7,604,355	7,604,304
State/Other Special Rev. Funds	1,186,475	1,247,322	1,280,397	1,427,458	1,427,067
Federal Spec. Rev. Funds	225,789	727,001	736,084	763,150	763,044
Total Funds	\$7,667,081	\$8,229,720	\$9,204,090	\$9,794,963	\$9,794,415
Total Ongoing	\$7,667,081	\$8,229,720	\$9,204,090	\$9,794,963	\$9,794,415
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-48.

Funding

Each of the various functions within Legal Services Division (LSD) has a unique funding source. Attorneys are supported by general fund and state special revenue from consumer education settlement funds and other state special revenues generated from agreements with other state agencies. Work for the Reserved Water Rights Compact Commission and prosecution of hunting violations are funded by the Department of Fish, Wildlife, and Parks, and prosecution of workers' compensation violations are funded by the Montana State Fund. The cost of major litigation is entirely supported by general fund. Funding for assistance to crime victims comes from the general fund and federal grants. State special revenue

from the settlement of consumer protection litigation funds the portion of the division that supports consumer protection functions.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	7,187,609	7,187,609	14,375,218	94.52 %	9,204,090	9,204,090	18,408,180	93.97 %
SWPL Adjustments	552,149	552,098	1,104,247	7.26 %	718,320	717,772	1,436,092	7.33 %
PL Adjustments	0	0	0	0.00 %	7,956	7,956	15,912	0.08 %
New Proposals	(135,403)	(135,403)	(270,806)	(1.78)%	(135,403)	(135,403)	(270,806)	(1.38)%
Total Budget	\$7,604,355	\$7,604,304	\$15,208,659		\$9,794,963	\$9,794,415	\$19,589,378	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	538,906	140,965	24,161	704,032	0.00	535,005	140,194	24,055	699,254
DP 2 - Fixed Costs	0.00	6,571	1,045	0	7,616	0.00	8,812	1,425	0	10,237
DP 3 - Inflation Deflation	0.00	6,672	0	0	6,672	0.00	8,281	0	0	8,281
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	5,051	2,905	7,956	0.00	0	5,051	2,905	7,956
Grand Total All Present Law Adjustments	0.00	\$552,149	\$147,061	\$27,066	\$726,276	0.00	\$552,098	\$146,670	\$26,960	\$725,728

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Legal Services Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Total Funds
DP 101 - Legal Services Budget Modifications										
	0.00	(186,648)	0	0	(186,648)		0.00	(186,648)	0	(186,648)
DP 405 - SB 26 Witness Expenses										
	0.00	51,245	0	0	51,245		0.00	51,245	0	51,245
Total	0.00	(\$135,403)	\$0	\$0	(\$135,403)		0.00	(\$135,403)	\$0	(\$135,403)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Legal Services Budget Modifications -

The legislature approved a general fund reduction of \$186,648 in FY 2020 and \$186,648 in FY 2021 for budget modifications in operating expenses.

DP 405 - SB 26 Witness Expenses -

The legislature approved an increase of \$51,245 in FY 2020 and \$51,245 in FY 2021 in the Legal Services Division and a reduction by the same amount in the District Court Operations in the Judicial Branch for witness expenses. The funding is contingent on the passage and approval of SB 26.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	52,828,343	55,378,090	2,549,747	4.83 %
Operating Expenses	17,644,540	18,303,690	659,150	3.74 %
Equipment & Intangible Assets	4,635,194	4,015,330	(619,864)	(13.37)%
Total Expenditures	\$75,108,077	\$77,697,110	\$2,589,033	3.45 %
State/Other Special Rev. Funds	75,108,077	77,697,110	2,589,033	3.45 %
Total Funds	\$75,108,077	\$77,697,110	\$2,589,033	3.45 %
Total Ongoing	\$75,108,077	\$77,697,110	\$2,589,033	3.45 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-54.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	305.09	305.09	306.09	306.09
Personal Services	26,122,505	26,149,250	26,679,093	27,708,324	27,669,766
Operating Expenses	8,182,268	8,553,191	9,091,349	9,166,089	9,137,601
Equipment & Intangible Assets	2,492,161	2,643,029	1,992,165	2,023,165	1,992,165
Total Expenditures	\$36,796,934	\$37,345,470	\$37,762,607	\$38,897,578	\$38,799,532
State/Other Special Rev. Funds	36,796,934	37,345,470	37,762,607	38,897,578	38,799,532
Total Funds	\$36,796,934	\$37,345,470	\$37,762,607	\$38,897,578	\$38,799,532
Total Ongoing	\$36,796,934	\$37,345,470	\$37,762,607	\$38,897,578	\$38,799,532
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-55.

Funding

Functions of the Montana Highway Patrol (MHP) are supported by state special revenue, with the bulk of the costs supported by the MHP administrative account established by the 2017 Legislature.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	37,762,607	37,762,607	75,525,214	97.20 %	
SWPL Adjustments	0	0	0	0.00 %	27,574	(7,273)	20,301	0.03 %	
PL Adjustments	0	0	0	0.00 %	13,162	13,162	26,324	0.03 %	
New Proposals	0	0	0	0.00 %	1,094,235	1,031,036	2,125,271	2.74 %	
Total Budget	\$0	\$0	\$0		\$38,897,578	\$38,799,532	\$77,697,110		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	50,810	0	50,810	0.00	0	12,252	0	12,252
DP 2 - Fixed Costs	0.00	0	(23,451)	0	(23,451)	0.00	0	(19,792)	0	(19,792)
DP 3 - Inflation Deflation	0.00	0	215	0	215	0.00	0	267	0	267
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	13,162	0	13,162	0.00	0	13,162	0	13,162
Grand Total All Present Law Adjustments	0.00	\$0	\$40,736	\$0	\$40,736	0.00	\$0	\$5,889	\$0	\$5,889

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Montana Highway Patrol.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 301 - MHP Salary Survey	0.00	0	900,000	0	900,000	0.00	0	900,000	0	900,000
DP 302 - MHP Base Adjustment	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000
DP 303 - MHP Trooper FTE	1.00	0	169,235	0	169,235	1.00	0	106,036	0	106,036
Total	1.00	\$0	\$1,094,235	\$0	\$1,094,235	1.00	\$0	\$1,031,036	\$0	\$1,031,036

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 301 - MHP Salary Survey -

The legislature approved a 4.3% increase for uniformed officers' salaries based on results of the salary survey conducted by the Department of Administration in accordance with 2-18-303, MCA. The survey averaged the starting wage in eight Montana county sheriff's offices.

DP 302 - MHP Base Adjustment -

The legislature approved additional state special revenue to support rent increases included in operating expenses.

DP 303 - MHP Trooper FTE -

The legislature approved 1.00 FTE for an additional trooper to address increased traffic safety needs. The position will be paid for using MHP state special revenue. This includes \$78,421 in personal services, \$59,814 in operating expenses, and \$31,000 in equipment and intangible assets in FY 2020, and \$78,421 in personal services and \$27,615 in operating expenses in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	5,414,455	6,945,876	1,531,421	28.28 %
Operating Expenses	3,549,804	4,016,269	466,465	13.14 %
Equipment & Intangible Assets	122,654	96,140	(26,514)	(21.62)%
Capital Outlay	30,059	0	(30,059)	(100.00)%
Total Expenditures	\$9,116,972	\$11,058,285	\$1,941,313	21.29 %
General Fund	8,555,565	9,750,490	1,194,925	13.97 %
State/Other Special Rev. Funds	526,601	1,272,989	746,388	141.74 %
Federal Spec. Rev. Funds	5,270	5,270	0	0.00 %
Proprietary Funds	29,536	29,536	0	0.00 %
Total Funds	\$9,116,972	\$11,058,285	\$1,941,313	21.29 %
Total Ongoing	\$9,116,972	\$11,058,285	\$1,941,313	21.29 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-60.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	36.80	36.80	39.30	39.30
Personal Services	2,943,169	2,686,742	2,727,713	3,472,830	3,473,046
Operating Expenses	1,276,049	1,531,824	2,017,980	2,061,782	1,954,487
Equipment & Intangible Assets	85,834	85,834	36,820	59,320	36,820
Capital Outlay	29,385	30,059	0	0	0
Total Expenditures	\$4,334,437	\$4,334,459	\$4,782,513	\$5,593,932	\$5,464,353
General Fund	4,053,736	4,053,759	4,501,806	4,873,690	4,876,800
State/Other Special Rev. Funds	263,298	263,297	263,304	702,839	570,150
Federal Spec. Rev. Funds	2,635	2,635	2,635	2,635	2,635
Proprietary Funds	14,768	14,768	14,768	14,768	14,768
Total Funds	\$4,334,437	\$4,334,459	\$4,782,513	\$5,593,932	\$5,464,353
Total Ongoing	\$4,334,437	\$4,334,459	\$4,782,513	\$5,593,932	\$5,464,353
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-61.

Funding

Justice Information Technology Services Division (JITSD) is funded mainly with general fund. State special revenue, which makes up 11.5% of the funding in the 2021 biennium, comes primarily from Motor Vehicle Division MERLIN funds, consumer education settlement funds, criminal records information system fees, and the MHP administrative account.

The balance of JISTD's funding comes from a small amount of federal special revenues (Medicaid) and proprietary funds including liquor licensing fees and agency legal service fees.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,501,806	4,501,806	9,003,612	92.34 %	4,782,513	4,782,513	9,565,026	86.50 %
SWPL Adjustments	503,665	506,775	1,010,440	10.36 %	503,665	506,775	1,010,440	9.14 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(131,781)	(131,781)	(263,562)	(2.70)%	307,754	175,065	482,819	4.37 %
Total Budget	\$4,873,690	\$4,876,800	\$9,750,490		\$5,593,932	\$5,464,353	\$11,058,285	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	524,230	0	0	524,230	0.00	523,594	0	0	523,594
DP 2 - Fixed Costs	0.00	(22,272)	0	0	(22,272)	0.00	(18,937)	0	0	(18,937)
DP 3 - Inflation Deflation	0.00	1,707	0	0	1,707	0.00	2,118	0	0	2,118
Grand Total All Present Law Adjustments	0.00	\$503,665	\$0	\$0	\$503,665	0.00	\$506,775	\$0	\$0	\$506,775

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Justice Information Technology Services Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 406 - JITSD FTE	2.50	0	439,535	0	439,535	2.50	0	306,846	0	306,846
DP 407 - JITSD Budget Modifications	0.00	(131,781)	0	0	(131,781)	0.00	(131,781)	0	0	(131,781)
Total	2.50	(\$131,781)	\$439,535	\$0	\$307,754	2.50	(\$131,781)	\$306,846	\$0	\$175,065

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 406 - JITSD FTE -

The legislature approved 2.50 FTE and related personal services appropriations to reinforce the department's disaster recovery and Real ID efforts as required by the Motor Vehicle Division.

DP 407 - JITSD Budget Modifications -

The legislature approved a general fund reduction of \$131,781 in FY 2020 and \$131,781 in FY 2021 in operating expenses in Justice Information Technology Services Division (JITSD).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	15,216,439	17,674,811	2,458,372	16.16 %
Operating Expenses	9,822,855	10,462,945	640,090	6.52 %
Equipment & Intangible Assets	265,904	246,904	(19,000)	(7.15)%
Grants	192,200	180,000	(12,200)	(6.35)%
Transfers	22,590	22,590	0	0.00 %
Total Expenditures	\$25,519,988	\$28,587,250	\$3,067,262	12.02 %
General Fund	14,401,916	14,755,222	353,306	2.45 %
State/Other Special Rev. Funds	9,895,951	12,511,605	2,615,654	26.43 %
Federal Spec. Rev. Funds	1,222,121	1,320,423	98,302	8.04 %
Total Funds	\$25,519,988	\$28,587,250	\$3,067,262	12.02 %
Total Ongoing	\$25,519,988	\$27,707,250	\$2,187,262	8.57 %
Total OTO	\$0	\$880,000	\$880,000	100.00 %

Page Reference

Legislative Budget Analysis, D-65.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	104.99	104.99	108.99	108.99
Personal Services	7,511,108	7,295,441	7,920,998	8,838,167	8,836,644
Operating Expenses	3,987,088	4,856,943	4,965,912	5,604,691	4,858,254
Equipment & Intangible Assets	81,471	142,452	123,452	123,452	123,452
Grants	122,200	102,200	90,000	90,000	90,000
Transfers	11,295	11,295	11,295	11,295	11,295
Total Expenditures	\$11,713,162	\$12,408,331	\$13,111,657	\$14,667,605	\$13,919,645
General Fund	6,786,178	6,837,069	7,564,847	7,376,777	7,378,445
State/Other Special Rev. Funds	4,337,375	4,966,063	4,929,888	6,630,651	5,880,954
Federal Spec. Rev. Funds	589,609	605,199	616,922	660,177	660,246
Total Funds	\$11,713,162	\$12,408,331	\$13,111,657	\$14,667,605	\$13,919,645
Total Ongoing	\$11,713,162	\$12,408,331	\$13,111,657	\$13,852,605	\$13,854,645
Total OTO	\$0	\$0	\$0	\$815,000	\$65,000

Page Reference

Legislative Budget Analysis, D-66.

Funding

Division of Criminal Investigation (DCI) is supported by a combination of general fund, state and federal special revenue. General fund supports criminal investigations, fire prevention and investigation, state matching funds for Medicaid fraud

investigators, drug task forces, the computer crime unit, sexual and violent offender registry, amber alert, and the child sexual abuse response team.

The three largest sources of state special revenue supporting DCI are Montana Law Enforcement Academy surcharges that support the operation of the academy, criminal justice information network (CJIN) revenue that supports itself, and revenue from criminal justice background checks that are paid in exchange for completion of the background check.

The largest source of federal state special revenue is Medicaid funding that supports investigation of Medicaid fraud.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	7,564,847	7,564,847	15,129,694	102.54 %	13,111,657	13,111,657	26,223,314	91.73 %
SWPL Adjustments	61,321	62,989	124,310	0.84 %	528,006	530,776	1,058,782	3.70 %
PL Adjustments	0	0	0	0.00 %	1,563	1,563	3,126	0.01 %
New Proposals	(249,391)	(249,391)	(498,782)	(3.38)%	1,026,379	275,649	1,302,028	4.55 %
Total Budget	\$7,376,777	\$7,378,445	\$14,755,222		\$14,667,605	\$13,919,645	\$28,587,250	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	79,443	441,601	47,384	568,428	0.00	78,578	441,968	47,384	567,930
DP 2 - Fixed Costs	0.00	(26,575)	(18,162)	(4,138)	(48,875)	0.00	(26,079)	(17,496)	(4,069)	(47,644)
DP 3 - Inflation Deflation	0.00	8,453	0	0	8,453	0.00	10,490	0	0	10,490
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	1,554	9	1,563	0.00	0	1,554	9	1,563
Grand Total All Present Law Adjustments	0.00	\$61,321	\$424,993	\$43,255	\$529,569	0.00	\$62,989	\$426,026	\$43,324	\$532,339

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Division of Criminal Investigation.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 305 - POST Transfer	3.00	0	261,125	0	261,125	3.00	0	260,387	0	260,387
DP 306 - POST Operating Transfer	0.00	0	182,624	0	182,624	0.00	0	182,632	0	182,632
DP 307 - POST Additional Operating Transfer	0.00	0	17,021	0	17,021	0.00	0	17,021	0	17,021
DP 502 - DCI Authority Increase CRISS/CJIN (OTO)	0.00	0	815,000	0	815,000	0.00	0	65,000	0	65,000
DP 507 - DCI CYBER INVESTIGATOR FTE	1.00	0	0	0	0	1.00	0	0	0	0
DP 508 - DCI Budget Modifications	0.00	(249,391)	0	0	(249,391)	0.00	(249,391)	0	0	(249,391)
Total	4.00	(\$249,391)	\$1,275,770	\$0	\$1,026,379	4.00	(\$249,391)	\$525,040	\$0	\$275,649

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 305 - POST Transfer -

The legislature approved the transfer of POST (Public Safety Officer Standards & Training) and associated FTE to the Montana Law Enforcement Academy. Personal services will be funded by state special revenue funds for the amount of \$261,125 in FY 2020 and \$260,387 in FY 2021.

DP 306 - POST Operating Transfer -

The legislature approved the transfer of POST operating expenses to the Montana Law Enforcement Academy. Operating expenses are \$182,624 in FY 2020 and \$182,632 in FY 2021 and are funded by state special revenue.

DP 307 - POST Additional Operating Transfer -

The legislature approved additional POST operating funds of \$17,021 in FY 2020 and \$17,021 in FY 2021.

DP 502 - DCI Authority Increase CRISS/CJIN (OTO) -

The legislature approved additional operating expenses for the Criminal Record Information System Section/Criminal Justice Information Network as one-time-only.

DP 507 - DCI CYBER INVESTIGATOR FTE -

The legislature approved 1.00 FTE for a cyber investigator. A cyber investigator will contribute to the Governor's Information Security Advisory Council and Attorney General's National Association of Attorneys General cyber efforts to build a stronger cyber response to those attacking state systems and defrauding business and the general public.

DP 508 - DCI Budget Modifications -

The legislature approved a general fund reduction in operating expenses of \$249,391 in FY2020 and \$249,391 in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,150,389	2,968,380	(182,009)	(5.78)%
Operating Expenses	462,599	359,401	(103,198)	(22.31)%
Total Expenditures	\$3,612,988	\$3,327,781	(\$285,207)	(7.89)%
Proprietary Funds	3,612,988	3,327,781	(285,207)	(7.89)%
Total Funds	\$3,612,988	\$3,327,781	(\$285,207)	(7.89)%

Page Reference

Legislative Budget Analysis, D-71.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	14.00	14.00	14.00	14.00
Personal Services	1,428,164	1,498,977	1,651,412	1,483,179	1,485,201
Operating Expenses	275,904	283,629	178,970	179,646	179,755
Total Expenditures	\$1,704,068	\$1,782,606	\$1,830,382	\$1,662,825	\$1,664,956
Proprietary Funds	1,704,068	1,782,606	1,830,382	1,662,825	1,664,956
Total Funds	\$1,704,068	\$1,782,606	\$1,830,382	\$1,662,825	\$1,664,956

Page Reference

Legislative Budget Analysis, D-72.

Funding

Agency Legal Services (ALS) is funded with non-budgeted proprietary funds from fees charged to state agencies for attorney and paralegal work. For information on the rates charged to state agencies refer to the Other Issues section of this program narrative.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	1,830,382	1,830,382	3,660,764	110.01 %	
SWPL Adjustments	0	0	0	0.00 %	(168,105)	(165,974)	(334,079)	(10.04)%	
PL Adjustments	0	0	0	0.00 %	548	548	1,096	0.03 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$1,662,825	\$1,664,956	\$3,327,781		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(168,233)	0.00	0	0	0	(166,211)
DP 2 - Fixed Costs	0.00	0	0	0	(26)	0.00	0	0	0	46
DP 3 - Inflation Deflation	0.00	0	0	0	154	0.00	0	0	0	191
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	548	0.00	0	0	0	548
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$167,557)	0.00	\$0	\$0	\$0	(\$165,426)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law adjustment in personal services to maintain operations and services of Agency Legal Services.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Other Issues -Expenses

The primary costs for ALS are personal services for 14.00 FTE and operating costs. Factors that influence costs include the state pay plan, the ability to recruit and retain staff, and general inflationary pressures that increase costs for items such as utilities, rent, supplies, and equipment. As proposed, the costs for Agency Legal Services Bureau decrease by \$168,104 and \$165,974 between FY 2019 and FY 2020 and FY 2021 respectively. The decreases are included as part of the statewide present law adjustment for the ALS, mainly for personal services.

Revenues

Revenues are generated by fees charged to other state agencies for services provided.

Rate(s) and Rate Explanation

For the 2021 biennium the following rates are proposed by the executive. The rates charged in the base year and those by paid state agencies in FY 2018 are shown for comparison purposes.

Requested Rates for Internal Service or Enterprise Funds Fee/Rate Information						
	Actual FY 16	Actual FY 17	Actual FY 18	Budgeted FY 19	Budgeted FY 20	Budgeted FY 21
Fee Description:						
-Attorney (per hour)	106	106	106	106	106	106
-Investigator (per hour)	62	62	62	62	62	62

The rates approved by the legislature are the maximum the program may charged during the interim. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,999,895	7,465,574	465,679	6.65 %
Operating Expenses	1,647,409	1,648,863	1,454	0.09 %
Equipment & Intangible Assets	165,720	165,720	0	0.00 %
Total Expenditures	\$8,813,024	\$9,280,157	\$467,133	5.30 %
State/Other Special Rev. Funds	6,297,874	6,588,916	291,042	4.62 %
Proprietary Funds	2,515,150	2,691,241	176,091	7.00 %
Total Funds	\$8,813,024	\$9,280,157	\$467,133	5.30 %
Total Ongoing	\$8,813,024	\$9,280,157	\$467,133	5.30 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-76.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	45.99	45.99	45.99	45.99
Personal Services	3,247,792	3,432,256	3,567,639	3,735,679	3,729,895
Operating Expenses	558,369	821,866	825,543	824,264	824,599
Equipment & Intangible Assets	72,258	82,860	82,860	82,860	82,860
Total Expenditures	\$3,878,419	\$4,336,982	\$4,476,042	\$4,642,803	\$4,637,354
State/Other Special Rev. Funds	2,754,988	3,119,884	3,177,990	3,296,392	3,292,524
Proprietary Funds	1,123,431	1,217,098	1,298,052	1,346,411	1,344,830
Total Funds	\$3,878,419	\$4,336,982	\$4,476,042	\$4,642,803	\$4,637,354
Total Ongoing	\$3,878,419	\$4,336,982	\$4,476,042	\$4,642,803	\$4,637,354
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-77.

Funding

Gambling Control Division (GCD) activities are supported primarily by state special revenue generated from gambling licensing fees. Liquor licensing fees (a proprietary fund) support GCD functions related to liquor licensing. A small amount of funds from the tobacco settlement state special revenue account support activities related to enforcement of settlement provisions.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	4,476,042	4,476,042	8,952,084	96.46 %	
SWPL Adjustments	0	0	0	0.00 %	165,303	159,854	325,157	3.50 %	
PL Adjustments	0	0	0	0.00 %	1,458	1,458	2,916	0.03 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$4,642,803	\$4,637,354	\$9,280,157		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	119,308	0	168,040	0.00	0	115,202	0	162,256
DP 2 - Fixed Costs	0.00	0	(1,949)	0	(2,745)	0.00	0	(1,712)	0	(2,411)
DP 3 - Inflation Deflation	0.00	0	8	0	8	0.00	0	9	0	9
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	1,035	0	1,458	0.00	0	1,035	0	1,458
Grand Total All Present Law Adjustments	0.00	\$0	\$118,402	\$0	\$166,761	0.00	\$0	\$114,534	\$0	\$161,312

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Gambling Control Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,820,877	8,713,903	1,893,026	27.75 %
Operating Expenses	3,766,538	3,997,508	230,970	6.13 %
Equipment & Intangible Assets	902,097	12,000	(890,097)	(98.67)%
Debt Service	619,594	669,594	50,000	8.07 %
Total Expenditures	\$12,109,106	\$13,393,005	\$1,283,899	10.60 %
General Fund	10,136,088	9,984,856	(151,232)	(1.49)%
State/Other Special Rev. Funds	1,973,018	3,408,149	1,435,131	72.74 %
Total Funds	\$12,109,106	\$13,393,005	\$1,283,899	10.60 %
Total Ongoing	\$11,309,106	\$12,873,342	\$1,564,236	13.83 %
Total OTO	\$800,000	\$519,663	(\$280,337)	(35.04)%

Page Reference

Legislative Budget Analysis, D-81.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	40.30	40.30	42.30	42.30
Personal Services	3,878,865	3,337,019	3,483,858	4,356,311	4,357,592
Operating Expenses	1,309,287	1,764,145	2,002,393	1,999,706	1,997,802
Equipment & Intangible Assets	98,398	896,097	6,000	6,000	6,000
Debt Service	61,692	284,797	334,797	334,797	334,797
Total Expenditures	\$5,348,242	\$6,282,058	\$5,827,048	\$6,696,814	\$6,696,191
General Fund	4,953,284	5,753,283	4,382,805	4,991,617	4,993,239
State/Other Special Rev. Funds	394,958	528,775	1,444,243	1,705,197	1,702,952
Total Funds	\$5,348,242	\$6,282,058	\$5,827,048	\$6,696,814	\$6,696,191
Total Ongoing	\$5,348,242	\$5,482,058	\$5,827,048	\$6,435,860	\$6,437,482
Total OTO	\$0	\$800,000	\$0	\$260,954	\$258,709

Page Reference

Legislative Budget Analysis, D-82.

Funding

Forensic Science Division (FSD) is funded primarily with general fund. The 2017 Legislature established the medical examiner state special revenue account for the operation and administration of state forensic laboratories.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,382,805	4,382,805	8,765,610	87.79 %	5,827,048	5,827,048	11,654,096	87.02 %
SWPL Adjustments	513,520	518,003	1,031,523	10.33 %	513,520	518,003	1,031,523	7.70 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	95,292	92,431	187,723	1.88 %	356,246	351,140	707,386	5.28 %
Total Budget	\$4,991,617	\$4,993,239	\$9,984,856		\$6,696,814	\$6,696,191	\$13,393,005	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	522,771	0	0	522,771	0.00	526,970	0	0	526,970
DP 2 - Fixed Costs	0.00	(9,251)	0	0	(9,251)	0.00	(8,967)	0	0	(8,967)
Grand Total All Present Law Adjustments	0.00	\$513,520	\$0	\$0	\$513,520	0.00	\$518,003	\$0	\$0	\$518,003

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Forensic Science Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 802 - FSD DNA FTE	1.00	99,390	0	0	99,390	1.00	96,529	0	0	96,529
DP 804 - FSD Budget Modifications	0.00	(129,098)	0	0	(129,098)	0.00	(129,098)	0	0	(129,098)
DP 805 - FSD ME FT FTE (OTO)	1.00	0	260,954	0	260,954	1.00	0	258,709	0	258,709
DP 806 - Evidence Kits	0.00	125,000	0	0	125,000	0.00	125,000	0	0	125,000
Total	2.00	\$95,292	\$260,954	\$0	\$356,246	2.00	\$92,431	\$258,709	\$0	\$351,140

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 802 - FSD DNA FTE -

The legislature approved 1.00 FTE forensic scientist position offset with a funding reduction in the Motor Vehicle Division. According to FSD, the DNA casework at the Forensic Science Division has increased 88.0% over the past 5 years, including increases in more time-consuming sex assault cases. Despite increases in productivity and improved workflow efficiency, the section is unable to keep up with demand without an additional analyst.

DP 804 - FSD Budget Modifications -

The legislature approved a general fund reduction of \$129,098 in FY 2020 and \$129,098 in FY 2021 to reduce operating expenses.

DP 805 - FSD ME FT FTE (OTO) -

The legislature approved a one-time-only 1.00 FTE for a full-time medical examiner (ME) position in Billings. The 1.00 FTE increases state special revenue authority by \$260,954 in FY 2020 and \$258,709 in FY 2021.

DP 806 - Evidence Kits -

The legislature approved an increase in general fund by \$125,000 in FY 2020 and \$125,000 in FY 2021 to test sexual assault evidence kits in the Forensic Science Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	14,469,646	17,143,494	2,673,848	18.48 %
Operating Expenses	32,113,793	31,333,529	(780,264)	(2.43)%
Equipment & Intangible Assets	328,056	328,056	0	0.00 %
Local Assistance	50,000	50,000	0	0.00 %
Debt Service	496,700	0	(496,700)	(100.00)%
Total Expenditures	\$47,458,195	\$48,855,079	\$1,396,884	2.94 %
General Fund	16,026,049	18,531,311	2,505,262	15.63 %
State/Other Special Rev. Funds	30,249,628	29,140,458	(1,109,170)	(3.67)%
Proprietary Funds	1,182,518	1,183,310	792	0.07 %
Total Funds	\$47,458,195	\$48,855,079	\$1,396,884	2.94 %
Total Ongoing	\$46,458,195	\$48,855,079	\$2,396,884	5.16 %
Total OTO	\$1,000,000	\$0	(\$1,000,000)	(100.00)%

Page Reference

Legislative Budget Analysis, D-87.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	152.25	152.25	152.25	152.25
Personal Services	8,048,270	6,984,689	7,484,957	8,573,303	8,570,191
Operating Expenses	11,351,572	15,510,458	16,603,335	15,662,578	15,670,951
Equipment & Intangible Assets	85,116	164,028	164,028	164,028	164,028
Local Assistance	8,657	25,000	25,000	25,000	25,000
Debt Service	11,758	496,700	0	0	0
Total Expenditures	\$19,505,373	\$23,180,875	\$24,277,320	\$24,424,909	\$24,430,170
General Fund	7,013,461	7,163,456	8,862,593	9,262,966	9,268,345
State/Other Special Rev. Funds	12,031,910	15,426,160	14,823,468	14,570,288	14,570,170
Proprietary Funds	460,002	591,259	591,259	591,655	591,655
Total Funds	\$19,505,373	\$23,180,875	\$24,277,320	\$24,424,909	\$24,430,170
Total Ongoing	\$19,409,373	\$22,680,875	\$23,777,320	\$24,424,909	\$24,430,170
Total OTO	\$96,000	\$500,000	\$500,000	\$0	\$0

Page Reference

Legislative Budget Analysis, D-88.

Funding

Drivers licensing and vehicle titling and registration functions are supported by the general fund and Motor Vehicle Division (MVD) administrative fee state special revenue account. State special revenues collected for vehicle registration fees support payment of debt that was incurred for the development and implementation of the computer system known as

the Montana Enhanced Registration and Licensing Information Network (MERLIN) and the vehicle insurance verification system. Proprietary funds collected from fees charged for e-government services support online web based services that may be used by the public.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	8,862,593	8,862,593	17,725,186	95.65 %	23,777,320	23,777,320	47,554,640	97.34 %
SWPL Adjustments	654,335	659,714	1,314,049	7.09 %	897,598	902,859	1,800,457	3.69 %
PL Adjustments	0	0	0	0.00 %	3,953	3,953	7,906	0.02 %
New Proposals	(253,962)	(253,962)	(507,924)	(2.74)%	(253,962)	(253,962)	(507,924)	(1.04)%
Total Budget	\$9,262,966	\$9,268,345	\$18,531,311		\$24,424,909	\$24,430,170	\$48,855,079	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	632,212	456,134	0	1,088,346	0.00	630,403	454,831	0	1,085,234
DP 2 - Fixed Costs	0.00	15,537	(212,871)	0	(197,334)	0.00	21,138	(211,686)	0	(190,548)
DP 3 - Inflation Deflation	0.00	6,586	0	0	6,586	0.00	8,173	0	0	8,173
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	3,557	0	3,953	0.00	0	3,557	0	3,953
Grand Total All Present Law Adjustments	0.00	\$654,335	\$246,820	\$0	\$901,551	0.00	\$659,714	\$246,702	\$0	\$906,812

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Motor Vehicle Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 802 - FSD DNA FTE	0.00	(99,390)	0	0	(99,390)	0.00	(96,529)	0	0	(96,529)
DP 803 - FSD ME PT FTE	0.00	(20,732)	0	0	(20,732)	0.00	(15,574)	0	0	(15,574)
DP 901 - MVD Budget Modifications	0.00	(133,840)	0	0	(133,840)	0.00	(141,859)	0	0	(141,859)
Total	0.00	(\$253,962)	\$0	\$0	(\$253,962)	0.00	(\$253,962)	\$0	\$0	(\$253,962)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 802 - FSD DNA FTE -

The legislature approved a Forensic Science Division DNA FTE request, which is offset by funding reductions of \$99,390 in FY 2020 and \$96,529 in FY 2021 from the Motor Vehicle Division.

DP 803 - FSD ME PT FTE -

The legislature approved a Forensic Science Division ME PT FTE request, which is offset by funding reductions of \$20,732 in FY 2020 and \$15,574 in FY 2021 from the Motor Vehicle Division.

DP 901 - MVD Budget Modifications -

The legislature approved a general fund reduction in operating expenses of \$133,840 in FY 2020 and \$141,859 in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,618,353	3,152,326	533,973	20.39 %
Operating Expenses	830,920	868,747	37,827	4.55 %
Total Expenditures	\$3,449,273	\$4,021,073	\$571,800	16.58 %
General Fund	2,327,013	2,740,363	413,350	17.76 %
State/Other Special Rev. Funds	1,060,043	1,208,506	148,463	14.01 %
Proprietary Funds	62,217	72,204	9,987	16.05 %
Total Funds	\$3,449,273	\$4,021,073	\$571,800	16.58 %
Total Ongoing	\$3,449,273	\$4,021,073	\$571,800	16.58 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-94.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	18.49	18.49	18.49	18.49
Personal Services	1,321,258	1,232,232	1,386,121	1,574,764	1,577,562
Operating Expenses	284,389	415,013	415,907	479,967	388,780
Total Expenditures	\$1,605,647	\$1,647,245	\$1,802,028	\$2,054,731	\$1,966,342
General Fund	1,042,433	1,083,940	1,243,073	1,414,972	1,325,391
State/Other Special Rev. Funds	532,687	532,777	527,266	603,689	604,817
Proprietary Funds	30,527	30,528	31,689	36,070	36,134
Total Funds	\$1,605,647	\$1,647,245	\$1,802,028	\$2,054,731	\$1,966,342
Total Ongoing	\$1,605,647	\$1,647,245	\$1,802,028	\$2,054,731	\$1,966,342
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-95.

Funding

Central Services Division (CSD) is funded by allocation of costs among the various funding sources supporting the department. General fund would provide roughly 65.8% of the division's HB 2 funding. State special revenue, the largest source being the MVD administrative fee, would provide an additional 32.3% of the division HB 2 funding. Proprietary funds including liquor licensing fees provide the remainder of HB 2 funding.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,243,073	1,243,073	2,486,146	90.72 %	1,802,028	1,802,028	3,604,056	89.63 %
SWPL Adjustments	197,318	107,737	305,055	11.13 %	277,732	189,343	467,075	11.62 %
PL Adjustments	0	0	0	0.00 %	390	390	780	0.02 %
New Proposals	(25,419)	(25,419)	(50,838)	(1.86)%	(25,419)	(25,419)	(50,838)	(1.26)%
Total Budget	\$1,414,972	\$1,325,391	\$2,740,363		\$2,054,731	\$1,966,342	\$4,021,073	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	108,229	76,055	0	188,643	0.00	109,835	77,183	0	191,441
DP 2 - Fixed Costs	0.00	88,946	0	0	88,946	0.00	(2,276)	0	0	(2,276)
DP 3 - Inflation Deflation	0.00	143	0	0	143	0.00	178	0	0	178
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	368	0	390	0.00	0	368	0	390
Grand Total All Present Law Adjustments	0.00	\$197,318	\$76,423	\$0	\$278,122	0.00	\$107,737	\$77,551	\$0	\$189,733

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Central Services Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1001 - Central Services Budget Modifications	0.00	(25,419)	0	0	(25,419)	0.00	(25,419)	0	0	(25,419)
Total	0.00	(\$25,419)	\$0	\$0	(\$25,419)	0.00	(\$25,419)	\$0	\$0	(\$25,419)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1001 - Central Services Budget Modifications -

The legislature approved a general fund reduction in operating expenses of \$25,419 in FY 2020 and \$25,419 in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change	
Personal Services	475,345	0	(475,345)	(100.00)%	
Operating Expenses	332,803	0	(332,803)	(100.00)%	
Total Expenditures	\$808,148	\$0	(\$808,148)	(100.00)%	
General Fund	808,148	0	(808,148)	(100.00)%	
Total Funds	\$808,148	\$0	(\$808,148)	(100.00)%	
Total Ongoing	\$808,148	\$0	(\$808,148)	(100.00)%	
Total OTO	\$0	\$0	\$0	0.00 %	

Page Reference

Legislative Budget Analysis, D-99.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.00	3.00	0.00	0.00
Personal Services	251,524	233,191	242,154	0	0
Operating Expenses	131,334	149,986	182,817	0	0
Total Expenditures	\$382,858	\$383,177	\$424,971	\$0	\$0
General Fund	382,858	383,177	424,971	0	0
Total Funds	\$382,858	\$383,177	\$424,971	\$0	\$0
Total Ongoing	\$382,858	\$383,177	\$424,971	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-100.

Funding

Public Safety Officer Standards & Training (POST) has been funded in the Montana Law Enforcement Academy under the Division of Criminal Investigation. No funding is provided in this separate program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	424,971	424,971	849,942	0.00 %	424,971	424,971	849,942	0.00 %
SWPL Adjustments	18,705	18,048	36,753	0.00 %	18,705	18,048	36,753	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(443,676)	(443,019)	(886,695)	0.00 %	(443,676)	(443,019)	(886,695)	0.00 %
Total Budget	\$0	\$0	\$0		\$0	\$0	\$0	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	18,898	0	0	18,898	0.00	18,233	0	0	18,233
DP 2 - Fixed Costs	0.00	(193)	0	0	(193)	0.00	(185)	0	0	(185)
Grand Total All Present Law Adjustments	0.00	\$18,705	\$0	\$0	\$18,705	0.00	\$18,048	\$0	\$0	\$18,048

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of POST.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 305 - POST Transfer	(3.00)	(261,052)	0	0	(261,052)	(3.00)	(260,387)	0	0	(260,387)
DP 306 - POST Operating Transfer	0.00	(182,624)	0	0	(182,624)	0.00	(182,632)	0	0	(182,632)
Total	(3.00)	(\$443,676)	\$0	\$0	(\$443,676)	(3.00)	(\$443,019)	\$0	\$0	(\$443,019)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 305 - POST Transfer -

The legislature approved the transfer of POST to the Montana Law Enforcement Academy and the associated FTE for reduction of general fund in the amount of \$261,052 in FY 2020 and \$260,387 in FY 2021.

DP 306 - POST Operating Transfer -

The legislature approved the transfer of \$182,624 in FY 2020 and \$182,632 in FY 2021 operating expenses from POST to Montana Law Enforcement Academy.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,489,777	6,835,077	345,300	5.32 %
Operating Expenses	1,157,223	1,698,237	541,014	46.75 %
Debt Service	12,160	12,160	0	0.00 %
Total Expenditures	\$7,659,160	\$8,545,474	\$886,314	11.57 %
State/Other Special Rev. Funds	7,312,620	7,998,802	686,182	9.38 %
Federal Spec. Rev. Funds	346,540	546,672	200,132	57.75 %
Total Funds	\$7,659,160	\$8,545,474	\$886,314	11.57 %
Total Ongoing	\$7,659,160	\$8,345,474	\$686,314	8.96 %
Total OTO	\$0	\$200,000	\$200,000	100.00 %

Page Reference

Legislative Budget Analysis, D-103.

Agency Highlights

Public Service Commission Major Budget Highlights	
<ul style="list-style-type: none"> The legislature approved the Public Service Commission's 2021 biennium budget at 11.6% or \$0.9 million higher than the 2019 biennium budget. As measured from FY 2019 and adjusted for HB 3, growth was 8.9%. Significant changes for the 2021 biennium include: <ul style="list-style-type: none"> Approval of \$200,000 over the biennium as restricted and one-time-only for consulting contingency funding to be used only for litigation expenses provided through contract services Elected official salary reduction of \$320,000 over the biennium Adoption of \$200,000 in federal special revenue funds over the biennium for pipeline safety Approval of \$451,000 over the biennium for an increase in operating expenses for building rent 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	35.00	35.00	36.00	36.00
Personal Services	3,114,871	3,193,839	3,295,938	3,417,079	3,417,998
Operating Expenses	842,450	783,807	373,416	860,966	837,271
Debt Service	0	6,080	6,080	6,080	6,080
Total Expenditures	\$3,957,321	\$3,983,726	\$3,675,434	\$4,284,125	\$4,261,349
State/Other Special Rev. Funds	3,784,114	3,810,522	3,502,098	4,010,789	3,988,013
Federal Spec. Rev. Funds	173,207	173,204	173,336	273,336	273,336
Total Funds	\$3,957,321	\$3,983,726	\$3,675,434	\$4,284,125	\$4,261,349
Total Ongoing	\$3,957,321	\$3,983,726	\$3,675,434	\$4,184,125	\$4,161,349
Total OTO	\$0	\$0	\$0	\$100,000	\$100,000

Page Reference

Legislative Budget Analysis, D-104.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	35.00	38.00	36.00	(2.00)	38.00	36.00	(2.00)	(2.00)
Personal Services	3,295,938	3,747,701	3,417,079	(330,622)	3,748,331	3,417,998	(330,333)	(660,955)
Operating Expenses	373,416	1,109,225	860,966	(248,259)	1,085,530	837,271	(248,259)	(496,518)
Transfers	0	0	0	0	0	0	0	0
Debt Service	6,080	6,080	6,080	0	6,080	6,080	0	0
Total Costs	\$3,675,434	\$4,863,006	\$4,284,125	(\$578,881)	\$4,839,941	\$4,261,349	(\$578,592)	(\$1,157,473)
General Fund	0	0	0	0	0	0	0	0
State/other Special Rev. Funds	3,502,098	4,589,670	4,010,789	(578,881)	4,566,605	3,988,013	(578,592)	(1,157,473)
Federal Spec. Rev. Funds	173,336	273,336	273,336	0	273,336	273,336	0	0
Total Funds	\$3,675,434	\$4,863,006	\$4,284,125	(\$578,881)	\$4,839,941	\$4,261,349	(\$578,592)	(\$1,157,473)
Total Ongoing	\$3,675,434	\$4,863,006	\$4,184,125	(\$678,881)	\$4,839,941	\$4,161,349	(\$678,592)	(\$1,357,473)
Total OTO	\$0	\$0	\$100,000	\$100,000	\$0	\$100,000	\$100,000	\$200,000

The major differences in the legislative budget compared to the executive budget are:

- The legislature approved \$200,000 as restricted and one-time-only for consulting contingency to be used for litigation expenses provided through contracted services
- The legislature adopted an elected official salary reduction of \$319,748 over the biennium and adopted the executive proposal for 1.00 FTE for an attorney contingent upon the approval of the elected official salary adjustment
- The legislature did not fund \$200,000 of transportation fees the executive proposed over the biennium
- The legislature did not fund the request for 2.00 FTE for utility rate analysts

Funding

The following table shows agency funding by source of authority.

Total Public Service Commission Funding by Source of Authority 2021 Biennium Budget Request - Public Service Commission						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
State Special Total	7,798,802	200,000	0	0	7,998,802	93.60 %
Federal Special Total	546,672	0	0	0	546,672	6.40 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$8,345,474	\$200,000	\$0	\$0	\$8,545,474	
Percent - Total All Sources	97.66 %	2.34 %	0.00 %	0.00 %		

The Public Service Commission (PSC) is funded by a combination of state and federal special revenue. State special revenue comprises 93.6% of the PSC funding in the 2021 biennium. The majority of the state special revenue is derived from a fee that is levied on regulated companies. The amount of the fee is based on the level of funding appropriated by the legislature for a specific fiscal year and the percentage of the gross operating revenue from all activities regulated by the PSC for the calendar quarter of operation as outlined in 69-1-402, MCA.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	3,675,434	3,675,434	7,350,868	86.02 %
SWPL Adjustments	0	0	0	0.00 %	226,875	204,546	431,421	5.05 %
PL Adjustments	0	0	0	0.00 %	427,161	427,161	854,322	10.00 %
New Proposals	0	0	0	0.00 %	(45,345)	(45,792)	(91,137)	(1.07)%
Total Budget	\$0	\$0	\$0		\$4,284,125	\$4,261,349	\$8,545,474	

Language and Statutory Authority

Consulting Contingency may be used only for litigation expenses provided through contracted services.

If LC 1934 is not passed and approved, Elected Official Salary Adjustment is increased by \$159,802 in state special revenue in FY 2020 and \$159,946 in FY 2021.

If LC 1934 is not passed and approved, Attorney is void.

Page Reference

Legislative Budget Analysis, D-104.

Page Reference

Legislative Budget Analysis, D-103.

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	101,486	0	101,486	0.00	0	102,852	0	102,852
DP 2 - Fixed Costs	0.00	0	123,697	0	123,697	0.00	0	99,594	0	99,594
DP 3 - Inflation Deflation	0.00	0	1,692	0	1,692	0.00	0	2,100	0	2,100
DP 6 - Building Rent	0.00	0	225,420	0	225,420	0.00	0	225,420	0	225,420
DP 7 - Pipeline Safety	0.00	0	0	100,000	100,000	0.00	0	0	100,000	100,000
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	1,741	0	1,741	0.00	0	1,741	0	1,741
DP 501 - Consulting Contingency (RST/OTO)	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
Grand Total All Present Law Adjustments	0.00	\$0	\$554,036	\$100,000	\$654,036	0.00	\$0	\$531,707	\$100,000	\$631,707

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Public Service Commission.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. The rates charged for these services are approved in the section of the budget for the programs that provide the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts within operating expenses. Affected accounts include food, postage, gasoline, and others.

DP 6 - Building Rent -

The legislature approved funding for rent to restore the appropriation reduction made when state special revenue was transferred to the general fund in HB 6 of the November 2017 Special Session.

DP 7 - Pipeline Safety -

The legislature approved additional federal special revenue spending authority of \$65,000 in additional personal services and \$35,000 in operating expenses in each fiscal year. The pipeline safety federal grant has been increased in recent years based on additional federal criteria being met, as well as an increase in the federal percentage share from 50.0% to 80.0%. The federal grant supports inspection of natural gas pipelines including construction, transmission integrity management, and operator qualification as well as other related activities.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 501 - Consulting Contingency (RST/OTO) -

The legislature approved \$100,000 in FY 2020 and \$100,000 in FY 2021 in consulting contingency as restricted and one-time-only, to be used only for litigation expenses provided through contracted services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 9 - Attorney	1.00	0	114,457	0	114,457	1.00	0	114,154	0	114,154
DP 101 - Elected Official Salary Adjustment	0.00	0	(159,802)	0	(159,802)	0.00	0	(159,946)	0	(159,946)
Total	1.00	\$0	(\$45,345)	\$0	(\$45,345)	1.00	\$0	(\$45,792)	\$0	(\$45,792)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 9 - Attorney -

The legislature approved a personal services appropriation for 1.00 FTE for an attorney to address and process cases on the litigation and contested cases dockets. If LC 1934 is not passed and approved, Attorney is void.

DP 101 - Elected Official Salary Adjustment -

The legislature approved a state special fund reduction of \$159,802 in FY 2020 and \$159,946 in FY 2021 for an elected official salary adjustment. If LC 1934 is not passed and approved, Elected Official Salary Adjustment is increased by \$159,802 in state special revenue in FY 2020 and \$159,946 in FY 2021.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	44,726,512	53,156,746	8,430,234	18.85 %
Operating Expenses	19,344,432	21,318,617	1,974,185	10.21 %
Total Expenditures	\$64,070,944	\$74,475,363	\$10,404,419	16.24 %
General Fund	64,070,944	74,475,363	10,404,419	16.24 %
Total Funds	\$64,070,944	\$74,475,363	\$10,404,419	16.24 %
Total Ongoing	\$63,045,944	\$74,009,815	\$10,963,871	17.39 %
Total OTO	\$1,025,000	\$465,548	(\$559,452)	(54.58)%

Page Reference

Legislative Budget Analysis, D-112.

Agency Highlights

Office of the Public Defender Major Budget Highlights
<ul style="list-style-type: none"> The legislature approved the Office of the Public Defender's 2021 biennium budget at 16.2% or \$10.4 million higher than the 2019 biennium. The biennium comparison for the Office of Public Defender is complicated by a fiscal year transfer and a FY 2019 supplement in HB 3. Significant changes include: <ul style="list-style-type: none"> Approval of attorney career ladder adjustments for \$1.8 million in general fund Approval of 20.00 FTE in the Public Defender Division and Conflict Coordinator Division for increases in caseload over the 2021 biennium Approval of 10.50 FTE in the Public Defender Division, Appellate Defender Division, and Conflict Coordinator Division in general fund for an estimated 3.0% growth in caseload in the 2021 biennium Approval of contractor caseload growth of \$0.6 million over the biennium due to anticipated caseload growth in the Public Defender Division Approval of contractor caseload growth of \$1.9 million over the biennium in the Public Defender Division, Appellate Defender Division, and Conflict Coordinator Division Approval of \$466,000 over the biennium as one-time-only for death penalty cases

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	271.94	271.94	302.44	302.44
Personal Services	22,024,019	22,024,010	22,702,502	26,245,554	26,911,192
Operating Expenses	9,941,795	10,009,724	9,334,708	10,705,200	10,613,417
Total Expenditures	\$31,965,814	\$32,033,734	\$32,037,210	\$36,950,754	\$37,524,609
General Fund	31,965,814	32,033,734	32,037,210	36,950,754	37,524,609
Total Funds	\$31,965,814	\$32,033,734	\$32,037,210	\$36,950,754	\$37,524,609
Total Ongoing	\$31,465,814	\$31,508,734	\$31,537,210	\$36,716,584	\$37,293,231
Total OTO	\$500,000	\$525,000	\$500,000	\$234,170	\$231,378

Page Reference

Legislative Budget Analysis, D-113.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	271.94	302.44	302.44	0.00	302.44	302.44	0.00	0.00
Personal Services	22,702,502	26,245,554	26,245,554	0	26,911,192	26,911,192	0	0
Operating Expenses	9,334,708	11,736,854	10,705,200	(1,031,654)	11,650,655	10,613,417	(1,037,238)	(2,068,892)
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$32,037,210	\$37,982,408	\$36,950,754	(\$1,031,654)	\$38,561,847	\$37,524,609	(\$1,037,238)	(\$2,068,892)
General Fund	32,037,210	37,982,408	36,950,754	(1,031,654)	38,561,847	37,524,609	(1,037,238)	(2,068,892)
State/other Special Rev.	0	0	0	0	0	0	0	0
Funds	0	0	0	0	0	0	0	0
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0
Total Funds	\$32,037,210	\$37,982,408	\$36,950,754	(\$1,031,654)	\$38,561,847	\$37,524,609	(\$1,037,238)	(\$2,068,892)
Total Ongoing	\$31,537,210	\$37,482,408	\$36,716,584	(\$765,824)	\$38,061,847	\$37,293,231	(\$768,616)	(\$1,534,440)
Total OTO	\$500,000	\$500,000	\$234,170	(\$265,830)	\$500,000	\$231,378	(\$268,622)	(\$534,452)

The major differences in the legislative budget compared to the executive budget are:

- The legislature approved an increase in general fund by \$300,000 in FY 2020 and \$300,000 in FY 2021 due to anticipated caseload growth in the Public Defender Division rather than \$600,000 in FY 2020 and \$600,000 in FY 2021 as requested by the executive
- The legislature approved an overall increase in general fund by \$931,660 in FY 2020 and \$937,245 in FY 2021 for contractor caseload growth in the Public Defender Division, Appellate Defender Division, and Conflict Coordinator Division. The executive requested \$1,397,490 in FY 2020 and \$1,405,867 in FY 2021
- The legislature approved an increase in general fund by \$234,170 in FY 2020 and \$231,378 in FY 2021 as one-time-only for death penalty cases rather than \$500,000 in FY 2020 and \$500,000 in FY 2021 as requested by the executive

Funding

The following table shows agency funding by source of authority.

Total Office of State Public Defender Funding by Source of Authority 2021 Biennium Budget Request - Office of State Public Defender						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	74,009,815	465,548	0	0	74,475,363	100.00 %
State Special Total	0	0	0	0	0	0.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$74,009,815	\$465,548	\$0	\$0	\$74,475,363	
Percent - Total All Sources	99.37 %	0.63 %	0.00 %	0.00 %		

The Office of Public Defender is solely funded with general fund.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	31,537,210	31,537,210	63,074,420	84.69 %	31,537,210	31,537,210	63,074,420	84.69 %
SWPL Adjustments	347,838	276,311	624,149	0.84 %	347,838	276,311	624,149	0.84 %
PL Adjustments	3,976,442	3,932,094	7,908,536	10.62 %	3,976,442	3,932,094	7,908,536	10.62 %
New Proposals	1,089,264	1,778,994	2,868,258	3.85 %	1,089,264	1,778,994	2,868,258	3.85 %
Total Budget	\$36,950,754	\$37,524,609	\$74,475,363		\$36,950,754	\$37,524,609	\$74,475,363	

Language and Statutory Authority

All appropriations for the Public Defender Division, Appellate Defender Division, Conflict Coordinator Division, and Central Services Division are biennial.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	35,136,054	39,856,407	4,720,353	13.43 %
Operating Expenses	5,480,304	5,505,093	24,789	0.45 %
Total Expenditures	\$40,616,358	\$45,361,500	\$4,745,142	11.68 %
General Fund	40,616,358	45,361,500	4,745,142	11.68 %
Total Funds	\$40,616,358	\$45,361,500	\$4,745,142	11.68 %
Total Ongoing	\$39,616,358	\$44,895,952	\$5,279,594	13.33 %
Total OTO	\$1,000,000	\$465,548	(\$534,452)	(53.45)%

Page Reference

Legislative Budget Analysis, D-121.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	219.94	219.94	230.94	230.94
Personal Services	17,077,238	17,077,231	18,058,823	19,635,181	20,221,226
Operating Expenses	3,150,144	3,150,130	2,330,174	2,761,793	2,743,300
Total Expenditures	\$20,227,382	\$20,227,361	\$20,388,997	\$22,396,974	\$22,964,526
General Fund	20,227,382	20,227,361	20,388,997	22,396,974	22,964,526
Total Funds	\$20,227,382	\$20,227,361	\$20,388,997	\$22,396,974	\$22,964,526
Total Ongoing	\$19,727,382	\$19,727,361	\$19,888,997	\$22,162,804	\$22,733,148
Total OTO	\$500,000	\$500,000	\$500,000	\$234,170	\$231,378

Page Reference

Legislative Budget Analysis, D-122.

Funding

The Public Defender Division is funded solely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	19,888,997	19,888,997	39,777,994	87.69 %	19,888,997	19,888,997	39,777,994	87.69 %
SWPL Adjustments	60,400	44,635	105,035	0.23 %	60,400	44,635	105,035	0.23 %
PL Adjustments	1,579,534	1,563,615	3,143,149	6.93 %	1,579,534	1,563,615	3,143,149	6.93 %
New Proposals	868,043	1,467,279	2,335,322	5.15 %	868,043	1,467,279	2,335,322	5.15 %
Total Budget	\$22,396,974	\$22,964,526	\$45,361,500		\$22,396,974	\$22,964,526	\$45,361,500	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	53,324	0	0	53,324	0.00	35,854	0	0	35,854
DP 3 - Inflation Deflation	0.00	7,076	0	0	7,076	0.00	8,781	0	0	8,781
DP 4 - Current Level of Caseload	6.00	1,093,263	0	0	1,093,263	6.00	1,096,517	0	0	1,096,517
DP 7 - Attorney Caseload Growth	5.00	486,271	0	0	486,271	5.00	467,098	0	0	467,098
Grand Total All Present Law Adjustments	11.00	\$1,639,934	\$0	\$0	\$1,639,934	11.00	\$1,608,250	\$0	\$0	\$1,608,250

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Public Defender Division.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditures accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Current Level of Caseload -

The legislature approved 6.00 FTE modified positions be made permanent to support the current workload. The positions include 4.00 FTE as attorney positions, two 0.50 FTE as attorney positions, and 1.00 FTE as a criminal investigator position. The positions were established during FY 2018 and FY 2019 to handle caseload increases that did not subside in the current biennium. Also included is \$465,830 for FY 2020 and \$468,623 for FY 2021 in operating expenses to provide a .91% increase of the contract attorney rates in FY 2020 and a 1.83% in FY 2021.

DP 7 - Attorney Caseload Growth -

The legislature approved 5.00 FTE to address its future caseload growth based on a 5-year average caseload and projected potential workload impacts. The positions include 3.00 FTE as attorneys and 2.00 FTE as legal secretaries.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Attorney Pay Ladder Adjustments	0.00	450,330	0	0	450,330	0.00	1,053,057	0	0	1,053,057
DP 404 - Current Level of Caseload Adjustment	0.00	(232,915)	0	0	(232,915)	0.00	(234,311)	0	0	(234,311)
DP 405 - Additional Caseload Funding	0.00	116,458	0	0	116,458	0.00	117,155	0	0	117,155
DP 606 - Contractor Caseload Growth	0.00	300,000	0	0	300,000	0.00	300,000	0	0	300,000
DP 808 - Death Penalty Cases (OTO)	0.00	234,170	0	0	234,170	0.00	231,378	0	0	231,378
Total	0.00	\$868,043	\$0	\$0	\$868,043	0.00	\$1,467,279	\$0	\$0	\$1,467,279

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Attorney Pay Ladder Adjustments -

The legislature approved general fund authority to fund the attorney career ladder based on the 2014 market and the union contract.

DP 404 - Current Level of Caseload Adjustment -

The legislature adopted a reduction of general fund by \$232,915 in FY 2020 and \$234,111 in FY 2021 in operating expenses from the current level of caseload growth in the Public Defender Division.

DP 405 - Additional Caseload Funding -

The legislature approved an increase in general fund by \$116,458 in FY 2020 and \$117,155 in FY 2021 in operating expenses for additional caseload funding in the Public Defender Division.

DP 606 - Contractor Caseload Growth -

The legislature approved \$300,000 in FY 2020 and \$300,000 in FY 2021 in general fund to increase operating expenses related to contractor caseload growth.

DP 808 - Death Penalty Cases (OTO) -

The legislature approved an increase in general fund by \$234,170 in FY 2020 and \$231,378 in FY 2021 for death penalty cases as one-time-only.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,800,843	3,406,930	606,087	21.64 %
Operating Expenses	1,064,590	1,379,022	314,432	29.54 %
Total Expenditures	\$3,865,433	\$4,785,952	\$920,519	23.81 %
General Fund	3,865,433	4,785,952	920,519	23.81 %
Total Funds	\$3,865,433	\$4,785,952	\$920,519	23.81 %
Total Ongoing	\$3,865,433	\$4,785,952	\$920,519	23.81 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-127.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	16.00	16.00	17.50	17.50
Personal Services	1,336,954	1,336,953	1,463,890	1,689,894	1,717,036
Operating Expenses	620,548	620,547	444,043	691,958	687,064
Total Expenditures	\$1,957,502	\$1,957,500	\$1,907,933	\$2,381,852	\$2,404,100
General Fund	1,957,502	1,957,500	1,907,933	2,381,852	2,404,100
Total Funds	\$1,957,502	\$1,957,500	\$1,907,933	\$2,381,852	\$2,404,100
Total Ongoing	\$1,957,502	\$1,957,500	\$1,907,933	\$2,381,852	\$2,404,100
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-128.

Funding

The Appellate Defender Division is funded solely from general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,907,933	1,907,933	3,815,866	79.73 %	1,907,933	1,907,933	3,815,866	79.73 %
SWPL Adjustments	44,997	44,075	89,072	1.86 %	44,997	44,075	89,072	1.86 %
PL Adjustments	138,679	132,472	271,151	5.67 %	138,679	132,472	271,151	5.67 %
New Proposals	290,243	319,620	609,863	12.74 %	290,243	319,620	609,863	12.74 %
Total Budget	\$2,381,852	\$2,404,100	\$4,785,952		\$2,381,852	\$2,404,100	\$4,785,952	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	44,997	0	0	44,997	0.00	44,075	0	0	44,075
DP 7 - Attorney Caseload Growth	1.50	138,679	0	0	138,679	1.50	132,472	0	0	132,472
Grand Total All Present Law Adjustments	1.50	\$183,676	\$0	\$0	\$183,676	1.50	\$176,547	\$0	\$0	\$176,547

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Appellate Defender Division.

DP 7 - Attorney Caseload Growth -

The legislature approved 0.50 FTE for an attorney and 1.00 FTE for an administrative assistant to address projected caseload growth of 3.0%.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Attorney Pay Ladder Adjustments	0.00	57,328	0	0	57,328	0.00	85,309	0	0	85,309
DP 405 - Additional Caseload Funding	0.00	232,915	0	0	232,915	0.00	234,311	0	0	234,311
Total	0.00	\$290,243	\$0	\$0	\$290,243	0.00	\$319,620	\$0	\$0	\$319,620

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Attorney Pay Ladder Adjustments -

The legislature approved general fund authority to fund the attorney career ladder based on the 2014 market and the union contract.

DP 405 - Additional Caseload Funding -

The legislature approved an increase in general fund \$232,915 in FY 2020 and \$234,311 in FY 2021 in operating expenses for additional caseload funding for the Appellate Defender Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,350,402	6,180,071	2,829,669	84.46 %
Operating Expenses	10,873,010	11,704,337	831,327	7.65 %
Total Expenditures	\$14,223,412	\$17,884,408	\$3,660,996	25.74 %
General Fund	14,223,412	17,884,408	3,660,996	25.74 %
Total Funds	\$14,223,412	\$17,884,408	\$3,660,996	25.74 %
Total Ongoing	\$14,223,412	\$17,884,408	\$3,660,996	25.74 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-132.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	13.00	13.00	31.00	31.00
Personal Services	2,013,991	2,013,993	1,336,409	3,065,009	3,115,062
Operating Expenses	5,395,084	5,396,181	5,476,829	5,858,921	5,845,416
Total Expenditures	\$7,409,075	\$7,410,174	\$6,813,238	\$8,923,930	\$8,960,478
General Fund	7,409,075	7,410,174	6,813,238	8,923,930	8,960,478
Total Funds	\$7,409,075	\$7,410,174	\$6,813,238	\$8,923,930	\$8,960,478
Total Ongoing	\$7,409,075	\$7,410,174	\$6,813,238	\$8,923,930	\$8,960,478
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-133.

Funding

The Conflict Coordinator Division is funded solely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,813,238	6,813,238	13,626,476	76.19 %	6,813,238	6,813,238	13,626,476	76.19 %
SWPL Adjustments	(78,509)	(80,856)	(159,365)	(0.89)%	(78,509)	(80,856)	(159,365)	(0.89)%
PL Adjustments	2,258,223	2,236,001	4,494,224	25.13 %	2,258,223	2,236,001	4,494,224	25.13 %
New Proposals	(69,022)	(7,905)	(76,927)	(0.43)%	(69,022)	(7,905)	(76,927)	(0.43)%
Total Budget	\$8,923,930	\$8,960,478	\$17,884,408		\$8,923,930	\$8,960,478	\$17,884,408	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(78,509)	0	0	(78,509)	0.00	(80,856)	0	0	(80,856)
DP 4 - Current Level of Caseload	14.00	1,903,697	0	0	1,903,697	14.00	1,896,033	0	0	1,896,033
DP 7 - Attorney Caseload Growth	4.00	354,526	0	0	354,526	4.00	339,968	0	0	339,968
Grand Total All Present Law Adjustments	18.00	\$2,179,714	\$0	\$0	\$2,179,714	18.00	\$2,155,145	\$0	\$0	\$2,155,145

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the Conflict Coordinator Division.

DP 4 - Current Level of Caseload -

The legislature approved 14.00 FTE modified positions be made permanent to support its current workload. The positions include 11.00 FTE for attorney positions and 3.00 FTE for administrative assistants. The positions were established during FY 2018 and FY 2019 to handle caseload increases.

DP 7 - Attorney Caseload Growth -

The legislature approved 4.00 FTE including 2.00 FTE for attorneys and 2.00 FTE for legal secretaries to address projected caseload growth of 3.0%.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Attorney Pay Ladder Adjustments	0.00	47,436	0	0	47,436	0.00	109,250	0	0	109,250
DP 404 - Current Level of Caseload Adjustment	0.00	(232,915)	0	0	(232,915)	0.00	(234,311)	0	0	(234,311)
DP 405 - Additional Caseload Funding	0.00	116,457	0	0	116,457	0.00	117,156	0	0	117,156
Total	0.00	(\$69,022)	\$0	\$0	(\$69,022)	0.00	(\$7,905)	\$0	\$0	(\$7,905)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Attorney Pay Ladder Adjustments -

The legislature approved general fund authority to fund the attorney career ladder based on the 2014 market and the union contract.

DP 404 - Current Level of Caseload Adjustment -

The legislature adopted a reduction of general fund by \$232,915 in FY 2020 and \$234,111 in FY 2021 in operating expenses from the current level of caseload growth in the Conflict Coordinator Division.

DP 405 - Additional Caseload Funding -

The legislature approved an increase in general fund by \$116,457 in FY 2020 and \$117,156 in FY 2021 in operating expenses for additional caseload funding for the Conflict Coordinator Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,439,213	3,713,338	274,125	7.97 %
Operating Expenses	1,926,528	2,730,165	803,637	41.71 %
Total Expenditures	\$5,365,741	\$6,443,503	\$1,077,762	20.09 %
General Fund	5,365,741	6,443,503	1,077,762	20.09 %
Total Funds	\$5,365,741	\$6,443,503	\$1,077,762	20.09 %
Total Ongoing	\$5,340,741	\$6,443,503	\$1,102,762	20.65 %
Total OTO	\$25,000	\$0	(\$25,000)	(100.00)%

Page Reference

Legislative Budget Analysis, D-137.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	23.00	23.00	23.00	23.00
Personal Services	1,595,836	1,595,833	1,843,380	1,855,470	1,857,868
Operating Expenses	776,019	842,866	1,083,662	1,392,528	1,337,637
Total Expenditures	\$2,371,855	\$2,438,699	\$2,927,042	\$3,247,998	\$3,195,505
General Fund	2,371,855	2,438,699	2,927,042	3,247,998	3,195,505
Total Funds	\$2,371,855	\$2,438,699	\$2,927,042	\$3,247,998	\$3,195,505
Total Ongoing	\$2,371,855	\$2,413,699	\$2,927,042	\$3,247,998	\$3,195,505
Total OTO	\$0	\$25,000	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-138.

Funding

The Central Services Division is funded solely from general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,927,042	2,927,042	5,854,084	90.85 %	2,927,042	2,927,042	5,854,084	90.85 %
SWPL Adjustments	320,950	268,457	589,407	9.15 %	320,950	268,457	589,407	9.15 %
PL Adjustments	6	6	12	0.00 %	6	6	12	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,247,998	\$3,195,505	\$6,443,503		\$3,247,998	\$3,195,505	\$6,443,503	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	12,090	0	0	12,090	0.00	14,488	0	0	14,488
DP 2 - Fixed Costs	0.00	308,860	0	0	308,860	0.00	253,969	0	0	253,969
DP 55 - SWPL Fixed Cost Adjustment	0.00	6	0	0	6	0.00	6	0	0	6
Grand Total All Present Law Adjustments	0.00	\$320,956	\$0	\$0	\$320,956	0.00	\$268,463	\$0	\$0	\$268,463

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted a present law increase in personal services to maintain operations and services of the Central Services Division.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	173,999,867	184,403,535	10,403,668	5.98 %
Operating Expenses	239,649,522	239,583,634	(65,888)	(0.03)%
Equipment & Intangible Assets	284,334	331,522	47,188	16.60 %
Capital Outlay	41,546	41,546	0	0.00 %
Grants	18,700,831	19,306,790	605,959	3.24 %
Benefits & Claims	1,081,196	979,146	(102,050)	(9.44)%
Transfers	8,426,455	5,812,568	(2,613,887)	(31.02)%
Debt Service	880,818	922,572	41,754	4.74 %
Total Expenditures	\$443,064,569	\$451,381,313	\$8,316,744	1.88 %
General Fund	405,444,319	414,413,663	8,969,344	2.21 %
State/Other Special Rev. Funds	10,696,063	11,854,022	1,157,959	10.83 %
Federal Spec. Rev. Funds	26,709,729	24,886,822	(1,822,907)	(6.82)%
Proprietary Funds	214,458	226,806	12,348	5.76 %
Total Funds	\$443,064,569	\$451,381,313	\$8,316,744	1.88 %
Total Ongoing	\$441,668,314	\$451,381,313	\$9,712,999	2.20 %
Total OTO	\$1,396,255	\$0	(\$1,396,255)	(100.00)%

Page Reference

Legislative Budget Analysis, D-141.

Agency Highlights

Department of Corrections Major Budget Highlights
<ul style="list-style-type: none"> The legislature approved the Department of Corrections 2021 biennium budget at over \$8.3 million or nearly 1.9% higher than the 2019 biennium. Significant changes include: <ul style="list-style-type: none"> Personal services increase of \$8.3 million general fund in statewide present law adjustments for the biennium Nearly \$4.5 million in provider rate increases paid to both statewide and regional facilities for the biennium Reductions in operating expenses of \$3.0 million for the biennium associated with cost savings for repurposing the Montana State Correctional Treatment Center Approved reorganization redistributing \$24.3 million for the biennium from Youth Services Division to multiple other programs resulting in an overall reduction of \$2.1 million in total appropriations for the biennium

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1,284.52	1,284.52	1,274.17	1,274.17
Personal Services	85,449,874	85,247,359	88,752,508	92,261,018	92,142,517
Operating Expenses	117,662,950	120,869,144	118,780,378	119,298,464	120,285,170
Equipment & Intangible Assets	56,267	118,573	165,761	165,761	165,761
Capital Outlay	0	20,773	20,773	20,773	20,773
Grants	5,850,106	8,847,436	9,853,395	9,653,395	9,653,395
Benefits & Claims	291,074	540,598	540,598	489,573	489,573
Transfers	1,905,298	5,570,171	2,856,284	2,906,284	2,906,284
Debt Service	451,017	440,409	440,409	461,286	461,286
Total Expenditures	\$211,666,586	\$221,654,463	\$221,410,106	\$225,256,554	\$226,124,759
General Fund	199,185,978	201,890,529	203,553,790	206,768,791	207,644,872
State/Other Special Rev. Funds	4,716,029	5,390,387	5,305,676	5,930,949	5,923,073
Federal Spec. Rev. Funds	7,657,349	14,266,318	12,443,411	12,443,411	12,443,411
Proprietary Funds	107,230	107,229	107,229	113,403	113,403
Total Funds	\$211,666,586	\$221,654,463	\$221,410,106	\$225,256,554	\$226,124,759
Total Ongoing	\$211,194,990	\$220,994,463	\$220,673,851	\$225,256,554	\$226,124,759
Total OTO	\$471,596	\$660,000	\$736,255	\$0	\$0

Page Reference

Legislative Budget Analysis, D-142.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	1,284.52	1,289.17	1,274.17	(15.00)	1,289.17	1,274.17	(15.00)	(15.00)
Personal Services	88,752,508	92,785,389	92,261,018	(524,371)	92,744,780	92,142,517	(602,263)	(1,126,634)
Operating Expenses	118,780,378	121,081,541	119,298,464	(1,783,077)	121,925,742	120,285,170	(1,640,572)	(3,423,649)
Equipment & Intangible Assets	165,761	165,761	165,761	0	165,761	165,761	0	0
Capital Outlay	20,773	20,773	20,773	0	20,773	20,773	0	0
Grants	9,853,395	9,653,395	9,653,395	0	9,653,395	9,653,395	0	0
Benefits & Claims	540,598	489,573	489,573	0	489,573	489,573	0	0
Transfers	2,856,284	2,906,284	2,906,284	0	2,906,284	2,906,284	0	0
Debt Service	440,409	461,286	461,286	0	461,286	461,286	0	0
Total Costs	\$221,410,106	\$227,564,002	\$225,256,554	(\$2,307,448)	\$228,367,594	\$226,124,759	(\$2,242,835)	(\$4,550,283)
General Fund	203,553,790	209,350,044	206,768,791	(2,581,253)	209,931,805	207,644,872	(2,286,933)	(4,868,186)
State/other Special Rev. Funds	5,305,676	5,663,318	5,930,949	267,631	5,885,149	5,923,073	37,924	305,555
Federal Spec. Rev. Funds	12,443,411	12,443,411	12,443,411	0	12,443,411	12,443,411	0	0
Other	107,229	107,229	113,403	6,174	107,229	113,403	6,174	12,348
Total Funds	\$221,410,106	\$227,564,002	\$225,256,554	(\$2,307,448)	\$228,367,594	\$226,124,759	(\$2,242,835)	(\$4,550,283)
Total Ongoing	\$220,673,851	\$227,564,002	\$225,256,554	(\$2,307,448)	\$228,367,594	\$226,124,759	(\$2,242,835)	(\$4,550,283)
Total OTO	\$736,255	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislative budget is over \$4.5 million lower than the executive's requested budget. Of this amount, there is a reduction of over \$4.8 million in general fund partially offset by an increase of \$300,000 in state special revenue. The main differences are:

- The legislature approved the transfer of responsibilities associated with youth parole from the Department of Corrections to Supreme Court Operations within the Judicial Branch which results in a reduction of nearly \$1.0 million for the biennium
- The legislature reduced operating costs within Secure Custody Facilities to reflect cost savings associated with repurposing the Montana State Correctional Treatment Center resulting in a \$3.0 million reduction for the biennium
- The legislature reduced the amount of FTE associated with the reorganization of the Youth Services Division that would be moved to other programs within the department by 12.00 FTE which resulted in a reduction of nearly \$1.3 million for the 2021 biennium
- The legislature reduced operating costs in the Clinical Services Division by \$400,000 for the biennium to reflect costs savings for contracting with out-of-state teleworking psychiatrists
- The legislature approved reducing the number of FTE within the Director's Office by 3.00 which reduces the department's budget by \$400,000 for the biennium

In addition to the above mentioned reductions, the legislature approved new funding in three areas for the department. Those increases in funding are as follows:

- The legislature approved \$300,000 in state special revenue each year of the 2021 biennium to be used to implement a career ladder pay increase system for probation and parole officers
- The legislature approved an increase in provider rates paid to contracted for-profit providers of nearly \$380,000 in general fund for the biennium
- The legislature approved a provider rate increase in per diem rates paid to the Missoula Assessment and Sanction Center (MASC) to be based on actual costs which increases general fund by just over \$887,000 for the biennium

Funding

The following table shows agency funding by source of authority.

Total Department of Corrections Funding by Source of Authority 2021 Biennium Budget Request - Department of Corrections						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	414,413,663	0	0	0	414,413,663	85.26 %
State Special Total	11,854,022	0	0	1,295,714	13,149,736	2.71 %
Federal Special Total	24,886,822	0	(5,574)	0	24,881,248	5.12 %
Proprietary Total	226,806	0	33,389,171	0	33,615,977	6.92 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$451,381,313	\$0	\$33,383,597	\$1,295,714	\$486,060,624	
Percent - Total All Sources	92.87 %	0.00 %	6.87 %	0.27 %		

For HB 2, the Department of Corrections is primarily funded with general fund (approximately 92.0%). The remaining amount is comprised mostly of state special and federal special revenues with a small portion coming from budgeted proprietary funds. Some of the largest state special revenue funds making up the majority of state special funding are:

- The canteen revolving fund, which receives revenue from the sale of items to inmates
- Probation and parole supervision fees collected from offenders under the supervision of the department
- Pine Hills donations, interest, and income funds coming mostly from interest and income collected on school trust lands

Additional proprietary funds are non-budgeted and support programs that provide services to other governmental entities or the public.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	202,817,535	202,817,535	405,635,070	97.88 %	220,673,851	220,673,851	441,347,702	97.78 %
SWPL Adjustments	4,572,282	4,527,898	9,100,180	2.20 %	4,602,282	4,557,898	9,160,180	2.03 %
PL Adjustments	0	0	0	0.00 %	356,953	356,953	713,906	0.16 %
New Proposals	(621,026)	299,439	(321,587)	(0.08)%	(376,532)	536,057	159,525	0.04 %
Total Budget	\$206,768,791	\$207,644,872	\$414,413,663		\$225,256,554	\$226,124,759	\$451,381,313	

Language and Statutory Authority

Housing Funding may be used only to provide housing vouchers for eligible applicants.

Workload Study and Training funding is contingent on the department: (1) completing a workload study of probation and parole officers that includes an organizational assessment of the supervision structure and allocation of offender caseloads across probation and parole staff that is based on offender risk levels determined through a risk assessment; and (2) developing a plan to implement training on the offender management information system. The department shall report to the legislative finance committee by December 31, 2019, on the results of the workload study and allocation of offender caseloads and the plan to implement training for the offender management information system. Funding may be expended only after the budget director certifies that the department has completed its workload study on probation and parole and allocation of offender caseloads.

Director's Office Contingency funding may be expended in fiscal year 2021 only after the budget director certifies that county jail holds are maintained at a monthly average of 250 or less for the previous 18 months.

Offender Management Information System Training Positions must be funded out of the Probation and Parole Division's base budget with 2.00 nonbargaining FTE and must be used to immediately implement training to employees on the offender management information system and other needs as identified in Workload Study and Training.

All remaining federal pass-through grant appropriations for the bureau of crime control, up to \$11.0 million in federal funds, including revisions, for the 2019 biennium are authorized to continue and are appropriated in fiscal year 2020 and fiscal year 2021.

Probation and Parole Career Ladder is contingent on the department: (1) reviewing the files of all probationers and parolees under its supervision to determine if they are eligible for conditional discharge from supervision; and (2) notifying all eligible probationers and parolees in writing of their eligibility for conditional discharge from supervision. The department shall report to the legislative finance committee by December 31, 2019, on the number of files reviewed and the number of probationers and parolees eligible for conditional discharge from supervision. Funding may be expended only after the budget director certifies that the department has completed the evaluation of all parole files and has notified all eligible probationers and parolees.

The indirect cost rate allocation is capped at 3% beginning July 1, 2019, for regional correctional facilities, which are both regional prisons in Dawson and Cascade Counties and the Missoula assessment and sanctions center. Capital costs for these regional correctional facilities are allocated to the per diem based on a use allowance for selected items of costs as follows: (1) the use allowance for buildings and improvements is limited to 2% of acquisition cost for a maximum of 40 years; and (2) the use allowance for equipment with an individual acquisition cost of \$5,000 or more is limited to 6.67% of acquisition cost for 15 years. Effective July 1, 2019, a regional correctional facility shall consult with the department prior to any anticipated personal services increases or nonroutine purchases that exceed \$5,000.

It is the intent of the legislature that offender placement be based upon a risk/needs score and offender risk to the community.

Provider Rate Increases - It is the intent of the legislature that rates for the Dawson County correctional facility and the Cascade County regional prison be capped at the amounts of \$86.23 for Dawson County correctional facility and \$79.00 for Cascade County regional prison in FY 2020 and \$87.96 for Dawson County correctional facility and \$80.58 for Cascade County regional prison in FY 2021, the Cascade County regional prison, and the Missoula assessment and sanction center be capped at the amounts of \$86.23 for Dawson County correctional facility, \$79.00 for Cascade County regional prison, and \$91.88 for the Missoula assessment and sanction center in FY 2020 and \$87.96 for Dawson County correctional facility, \$80.58 for Cascade County regional prison, and \$93.72 for the Missoula assessment and sanction center in FY 2021.

Jail Hold Rates includes funding to house inmates in county jails. It is the intent of the legislature that the department of corrections pay no more than \$69.31 per day in fiscal year 2020 and \$69.63 per day in fiscal year 2021 to house inmates in county jails.

Provider Rate - For-Profit Providers includes general fund money in fiscal year 2020 and fiscal year 2021 that may be used only for provider rate increases for contracted beds operated by private for-profit providers.

It is the intent of the legislature that the Montana state correctional treatment center be closed and that the facility be utilized as an operating housing unit of the Montana state prison. The Montana state prison warden may prioritize placement of offenders in this facility. Furthermore, it is the intent of the legislature that the department of corrections and the board of pardons and parole prioritize and utilize existing capacity.

All appropriations for the Clinical Services Division are biennial.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,953,417	20,589,949	2,636,532	14.69 %
Operating Expenses	13,735,943	14,927,942	1,191,999	8.68 %
Equipment & Intangible Assets	12,909	25,818	12,909	100.00 %
Grants	18,700,831	19,306,790	605,959	3.24 %
Transfers	8,021,521	5,321,634	(2,699,887)	(33.66)%
Total Expenditures	\$58,424,621	\$60,172,133	\$1,747,512	2.99 %
General Fund	30,249,180	33,890,461	3,641,281	12.04 %
State/Other Special Rev. Funds	1,251,254	1,168,044	(83,210)	(6.65)%
Federal Spec. Rev. Funds	26,709,729	24,886,822	(1,822,907)	(6.82)%
Proprietary Funds	214,458	226,806	12,348	5.76 %
Total Funds	\$58,424,621	\$60,172,133	\$1,747,512	2.99 %
Total Ongoing	\$57,824,621	\$60,172,133	\$2,347,512	4.06 %
Total OTO	\$600,000	\$0	(\$600,000)	(100.00)%

Page Reference

Legislative Budget Analysis, D-151.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	119.81	119.81	123.81	123.81
Personal Services	8,708,815	8,810,229	9,143,188	10,295,336	10,294,613
Operating Expenses	6,436,609	6,902,106	6,833,837	7,470,896	7,457,046
Equipment & Intangible Assets	0	0	12,909	12,909	12,909
Grants	5,850,106	8,847,436	9,853,395	9,653,395	9,653,395
Transfers	1,697,671	5,360,704	2,660,817	2,660,817	2,660,817
Total Expenditures	\$22,693,201	\$29,920,475	\$28,504,146	\$30,093,353	\$30,078,780
General Fund	14,448,986	14,878,917	15,370,263	16,952,517	16,937,944
State/Other Special Rev. Funds	479,636	668,011	583,243	584,022	584,022
Federal Spec. Rev. Funds	7,657,349	14,266,318	12,443,411	12,443,411	12,443,411
Proprietary Funds	107,230	107,229	107,229	113,403	113,403
Total Funds	\$22,693,201	\$29,920,475	\$28,504,146	\$30,093,353	\$30,078,780
Total Ongoing	\$22,581,605	\$29,620,475	\$28,204,146	\$30,093,353	\$30,078,780
Total OTO	\$111,596	\$300,000	\$300,000	\$0	\$0

Page Reference

Legislative Budget Analysis, D-152.

Funding

The majority of funding for this program comes from general fund and federal special revenues. There is a small amount of funding for this program that comes from state special revenues, primarily from fees charged for collection of restitution from

offenders. The last remaining portion of funding comes from proprietary funds such as prison ranch, industries program, cook chill operation, and license plate production.

Federal special revenues are primarily associated with the new Crime Control Bureau located within the program. This new division was a result of the Department of Corrections becoming responsible for the Montana Board of Crime Control during the 2019 biennium per HB 650 of the 2017 Legislature. These federal funds are primarily administered through federal grants and are used as pass-through funds that go to state and local agencies. There is an increase in federal funding here due to anticipation of higher federal grant funding in upcoming fiscal years.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	15,070,263	15,070,263	30,140,526	88.94 %	28,204,146	28,204,146	56,408,292	93.74 %
SWPL Adjustments	1,417,011	1,402,575	2,819,586	8.32 %	1,417,011	1,402,575	2,819,586	4.69 %
PL Adjustments	0	0	0	0.00 %	6,953	6,953	13,906	0.02 %
New Proposals	465,243	465,106	930,349	2.75 %	465,243	465,106	930,349	1.55 %
Total Budget	\$16,952,517	\$16,937,944	\$33,890,461		\$30,093,353	\$30,078,780	\$60,172,133	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,032,659	0	0	1,032,659	0.00	1,032,073	0	0	1,032,073
DP 2 - Fixed Costs	0.00	375,654	0	0	375,654	0.00	359,707	0	0	359,707
DP 3 - Inflation Deflation	0.00	8,698	0	0	8,698	0.00	10,795	0	0	10,795
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	779	0	6,953	0.00	0	779	0	6,953
Grand Total All Present Law Adjustments	0.00	\$1,417,011	\$779	\$0	\$1,423,964	0.00	\$1,402,575	\$779	\$0	\$1,409,528

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature approved adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature approved an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Housing Funding (Restricted)	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 102 - Workload Study and Training (Restricted)	5.00	256,509	0	0	256,509	5.00	256,509	0	0	256,509
DP 104 - OMIS Training Positions (Restricted)	2.00	202,726	0	0	202,726	2.00	202,124	0	0	202,124
DP 110 - Director's Office FTE Adjustment	(3.00)	(193,992)	0	0	(193,992)	(3.00)	(193,527)	0	0	(193,527)
Total	4.00	\$465,243	\$0	\$0	\$465,243	4.00	\$465,106	\$0	\$0	\$465,106

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Housing Funding (Restricted) -

The legislature approved restricted funding to help with housing costs for inmates which was appropriated as one-time-only to the Board of Crime Control in the 2017 session. This action continues the funding at \$200,000 for each fiscal year as defined by the Sentencing Commission and SB 65 passed by the 2017 Legislature.

DP 102 - Workload Study and Training (Restricted) -

The legislature approved restricted funding for 5.00 FTE and associated operating costs to be used to conduct a caseload/workload study of probation and parole officers and include an organizational assessment of the supervision structure and allocation of offender caseloads across probation and parole staff based on offender risk levels determined through the Montana Incentives and Interventions Grid.

DP 104 - OMIS Training Positions (Restricted) -

The legislature approved restricted funding for 2.00 non-bargaining FTE for fiscal years 2020 and 2021 to be used to implement training to employees related to the offender management and information system.

DP 110 - Director's Office FTE Adjustment -

The legislature approved a reduction of 3.00 FTE within the Director's Office.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	33,375,618	35,882,731	2,507,113	7.51 %
Operating Expenses	118,101,674	122,152,292	4,050,618	3.43 %
Transfers	12,500	12,500	0	0.00 %
Debt Service	118,515	96,470	(22,045)	(18.60)%
Total Expenditures	\$151,608,307	\$158,143,993	\$6,535,686	4.31 %
General Fund	149,979,973	155,915,659	5,935,686	3.96 %
State/Other Special Rev. Funds	1,628,334	2,228,334	600,000	36.85 %
Total Funds	\$151,608,307	\$158,143,993	\$6,535,686	4.31 %
Total Ongoing	\$150,888,307	\$158,143,993	\$7,255,686	4.81 %
Total OTO	\$720,000	\$0	(\$720,000)	(100.00)%

Page Reference

Legislative Budget Analysis, D-157.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	247.50	247.50	251.50	251.50
Personal Services	17,131,449	16,450,164	16,925,454	17,943,928	17,938,803
Operating Expenses	55,194,825	58,123,250	59,978,424	60,809,316	61,342,976
Transfers	0	6,250	6,250	6,250	6,250
Debt Service	70,280	70,280	48,235	48,235	48,235
Total Expenditures	\$72,396,554	\$74,649,944	\$76,958,363	\$78,807,729	\$79,336,264
General Fund	71,582,890	73,835,777	76,144,196	77,693,562	78,222,097
State/Other Special Rev. Funds	813,664	814,167	814,167	1,114,167	1,114,167
Total Funds	\$72,396,554	\$74,649,944	\$76,958,363	\$78,807,729	\$79,336,264
Total Ongoing	\$72,036,554	\$74,289,944	\$76,598,363	\$78,807,729	\$79,336,264
Total OTO	\$360,000	\$360,000	\$360,000	\$0	\$0

Page Reference

Legislative Budget Analysis, D-158.

Funding

Nearly 99.0% of the program's funding comes from the general fund. The remaining funding comes from state special revenues. These state special funds are collected from offenders who are required to pay supervision fees related to probation and parole.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	75,784,196	75,784,196	151,568,392	97.21 %	76,598,363	76,598,363	153,196,726	96.87 %
SWPL Adjustments	945,454	948,018	1,893,472	1.21 %	945,454	948,018	1,893,472	1.20 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	963,912	1,489,883	2,453,795	1.57 %	1,263,912	1,789,883	3,053,795	1.93 %
Total Budget	\$77,693,562	\$78,222,097	\$155,915,659		\$78,807,729	\$79,336,264	\$158,143,993	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	914,680	0	0	914,680	0.00	909,827	0	0	909,827
DP 3 - Inflation Deflation	0.00	30,774	0	0	30,774	0.00	38,191	0	0	38,191
Grand Total All Present Law Adjustments	0.00	\$945,454	\$0	\$0	\$945,454	0.00	\$948,018	\$0	\$0	\$948,018

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 104 - OMIS Training Positions (Restricted)	(2.00)	(202,726)	0	0	(202,726)	(2.00)	(202,124)	0	0	(202,124)
DP 201 - Provider Rate Increases for Statewide Facilities	0.00	464,791	0	0	464,791	0.00	934,689	0	0	934,689
DP 202 - Presentence Investigation	6.00	386,397	0	0	386,397	6.00	385,523	0	0	385,523
DP 204 - Probation and Parole Career Ladder (Restricted)	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
DP 205 - Probation and Parole Budget Adjustment	0.00	(100,000)	0	0	(100,000)	0.00	(100,000)	0	0	(100,000)
DP 211 - Youth Parole	0.00	0	0	0	0	0.00	0	0	0	0
DP 301 - Provider Rate Increases for Regional Facilities and MASC	0.00	415,450	0	0	415,450	0.00	471,795	0	0	471,795
Total	4.00	\$963,912	\$300,000	\$0	\$1,263,912	4.00	\$1,489,883	\$300,000	\$0	\$1,789,883

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 104 - OMIS Training Positions (Restricted) -

The legislature approved restricted funding for 2.00 non-bargaining FTE for fiscal years 2020 and 2021 to be used to implement training to employees related to the offender management and information system.

DP 201 - Provider Rate Increases for Statewide Facilities -

The legislature approved increases in provider rates of 0.91% for FY 2020 and 1.83% for FY 2021.

DP 202 - Presentence Investigation -

The legislature approved funding to add 6.00 FTE for probation officers to exclusively conduct pre-sentencing investigations.

DP 204 - Probation and Parole Career Ladder (Restricted) -

The legislature approved restricted funding to be used to implement a career ladder system for probation and parole officers contingent on the completion of language found in HB 2.

DP 205 - Probation and Parole Budget Adjustment -

The legislature approved a reduction in funding associated with saving costs by completing chemical dependency tests for offenders in house and placing offenders based on a risk/needs assessment and offender risk to the community.

DP 211 - Youth Parole -

The legislature approved the movement of operations associated with youth parole from the Department of Corrections to Supreme Court Operations within the Judicial Branch as per HB 111.

DP 301 - Provider Rate Increases for Regional Facilities and MASC -

The legislature approved an increase in funding to pay per diem rates to the Missoula Assessment and Sanction Center based on actual costs.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	79,697,177	100,524,143	20,826,966	26.13 %
Operating Expenses	71,997,278	68,323,107	(3,674,171)	(5.10)%
Equipment & Intangible Assets	211,680	305,704	94,024	44.42 %
Capital Outlay	41,546	41,546	0	0.00 %
Benefits & Claims	0	979,146	979,146	0.00 %
Transfers	22,200	8,200	(14,000)	(63.06)%
Debt Service	635,383	784,348	148,965	23.44 %
Total Expenditures	\$152,605,264	\$170,966,194	\$18,360,930	12.03 %
General Fund	152,396,340	169,678,034	17,281,694	11.34 %
State/Other Special Rev. Funds	208,924	1,288,160	1,079,236	516.57 %
Total Funds	\$152,605,264	\$170,966,194	\$18,360,930	12.03 %
Total Ongoing	\$152,605,264	\$170,966,194	\$18,360,930	12.03 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-163.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	620.36	620.36	748.36	748.36
Personal Services	39,318,543	39,058,908	40,638,269	50,313,820	50,210,323
Operating Expenses	38,513,156	38,726,838	33,270,440	33,928,105	34,395,002
Equipment & Intangible Assets	43,535	105,840	105,840	152,852	152,852
Capital Outlay	0	20,773	20,773	20,773	20,773
Benefits & Claims	0	0	0	489,573	489,573
Transfers	32,000	18,100	4,100	4,100	4,100
Debt Service	317,977	306,669	328,714	392,174	392,174
Total Expenditures	\$78,225,211	\$78,237,128	\$74,368,136	\$85,301,397	\$85,664,797
General Fund	78,121,996	78,132,666	74,263,674	84,653,379	85,024,655
State/Other Special Rev. Funds	103,215	104,462	104,462	648,018	640,142
Total Funds	\$78,225,211	\$78,237,128	\$74,368,136	\$85,301,397	\$85,664,797
Total Ongoing	\$78,225,211	\$78,237,128	\$74,368,136	\$85,301,397	\$85,664,797
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-164.

Funding

General fund makes up nearly all (99.3%) of the division's funding. The remaining funding is made up of state special revenues. The inmate welfare state special revenue fund is used to fund welfare activities for inmates and is comprised of the sales of contraband and confiscated items, as well as proceeds from inmate canteen purchases from the state prison.

Most of the state special revenue for the inmate welfare fund comes from statutory appropriations. Parental contributions toward the costs of care and interest and income related to Pine Hills school lands primarily make up additional state special revenue and are used for additional support related to direct and non-direct care costs in the Pine Hills Correctional Facility.

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	74,263,674	74,263,674	148,527,348	87.53 %	74,368,136	74,368,136	148,736,272	87.00 %
SWPL Adjustments	820,481	800,232	1,620,713	0.96 %	820,481	800,232	1,620,713	0.95 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	9,569,224	9,960,749	19,529,973	11.51 %	10,112,780	10,496,429	20,609,209	12.05 %
Total Budget	\$84,653,379	\$85,024,655	\$169,678,034		\$85,301,397	\$85,664,797	\$170,966,194	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	819,409	0	0	819,409	0.00	798,902	0	0	798,902
DP 3 - Inflation Deflation	0.00	1,072	0	0	1,072	0.00	1,330	0	0	1,330
Grand Total All Present Law Adjustments	0.00	\$820,481	\$0	\$0	\$820,481	0.00	\$800,232	\$0	\$0	\$800,232

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 211 - Youth Parole	0.00	(468,350)	(21,224)	0	(489,574)	0.00	(468,350)	(21,224)	0	(489,574)
DP 301 - Provider Rate Increases for Regional Facilities and MASC	0.00	906,341	0	0	906,341	0.00	1,168,350	0	0	1,168,350
DP 303 - Jail hold rates	0.00	94,080	0	0	94,080	0.00	211,023	0	0	211,023
DP 304 - Jail Hold Rate Adjustment	0.00	(47,040)	0	0	(47,040)	0.00	(105,511)	0	0	(105,511)
DP 305 - Provider Rate - For Profit Providers (Restricted)	0.00	143,058	0	0	143,058	0.00	287,689	0	0	287,689
DP 307 - MSCTC Obligations	0.00	(1,500,000)	0	0	(1,500,000)	0.00	(1,500,000)	0	0	(1,500,000)
DP 310 - Pine Hills Fund Switch	0.00	0	0	0	0	0.00	229,707	(229,707)	0	0
DP 501 - Youth Services Division Reorganization	128.00	10,441,135	564,780	0	11,005,915	128.00	10,137,841	786,611	0	10,924,452
Total	128.00	\$9,569,224	\$543,556	\$0	\$10,112,780	128.00	\$9,960,749	\$535,680	\$0	\$10,496,429

***Total Funds** amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 211 - Youth Parole -

The legislature approved the movement of operations associated with youth parole from the Department of Corrections to Supreme Court Operations within the Judicial Branch as per HB 111.

DP 301 - Provider Rate Increases for Regional Facilities and MASC -

The legislature approved an increase in funding to pay per diem rates to contracted regional prison facilities based on actual costs.

DP 303 - Jail hold rates -

The legislature approved increasing provider rates by 0.91% for FY 2020 and 1.83% for FY 2021.

DP 304 - Jail Hold Rate Adjustment -

The legislature approved decreasing the inflations associated with provider rates to 0.455% for FY 2020 and 0.915% for FY 2021.

DP 305 - Provider Rate - For Profit Providers (Restricted) -

The legislature approved increasing provider rates by 0.91% for FY 2020 and 1.83% for FY 2021 in regards to for-profit providers.

DP 307 - MSCTC Obligations -

The legislature approved a reduction in operating expenses associated with the Montana State Correctional Treatment Center beds at the Montana State Prison.

DP 310 - Pine Hills Fund Switch -

The executive approved a fund switch within Pine Hills operations which will reduce state special revenue and increase general fund for the biennium.

DP 501 - Youth Services Division Reorganization -

The legislature approved the Department of Corrections reorganization eliminating the Youth Services Division as a stand-alone division. The FTE and the budget have been moved to other divisions within the department where the services are now being provided. As a part of the reorganization 128.00 FTE and associated budget have been moved to the Secure Custody Facilities Division.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,494,252	3,595,024	1,100,772	44.13 %
Operating Expenses	5,905,040	6,562,756	657,716	11.14 %
Equipment & Intangible Assets	9,291	0	(9,291)	(100.00)%
Transfers	370,234	470,234	100,000	27.01 %
Total Expenditures	\$8,778,817	\$10,628,014	\$1,849,197	21.06 %
General Fund	2,787,190	3,876,330	1,089,140	39.08 %
State/Other Special Rev. Funds	5,991,627	6,751,684	760,057	12.69 %
Total Funds	\$8,778,817	\$10,628,014	\$1,849,197	21.06 %
Total Ongoing	\$8,778,817	\$10,628,014	\$1,849,197	21.06 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-170.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	25.50	25.50	25.50	25.50
Personal Services	900,482	912,749	1,581,503	1,797,707	1,797,317
Operating Expenses	2,762,778	2,923,662	2,981,378	3,281,378	3,281,378
Equipment & Intangible Assets	9,290	9,291	0	0	0
Transfers	175,627	185,117	185,117	235,117	235,117
Total Expenditures	\$3,848,177	\$4,030,819	\$4,747,998	\$5,314,202	\$5,313,812
General Fund	1,034,917	1,035,034	1,752,156	1,938,360	1,937,970
State/Other Special Rev. Funds	2,813,260	2,995,785	2,995,842	3,375,842	3,375,842
Total Funds	\$3,848,177	\$4,030,819	\$4,747,998	\$5,314,202	\$5,313,812
Total Ongoing	\$3,848,177	\$4,030,819	\$4,747,998	\$5,314,202	\$5,313,812
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-171.

Funding

General fund and state special revenue make up the division's HB 2 funding while non-budgeted proprietary funds make up the remaining funding. The primary use of general fund is for personal services related to the inmate canteen and inmate vocational education functions. Remaining program funding is received through state special revenue from the inmate canteen state special service fund is where revenues are derived from the sale of products to inmates and is paid by inmates through inmate wages and money received by family members.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,752,156	1,752,156	3,504,312	90.40 %	4,747,998	4,747,998	9,495,996	89.35 %
SWPL Adjustments	186,204	185,814	372,018	9.60 %	216,204	215,814	432,018	4.06 %
PL Adjustments	0	0	0	0.00 %	350,000	350,000	700,000	6.59 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,938,360	\$1,937,970	\$3,876,330		\$5,314,202	\$5,313,812	\$10,628,014	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	186,204	30,000	0	216,204	0.00	185,814	30,000	0	215,814
DP 401 - Canteen Authority	0.00	0	350,000	0	350,000	0.00	0	350,000	0	350,000
Grand Total All Present Law Adjustments	0.00	\$186,204	\$380,000	\$0	\$566,204	0.00	\$185,814	\$380,000	\$0	\$565,814

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 401 - Canteen Authority -

The legislature approved an increase in state special revenue to purchase additional merchandise for the prison canteens due to the addition of new customers and the introduction of new products and allow for transfers of some proceeds to the inmate welfare fund.

Other Issues -

Proprietary Rates

MCE Food Factory – Fund 06573

Proprietary Proposed Budget

The 2021 Biennium Report on Internal Service and Enterprise Funds for fund 06573 shows the financial information for the fund from FY 2016 through FY 2021. The report is provided as submitted by the executive.

Program Description

The Food Factory Program trains inmates in specific work skills and life skills in meal preparation, bakery and cook chill operations while providing meals to numerous state and county facilities in western Montana.

*Proprietary Program Narrative*Expenses

Personal service expenses are used to fund 22.00 FTE. Operating expenses make up the majority of expenses and are primarily used for bulk food items to sell and to prepare tray meals.

Revenues

The food factory sells bulk food items and tray meals to customers to obtain revenue.

Funding Sources

Revenues supporting MSP, the food factory's largest customer, come from the general fund.

Proprietary Rates

Rates are based on the cost of raw materials, supplies, and other operating expenses. There is no increase in rates requested for the 2021 biennium. The executive is requesting that the legislature approve the rates shown in the figure below for the Food Service Program.

Requested Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
	Estimated FY 2018	Estimated FY 1209	Proposed FY 2020	Proposed FY 2021
Tray Meal Prices to all customers				
Base Tray-hot/cold	\$ 2.35	\$ 2.35	\$ 2.35	\$ 2.35
Base Tray-hot	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22
Detention Center Trays	\$ 2.95	\$ 2.95	\$ 2.95	\$ 2.95
Accessory Package	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
Delivery Charge Per Trayed Meal				
Delivery charge per mile	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Delivery charge per hour	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00
Spoilage percentage to all bulk customers	5%	5%	5%	5%
Overhead Charges				
Montana State Prison	76%	76%	90%	90%
Montana State Hospital	11%	11%	10%	10%
Treasure State Correctional Training	13%	13%	0%	0%

Note: Bulk food is sold at cost, with a spoilage percentage added on and an overhead charge to cover operating expenses. Overhead charge is based on historical costs and volume of sales to the customer, as a percentage of overall food costs. Delivery is based on actual delivery costs.

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge

Vocational Education (Industries Training) – Fund 06545*Proprietary Proposed Budget*

The 2021 Biennium Report on Internal Service and Enterprise Funds for fund 06545 shows the financial information for the fund from FY 2016 through FY 2021. The report is provided as submitted by the executive.

Proprietary Program Description

The Vocational Education Program trains inmates in specific work skills and life skills in operations which include motor vehicle maintenance, vehicle restoration welding, and machining and metals programs in conjunction with the general funded vocational education program.

*Proprietary Program Narrative*Expenses

Expenses include personal service funding for 3.00 FTE as well as various parts to perform repairs and operating costs associated with the various programs.

Revenues

Revenues are derived primarily through repair, maintenance, and restoration work on customer vehicles and equipment, as well as, the sale of products and services in the welding, machining, and metal programs.

Funding Sources

Primary funding supporting payment for services are the ranch proprietary and general funds. Both of these funds support the MSP and are associated with large portions of revenue for the program.

Proprietary Rates

Motor vehicle maintenance rates are based on the costs of parts and a supply charge to cover consumable supplies for auto repairs and labor to perform tasks. The labor charge is based on the cost of civilian and inmate labor and program overhead. There is no request for labor rate increases for the 2021 biennium. The executive is requesting that the legislature approve the rates shown in the figure below for the Vocational Education Program.

Requested Rates for Internal Service or Enterprise Funds				
Fee/Rate Information				
Vocational Education Proprietary				
	Estimated FY 2018	Estimated FY 2019	Proposed FY 2020	Proposed FY 2021
Fee Description:				
Labor Charge/hour	28.45	28.45	28.45	28.45
Supply fee as percentage of actual cost of parts	8%	8%	8%	8%
Parts are sold at cost				

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change	
Personal Services	21,502,616	0	(21,502,616)	(100.00)%	
Operating Expenses	4,076,654	0	(4,076,654)	(100.00)%	
Equipment & Intangible Assets	50,454	0	(50,454)	(100.00)%	
Benefits & Claims	1,081,196	0	(1,081,196)	(100.00)%	
Debt Service	126,920	0	(126,920)	(100.00)%	
Total Expenditures	\$26,837,840	\$0	(\$26,837,840)	(100.00)%	
General Fund	25,639,716	0	(25,639,716)	(100.00)%	
State/Other Special Rev. Funds	1,198,124	0	(1,198,124)	(100.00)%	
Total Funds	\$26,837,840	\$0	(\$26,837,840)	(100.00)%	
Total Ongoing	\$26,837,840	\$0	(\$26,837,840)	(100.00)%	
Total OTO	\$0	\$0	\$0	0.00 %	

Page Reference

Legislative Budget Analysis, D-185.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	160.35	160.35	0.00	0.00
Personal Services	10,409,975	10,734,109	10,768,507	0	0
Operating Expenses	2,791,055	2,311,663	1,764,991	0	0
Equipment & Intangible Assets	3,442	3,442	47,012	0	0
Benefits & Claims	291,074	540,598	540,598	0	0
Debt Service	62,760	63,460	63,460	0	0
Total Expenditures	\$13,558,306	\$13,653,272	\$13,184,568	\$0	\$0
General Fund	13,052,052	13,054,210	12,585,506	0	0
State/Other Special Rev. Funds	506,254	599,062	599,062	0	0
Total Funds	\$13,558,306	\$13,653,272	\$13,184,568	\$0	\$0
Total Ongoing	\$13,558,306	\$13,653,272	\$13,184,568	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-186.

Funding

The legislature adopted a reorganization in which all aspects of this division were transferred to other divisions within the department and the Judicial Branch.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	12,585,506	12,585,506	25,171,012	0.00 %	13,184,568	13,184,568	26,369,136	0.00 %
SWPL Adjustments	184,357	181,683	366,040	0.00 %	184,357	181,683	366,040	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(12,769,863)	(12,767,189)	(25,537,052)	0.00 %	(13,368,925)	(13,366,251)	(26,735,176)	0.00 %
Total Budget	\$0	\$0	\$0		\$0	\$0	\$0	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	171,815	0	0	171,815	0.00	166,118	0	0	166,118
DP 3 - Inflation Deflation	0.00	12,542	0	0	12,542	0.00	15,565	0	0	15,565
Grand Total All Present Law Adjustments	0.00	\$184,357	\$0	\$0	\$184,357	0.00	\$181,683	\$0	\$0	\$181,683

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature approved adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 501 - Youth Services Division Reorganization	(160.35)	(12,769,863)	(599,062)	0	(13,368,925)	(160.35)	(12,767,189)	(599,062)	0	(13,366,251)
Total	(160.35)	(\$12,769,863)	(\$599,062)	\$0	(\$13,368,925)	(160.35)	(\$12,767,189)	(\$599,062)	\$0	(\$13,366,251)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 501 - Youth Services Division Reorganization -

The legislature approved the Department of Corrections reorganization eliminating the Youth Services Division as a stand-alone division. The FTE and the budget have been moved to other divisions within the department where the services are now being provided.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,472,506	22,037,076	4,564,570	26.12 %
Operating Expenses	25,454,737	27,249,445	1,794,708	7.05 %
Debt Service	0	41,754	41,754	0.00 %
Total Expenditures	\$42,927,243	\$49,328,275	\$6,401,032	14.91 %
General Fund	42,509,443	48,910,475	6,401,032	15.06 %
State/Other Special Rev. Funds	417,800	417,800	0	0.00 %
Total Funds	\$42,927,243	\$49,328,275	\$6,401,032	14.91 %
Total Ongoing	\$42,927,243	\$49,328,275	\$6,401,032	14.91 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, D-189.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	102.00	102.00	116.00	116.00
Personal Services	8,285,539	8,584,432	8,888,074	11,022,148	11,014,928
Operating Expenses	11,787,724	11,703,975	13,750,762	13,624,723	13,624,722
Debt Service	0	0	0	20,877	20,877
Total Expenditures	\$20,073,263	\$20,288,407	\$22,638,836	\$24,667,748	\$24,660,527
General Fund	20,073,263	20,079,507	22,429,936	24,458,848	24,451,627
State/Other Special Rev. Funds	0	208,900	208,900	208,900	208,900
Total Funds	\$20,073,263	\$20,288,407	\$22,638,836	\$24,667,748	\$24,660,527
Total Ongoing	\$20,073,263	\$20,288,407	\$22,638,836	\$24,667,748	\$24,660,527
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, D-190.

Funding

General fund provides over 99.0% of the division's funding. Approximately \$12.3 million or 53% of the general fund is appropriated to the Clinical Service Division for operation while the remainder funds outside medical costs. The remaining portion of the division's total funding comes from state special revenue collected from inmates to fund a medical co-payment program.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	22,429,936	22,429,936	44,859,872	91.72 %	22,638,836	22,638,836	45,277,672	91.79 %
SWPL Adjustments	878,454	870,801	1,749,255	3.58 %	878,454	870,801	1,749,255	3.55 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	1,150,458	1,150,890	2,301,348	4.71 %	1,150,458	1,150,890	2,301,348	4.67 %
Total Budget	\$24,458,848	\$24,451,627	\$48,910,475		\$24,667,748	\$24,660,527	\$49,328,275	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	878,454	0	0	878,454	0.00	870,801	0	0	870,801
DP 3 - Inflation Deflation	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$878,454	\$0	\$0	\$878,454	0.00	\$870,801	\$0	\$0	\$870,801

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 501 - Youth Services Division Reorganization	14.00	1,350,458	0	0	1,350,458	14.00	1,350,890	0	0	1,350,890
DP 601 - Teleworking Adjustment	0.00	(200,000)	0	0	(200,000)	0.00	(200,000)	0	0	(200,000)
Total	14.00	\$1,150,458	\$0	\$0	\$1,150,458	14.00	\$1,150,890	\$0	\$0	\$1,150,890

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 501 - Youth Services Division Reorganization -

The legislature approved the Department of Corrections reorganization eliminating the Youth Services Division as a stand-alone division. The FTE and the budget have been moved to other divisions within the department where the services are now being provided. As a part of the reorganization 14.00 FTE and associated budget have been moved to the Clinical Services Division.

DP 601 - Teleworking Adjustment -

The legislature approved reducing contracted operating expenses related to paying teleworking psychiatrists out-of-state at lower costs.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,504,281	1,774,612	270,331	17.97 %
Operating Expenses	378,196	368,092	(10,104)	(2.67)%
Total Expenditures	\$1,882,477	\$2,142,704	\$260,227	13.82 %
General Fund	1,882,477	2,142,704	260,227	13.82 %
Total Funds	\$1,882,477	\$2,142,704	\$260,227	13.82 %
Total Ongoing	\$1,806,222	\$2,142,704	\$336,482	18.63 %
Total OTO	\$76,255	\$0	(\$76,255)	(100.00)%

Page Reference

Legislative Budget Analysis, D-194.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	9.00	9.00	9.00	9.00
Personal Services	695,071	696,768	807,513	888,079	886,533
Operating Expenses	176,803	177,650	200,546	184,046	184,046
Total Expenditures	\$871,874	\$874,418	\$1,008,059	\$1,072,125	\$1,070,579
General Fund	871,874	874,418	1,008,059	1,072,125	1,070,579
Total Funds	\$871,874	\$874,418	\$1,008,059	\$1,072,125	\$1,070,579
Total Ongoing	\$871,874	\$874,418	\$931,804	\$1,072,125	\$1,070,579
Total OTO	\$0	\$0	\$76,255	\$0	\$0

Page Reference

Legislative Budget Analysis, D-195.

Funding

General fund provides all of the division's funding.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	931,804	931,804	1,863,608	86.97 %	931,804	931,804	1,863,608	86.97 %
SWPL Adjustments	140,321	138,775	279,096	13.03 %	140,321	138,775	279,096	13.03 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,072,125	\$1,070,579	\$2,142,704		\$1,072,125	\$1,070,579	\$2,142,704	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	140,321	0	0	140,321	0.00	138,775	0	0	138,775
Grand Total All Present Law Adjustments	0.00	\$140,321	\$0	\$0	\$140,321	0.00	\$138,775	\$0	\$0	\$138,775

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature approved adjustments to the present law personal services budget.

EDUCATION

SECTION E

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

AGENCIES

OFFICE OF PUBLIC INSTRUCTION
BOARD OF PUBLIC EDUCATION
COMMISSIONER OF HIGHER EDUCATION
SCHOOL FOR THE DEAF & BLIND
MONTANA ARTS COUNCIL
LIBRARY COMMISSION
MONTANA HISTORICAL SOCIETY

APPROPRIATIONS SUBCOMMITTEE MEMBERS

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REPRESENTATIVE BRADLEY MAXON HAMLETT
REPRESENTATIVE TOM WOODS
REPRESENTATIVE DAVID BEDEY
SENATOR DANIEL SALOMON (VICE-CHAIR)
SENATOR SUSAN WEBBER
SENATOR KENNETH BOGNER

FISCAL DIVISION STAFF

SHAUNA ALBRECHT LYONS
NICK VANBROWN
ALICE HECHT



Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	26,069,359	25,507,231	(562,128)	(2.16)%
Operating Expenses	30,770,645	28,991,566	(1,779,079)	(5.78)%
Equipment & Intangible Assets	985,523	985,524	1	0.00 %
Local Assistance	1,571,679,181	1,671,950,969	100,271,788	6.38 %
Grants	303,997,352	311,205,102	7,207,750	2.37 %
Transfers	5,008,388	5,036,680	28,292	0.56 %
Total Expenditures	\$1,938,510,448	\$2,043,677,072	\$105,166,624	5.43 %
General Fund	1,578,870,904	1,689,940,678	111,069,774	7.03 %
State/Other Special Rev. Funds	19,079,719	8,316,578	(10,763,141)	(56.41)%
Federal Spec. Rev. Funds	340,559,825	345,419,816	4,859,991	1.43 %
Total Funds	\$1,938,510,448	\$2,043,677,072	\$105,166,624	5.43 %
Total Ongoing	\$1,936,724,424	\$2,043,395,572	\$106,671,148	5.51 %
Total OTO	\$1,786,024	\$281,500	(\$1,504,524)	(84.24)%

Page Reference

Legislative Budget Analysis, E-1.

Agency Highlights

**Office of Public Instruction
Major Budget Highlights**

- The legislature adopted an increase to the Office of Public Instruction's total biennial appropriation of approximately \$105.2 million or 5.4% compared to the 2019 biennium appropriation
- State Level Activities
 - The legislature adopted appropriations \$2.3 million lower than the 2019 biennium including:
 - A decrease of approximately \$560,000 in personal services
 - The legislature approved the elimination of 4.03 FTE
 - A decrease of \$1.8 million or 6.4% in operating expenses
 - The majority of this decrease was redirected to Local Education Activities to restore cuts from the previous biennium and to increase gifted and talented base
 - An increase of \$28,326 in transfers
- Local Education Activities
 - The total biennial appropriation to Local Education Activities for the 2021 biennium is \$107.5 million greater than the 2019 biennium
 - The legislature adopted present law adjustments above the FY 2019 base totaling \$93.8 million for the 2021 biennium primarily for inflationary increases, increases in ANB (a measure of number of students), and increases in the Guaranteed Tax Base (GTB) rates. This includes \$7.0 million for the mid-session fall ANB count and expected new high school districts
 - The legislature adopted new proposals for the 2021 biennium which reduced \$6.7 million from the FY 2019 base. This is primarily due to a \$8.0 million reduction in state special revenue for debt service assistance that was removed when the expected revenue for this was aligned with the appropriation under the major maintenance and debt service line item. This aligned appropriations and did not produce an actual reduction in available funds for debt service assistance. Other changes included:
 - Reduced general fund by \$0.8 million to align with HB 695 increasing the guarantee account by \$0.8 million
 - \$0.2 million for school safety
 - \$80,000 to restore multiple impacts from SB 261 (2017)
 - Increase to the special education allowable cost base of \$217,547 per year plus \$39,564 for GTB and retirement costs
 - Increase to secondary Vo-Ed base of \$510,000 per year
 - Additional gifted and talented base authority of \$100,000 per year

- \$0.1 million for the extension of the Cultural Integrity Commitment Act

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	156.32	156.32	152.29	152.29
Personal Services	11,035,054	12,226,247	13,843,112	12,753,949	12,753,282
Operating Expenses	15,678,345	15,562,813	15,207,832	14,491,883	14,499,683
Equipment & Intangible Assets	0	492,761	492,762	492,762	492,762
Local Assistance	762,104,637	776,131,503	795,547,678	824,079,754	847,871,215
Grants	150,847,617	151,498,676	152,498,676	155,102,551	156,102,551
Transfers	2,704,420	2,504,211	2,504,177	2,518,340	2,518,340
Total Expenditures	\$942,370,073	\$958,416,211	\$980,094,237	\$1,009,439,239	\$1,034,237,833
General Fund	773,704,820	779,283,557	799,587,347	834,617,458	855,323,220
State/Other Special Rev. Funds	930,522	9,534,870	9,544,849	2,612,145	5,704,433
Federal Spec. Rev. Funds	167,734,731	169,597,784	170,962,041	172,209,636	173,210,180
Total Funds	\$942,370,073	\$958,416,211	\$980,094,237	\$1,009,439,239	\$1,034,237,833
Total Ongoing	\$941,491,986	\$957,538,124	\$979,186,300	\$1,009,332,239	\$1,034,063,333
Total OTO	\$878,087	\$878,087	\$907,937	\$107,000	\$174,500

Page Reference

Legislative Budget Analysis, E-3.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	156.32	156.32	152.29	(4.03)	156.32	152.29	(4.03)	(4.03)
Personal Services	13,843,112	13,053,673	12,753,949	(299,724)	13,052,264	12,753,282	(298,982)	(598,706)
Operating Expenses	15,207,832	14,384,623	14,491,883	107,260	14,392,423	14,499,683	107,260	214,520
Equipment & Intangible Assets	492,762	492,762	492,762	0	492,762	492,762	0	0
Local Assistance	795,547,678	838,834,832	824,079,754	(14,755,078)	866,043,775	847,871,215	(18,172,560)	(32,927,638)
Grants	152,498,676	155,209,926	155,102,551	(107,375)	156,209,926	156,102,551	(107,375)	(214,750)
Transfers	2,504,177	2,518,340	2,518,340	0	2,518,340	2,518,340	0	0
Total Costs	\$980,094,237	\$1,024,494,156	\$1,009,439,239	(\$15,054,917)	\$1,052,709,490	\$1,034,237,833	(\$18,471,657)	(\$33,526,574)
General Fund	799,587,347	845,520,890	834,617,458	(10,903,432)	869,643,756	855,323,220	(14,320,536)	(25,223,968)
State/Other Special Rev. Funds	9,544,849	6,612,145	2,612,145	(4,000,000)	9,704,433	5,704,433	(4,000,000)	(8,000,000)
Federal Spec. Rev. Funds	170,962,041	172,361,121	172,209,636	(151,485)	173,361,301	173,210,180	(151,121)	(302,606)
Total Funds	\$980,094,237	\$1,024,494,156	\$1,009,439,239	(\$15,054,917)	\$1,052,709,490	\$1,034,237,833	(\$18,471,657)	(\$33,526,574)
Total Ongoing	\$979,186,300	\$1,023,651,656	\$1,009,332,239	(\$14,319,417)	\$1,051,866,990	\$1,034,063,333	(\$17,803,657)	(\$32,123,074)
Total OTO	\$907,937	\$842,500	\$107,000	(\$735,500)	\$842,500	\$174,500	(\$668,000)	(\$1,403,500)

The legislature adopted appropriations totaling \$33.5 million below the budget proposed by the executive as follows:

Statewide Education Activities

The legislative budget for statewide education activities is \$0.4 million below the executive proposed biennial budget. General fund is lower by \$0.1 million and federal special revenue is lower by \$0.3 million.

- \$ 0.6 million below the executive proposed budget for personal services
 - The legislature adopted a reduction in personal services of 4.03 FTE
- \$ 0.2 million above the executive proposed budget for operations
 - The legislature adopted DP 926, which reduced by the amount moved to Local Education activities

Local Education Activities

The legislative budget for Local Education Activities is \$31.5 below the executive proposed biennial budget.

- \$14,520 above the executive proposed appropriation for operating expenses
- \$0.2 million below the executive proposal for grants
- \$32.9 million below the executive proposal for local assistance
 - The legislature did not approve inflationary increases of \$1.9 million for special education in HB 2
 - The legislature did not approve an increase of \$21.7 million to provide preschool in K-12 schools in HB 2
 - The legislature decreased the general fund appropriation by \$8.0 million in order to match the HJ2 guarantee state special revenue estimate
 - The legislature adopted an appropriation for school safety of \$0.2 million
 - The legislature adopted DP 901 which increases the budget by \$0.1 million to restore several of the 0.5% cuts from SB 261
 - The legislature adopted an increase of \$7.0 million general fund for expected ANB increases
 - The legislature adopted a decrease of \$8.0 million in state special for debt service alignment
 - The legislature adopted a decrease of \$0.8 million in general fund for increased guarantee account revenue due to HB 695

Funding

The following table shows agency funding by source of authority.

Total Office of Public Instruction Funding by Source of Authority 2021 Biennium Budget Request - Office of Public Instruction						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,689,659,178	281,500	0	0	1,689,940,678	78.82 %
State Special Total	8,316,578	0	0	94,322,969	102,639,547	4.79 %
Federal Special Total	345,419,816	0	0	0	345,419,816	16.11 %
Proprietary Total	0	0	5,919,926	0	5,919,926	0.28 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$2,043,395,572	\$281,500	\$5,919,926	\$94,322,969	\$2,143,919,967	
Percent - Total All Sources	95.31 %	0.01 %	0.28 %	4.40 %		

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	798,679,410	798,679,410	1,597,358,820	94.52 %	979,186,300	979,186,300	1,958,372,600	95.83 %
SWPL Adjustments	377,937	383,860	761,797	0.05 %	(1,186,687)	(1,180,296)	(2,366,983)	(0.12)%
PL Adjustments	34,791,921	55,490,880	90,282,801	5.34 %	34,671,436	59,462,759	94,134,195	4.61 %
New Proposals	768,190	769,070	1,537,260	0.09 %	(3,231,810)	(3,230,930)	(6,462,740)	(0.32)%
Total Budget	\$834,617,458	\$855,323,220	\$1,689,940,678		\$1,009,439,239	\$1,034,237,833	\$2,043,677,072	

Language and Statutory Authority

The Office of Public Instruction may distribute funds from the appropriation for In-State Treatment to public school districts for the purpose of providing educational costs of children with significant behavioral or physical needs.

All revenue up to \$1.3 million in the traffic education account for distribution to schools under the provisions of 20-7-506 and 61-5-121 is appropriated as provided in Title 20, chapter 7, part 5.

~~All appropriations for federal special revenue programs in state level activities and in local education activities and all general fund appropriations in local education activities are biennial.~~

All appropriations for federal special revenue programs in state level activities and in local education activities are biennial. All general fund appropriations in local education activities are biennial, except Major Maintenance Aid and Debt Service Assistance.

The Major Maintenance Aid and Debt Service Assistance restricted line item appropriation is restricted to the major maintenance aid program established in 20-9-525 unless funding requirements for the program are less than the available funds. Any remaining appropriation authority from the restricted appropriations may be used to augment the appropriations for debt service assistance established in 20-9-367

Cultural Integrity Commitment Act -- HB 41 is contingent on passage and approval of HB 41.

If HB 695 is not passed and approved, K-12 BASE Aid is increased by \$400,000 general fund in FY 2020 and \$400,000 general fund in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	26,069,359	25,507,231	(562,128)	(2.16)%
Operating Expenses	28,171,017	26,363,796	(1,807,221)	(6.42)%
Equipment & Intangible Assets	985,523	985,524	1	0.00 %
Transfers	3,992,674	4,021,000	28,326	0.71 %
Total Expenditures	\$59,218,573	\$56,877,551	(\$2,341,022)	(3.95)%
General Fund	21,721,811	21,437,939	(283,872)	(1.31)%
State/Other Special Rev. Funds	407,719	490,578	82,859	20.32 %
Federal Spec. Rev. Funds	37,089,043	34,949,034	(2,140,009)	(5.77)%
Total Funds	\$59,218,573	\$56,877,551	(\$2,341,022)	(3.95)%
Total Ongoing	\$57,432,549	\$56,877,551	(\$554,998)	(0.97)%
Total OTO	\$1,786,024	\$0	(\$1,786,024)	(100.00)%

Page Reference

Legislative Budget Analysis, E-8.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	156.32	156.32	152.29	152.29
Personal Services	11,035,054	12,226,247	13,843,112	12,753,949	12,753,282
Operating Expenses	14,400,889	14,269,793	13,901,224	13,178,000	13,185,796
Equipment & Intangible Assets	0	492,761	492,762	492,762	492,762
Transfers	1,990,497	1,996,337	1,996,337	2,010,500	2,010,500
Total Expenditures	\$27,426,440	\$28,985,138	\$30,233,435	\$28,435,211	\$28,442,340
General Fund	10,423,817	10,423,875	11,297,936	10,715,821	10,722,118
State/Other Special Rev. Funds	180,522	198,870	208,849	245,145	245,433
Federal Spec. Rev. Funds	16,822,101	18,362,393	18,726,650	17,474,245	17,474,789
Total Funds	\$27,426,440	\$28,985,138	\$30,233,435	\$28,435,211	\$28,442,340
Total Ongoing	\$26,548,353	\$28,107,051	\$29,325,498	\$28,435,211	\$28,442,340
Total OTO	\$878,087	\$878,087	\$907,937	\$0	\$0

Page Reference

Legislative Budget Analysis, E-9.

Funding

HB 2 Funding

Federal funds support just over half of the Office of Public Instruction's total budget authority, general funds support roughly one third, with the balance supported by state special revenue and proprietary funds.

State special revenue includes:

- School Lunch Program revenues are generated through reimbursements for the costs of shipping, handling, and other related costs of school food commodities used in the program
- Traffic and Safety Education Program revenues are generated through a percentage of driver's license fees

Federal special revenue is made up of federal grants that support public education

Non-Budgeted Proprietary Funding

- Indirect cost pool is a funding source that supports operations and various functions of the agency. A discussion of this source is included in the Proprietary Rates section of the narrative. The legislature adopted an indirect cost pool rate of 17.0%
- Advanced Drivers Education Program

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	10,389,999	10,389,999	20,779,998	96.93 %	29,325,498	29,325,498	58,650,996	103.12 %
SWPL Adjustments	377,922	383,841	761,763	3.55 %	(1,186,702)	(1,180,315)	(2,367,017)	(4.16)%
PL Adjustments	(166,239)	(165,861)	(332,100)	(1.55)%	182,276	183,018	365,294	0.64 %
New Proposals	114,139	114,139	228,278	1.06 %	114,139	114,139	228,278	0.40 %
Total Budget	\$10,715,821	\$10,722,118	\$21,437,939		\$28,435,211	\$28,442,340	\$56,877,551	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	286,935	36,153	(1,612,527)	(1,289,439)	0.00	289,984	36,336	(1,617,168)	(1,290,848)
DP 2 - Fixed Costs	0.00	88,441	106	3,061	91,608	0.00	90,699	203	5,818	96,720
DP 3 - Inflation Deflation	0.00	2,546	37	8,546	11,129	0.00	3,158	45	10,610	13,813
DP 50 - Personal Services Adjustment	(4.03)	(148,239)	0	(151,485)	(299,724)	(4.03)	(147,861)	0	(151,121)	(298,982)
DP 604 - Federal Grant Award Adjustment-Pgm 06	0.00	0	0	500,000	500,000	0.00	0	0	500,000	500,000
DP 693 - National Board Certification Stipends	0.00	(18,000)	0	0	(18,000)	0.00	(18,000)	0	0	(18,000)
Grand Total All Present Law Adjustments	(4.03)	\$211,683	\$36,296	(\$1,252,405)	(\$1,004,426)	(4.03)	\$217,980	\$36,584	(\$1,251,861)	(\$997,297)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific reductions include reduction of 4.03 FTE and transfer of 0.40 FTE to federal special revenue funding.

DP 604 - Federal Grant Award Adjustment-Pgm 06 -

The legislature adopted an appropriation of \$1.0 million for the biennium to restore federal authority for personal services for short-term workers.

DP 693 - National Board Certification Stipends -

The legislature adopted a transfer of \$18,000 per year from the State Level Activities program to the Local Education Activities program to fund stipends for teachers who have received National Board Certification per 20-4-134, MCA.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 620 - Montana Digital Academy - RST										
0.00	842,500	0	0	842,500		0.00	842,500	0	0	842,500
DP 926 - SB 9 Restoration Funds RST/BIEN										
0.00	(728,361)	0	0	(728,361)		0.00	(728,361)	0	0	(728,361)
Total	0.00	\$114,139	\$0	\$0	\$114,139	0.00	\$114,139	\$0	\$0	\$114,139

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 620 - Montana Digital Academy - RST -

The legislature adopted \$842,500 per year general fund as a restricted, one-time-only appropriation for the Montana Digital Academy (MTDA) in addition to \$1,158,000 per year in the OPI base budget for MTDA. The one-time-only designation is removed in DP 600 which makes the funding ongoing.

DP 926 - SB 9 Restoration Funds RST/BIEN -

The legislature adopted a reduction of OPI base operating expense of \$728,361 in each year of the biennium.

Other Issues -**Proprietary Rates****Indirect Cost Pool - 06512**

The OPI indirect cost pool is an internal service fund used to allocate various centralized costs such as payroll, accounting, or budgeting, to all of OPI's state and federally funded programs using a pre-approved indirect cost rate. Because the proprietary funds do not require an appropriation, they are not typically included in appropriation tables. Instead, the legislature approves the fees and charges that support the revenues for the program. The fees approved in the general appropriations act are the maximum fees that may be charged in the biennium.

Revenue

Indirect cost pool revenues are a function of the amount of expenditures recorded in the State Level Activities Program. Revenues are generated monthly by applying the approved indirect cost rate to the prior month's direct personal services

and operating expenditures in both state and federally funded programs. OPI negotiated a three-year "predetermined rate" with the U.S. Department of Education. The negotiated rate for fiscal year 2019 is 17%. For fiscal years 2020-2021 the legislature adopted the rate of 17%.

Expenses

Indirect cost pool covers the expenses incurred by the 25.85 FTE, who provide administrative, finance, accounting and data management services to the rest of the agency. The rate also covers fees charged for services provided by other departments, including but not limited to warrant writing, workers' compensation fees, audit fees, rent, and grounds maintenance. The pool also covers termination payouts for staff, except the superintendent and the superintendent's personal staff.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Operating Expenses	2,599,628	2,627,770	28,142	1.08 %
Local Assistance	1,571,679,181	1,671,950,969	100,271,788	6.38 %
Grants	303,997,352	311,205,102	7,207,750	2.37 %
Transfers	1,015,714	1,015,680	(34)	0.00 %
Total Expenditures	\$1,879,291,875	\$1,986,799,521	\$107,507,646	5.72 %
General Fund	1,557,149,093	1,668,502,739	111,353,646	7.15 %
State/Other Special Rev. Funds	18,672,000	7,826,000	(10,846,000)	(58.09)%
Federal Spec. Rev. Funds	303,470,782	310,470,782	7,000,000	2.31 %
Total Funds	\$1,879,291,875	\$1,986,799,521	\$107,507,646	5.72 %
Total Ongoing	\$1,879,291,875	\$1,986,518,021	\$107,226,146	5.71 %
Total OTO	\$0	\$281,500	\$281,500	100.00 %

Page Reference

Legislative Budget Analysis, E-18.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Operating Expenses	1,277,456	1,293,020	1,306,608	1,313,883	1,313,887
Local Assistance	762,104,637	776,131,503	795,547,678	824,079,754	847,871,215
Grants	150,847,617	151,498,676	152,498,676	155,102,551	156,102,551
Transfers	713,923	507,874	507,840	507,840	507,840
Total Expenditures	\$914,943,633	\$929,431,073	\$949,860,802	\$981,004,028	\$1,005,795,493
General Fund	763,281,003	768,859,682	788,289,411	823,901,637	844,601,102
State/Other Special Rev. Funds	750,000	9,336,000	9,336,000	2,367,000	5,459,000
Federal Spec. Rev. Funds	150,912,630	151,235,391	152,235,391	154,735,391	155,735,391
Total Funds	\$914,943,633	\$929,431,073	\$949,860,802	\$981,004,028	\$1,005,795,493
Total Ongoing	\$914,943,633	\$929,431,073	\$949,860,802	\$980,897,028	\$1,005,620,993
Total OTO	\$0	\$0	\$0	\$107,000	\$174,500

Page Reference

Legislative Budget Analysis, E-20.

Funding

Local Education Activities is funded by a combination of general fund, state and federal special revenue. The majority of funds are appropriated by HB 2 and the remainder are statutory appropriations.

General fund supports approximately 84.0% of the distribution to school districts, federal 15.0% and state special revenue the remaining 1.0%. Details of state and federal special are described below.

Guarantee Account

The guarantee account is a state special revenue account statutorily appropriated to school funding (20-9-622, MCA). The guarantee account receives revenue generated from common school trust lands and the subsequent interest on the common school trust account.

School Facility and Technology Account

The school facility and technology account supports state subsidies for school debt service from facilities bonds, technological improvements, and other infrastructure and facility needs. The school facility and technology account is funded from public land trust power site rent under the provisions of 77-4-208(2), MCA and timber harvest income from school trust lands under the provisions of 20-9-516(2)(a), MCA.

Traffic & Safety Education Account

The traffic & safety education account funds traffic education programs in Montana schools. Traffic and safety education revenues are generated from a percentage of drivers' license and commercial drivers' license fees.

School Facility State Special Revenue

The school facility state special revenue account receives interest from the school facility sub-trust within the state coal trust. This money is then distributed to school districts to help support major maintenance.

Federal funds

Federal funds support school nutrition, education for the disadvantaged, special education, professional development for educators, and various other purposes.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	788,289,411	788,289,411	1,576,578,822	94.49 %	949,860,802	949,860,802	1,899,721,604	95.62 %
SWPL Adjustments	15	19	34	0.00 %	15	19	34	0.00 %
PL Adjustments	34,958,160	55,656,741	90,614,901	5.43 %	34,489,160	59,279,741	93,768,901	4.72 %
New Proposals	654,051	654,931	1,308,982	0.08 %	(3,345,949)	(3,345,069)	(6,691,018)	(0.34)%
Total Budget	\$823,901,637	\$844,601,102	\$1,668,502,739		\$981,004,028	\$1,005,795,493	\$1,986,799,521	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	15	0	0	15	0.00	19	0	0	19
DP 692 - National Board Certification Stipends RST/OTO	0.00	107,000	0	0	107,000	0.00	174,500	0	0	174,500
DP 902 - K-12 BASE Aid Inflation RST/BIEN	0.00	24,572,480	0	0	24,572,480	0.00	46,158,348	0	0	46,158,348
DP 904 - Fall ANB Count	0.00	4,217,393	0	0	4,217,393	0.00	2,831,718	0	0	2,831,718
DP 908 - Restore Transportation Payment RST/BIEN	0.00	1,900,000	0	0	1,900,000	0.00	1,900,000	0	0	1,900,000
DP 909 - Federal Grant Award Adjustments-Pgm 09	0.00	0	0	2,500,000	2,500,000	0.00	0	0	3,500,000	3,500,000
DP 910 - Restore Data for Achievement RST/BIEN	0.00	3,209,999	0	0	3,209,999	0.00	3,272,947	0	0	3,272,947
DP 920 - At Risk Inflation RST/BIEN	0.00	49,721	0	0	49,721	0.00	150,620	0	0	150,620
DP 922 - NRD Major Maintenance Aid RST/BIEN	0.00	4,783,000	1,617,000	0	6,400,000	0.00	5,391,000	2,209,000	0	7,600,000
DP 923 - Debt Service Assistance RST	0.00	0	(4,586,000)	0	(4,586,000)	0.00	0	(2,086,000)	0	(2,086,000)
DP 960 - Guarantee Account Adjustment RST/BIEN	0.00	(3,881,433)	0	0	(3,881,433)	0.00	(4,222,392)	0	0	(4,222,392)
Grand Total All Present Law Adjustments	0.00	\$34,958,175	(\$2,969,000)	\$2,500,000	\$34,489,175	0.00	\$55,656,760	\$123,000	\$3,500,000	\$59,279,760

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 692 - National Board Certification Stipends RST/OTO -

The legislature adopted \$281,500 general fund for the biennium restricted to support stipends for National Board Certified teachers per 20-4-134, MCA. Stipends are to be distributed to the qualifying teacher's school district for distribution to the teacher. Therefore, this change package moves base funding of \$18,000 per year of the biennium to the Local Education Activities program, reducing the agency State Level Activities by the same amount. Additional general fund of \$89,000 in FY 2020 and \$156,500 in FY 2021 is included based upon projections of eligible teachers.

DP 902 - K-12 BASE Aid Inflation RST/BIEN -

The legislature adopted an increase of \$70.7 million general fund for the 2021 biennium to support inflation increases per 20-9-326, MCA. Increases of 0.91% in FY 2020 and 1.83% in FY 2021 are for the basic entitlement, per-Average Number Belonging (ANB) entitlement, the quality educator payment, the Indian education for all payment, and the American Indian achievement gap payment. ANB counts are projected to increase by 0.9% in FY 2020 and by 1.2% in FY 2021, so the present law adjustment includes funding for both the growth in enrollment (ANB) and the inflationary increases in the statutory funding rates.

DP 904 - Fall ANB Count -

Provides an appropriation for K-12 BASE Aid for revised ANB estimates arising from the February 2019 actual enrollment counts; including the ANB from newly formed high school districts.

DP 908 - Restore Transportation Payment RST/BIEN -

The legislature adopted DP 908 which restores \$1.7 million per year to the pupil transportation appropriation, which was cut in the previous biennium, and adds \$0.2 million per year to meet estimated statutory pupil transportation costs. This totals of \$1.9 million per year.

DP 909 - Federal Grant Award Adjustments-Pgm 09 -

The legislature adopted a \$6.0 million increase in federal fund appropriations for the 2021 biennium for anticipated increases in federal grant awards that OPI distributes to school districts and other local education entities administered by the OPI. Increases are primarily related to IDEA Part B and Title I Part A.

DP 910 - Restore Data for Achievement RST/BIEN -

The legislature adopted an increase of \$6.5 million general fund for the 2021 biennium to restore the data for achievement payment and provide inflationary increases in each year. The restoration of this payment includes \$3,180,038 each year of the biennium plus inflationary and ANB adjustments of \$29,960 in FY 2020 and \$92,909 in FY 2021. These increases represent a 0.91% increase in FY 2020 and 1.83% in FY 2021 as required for this payment in 20-9-326, MCA.

DP 920 - At Risk Inflation RST/BIEN -

The legislature adopted inflation increases for the at-risk student payment of \$49,721 in FY 2020 and \$150,620 in FY 2021. This represents a 0.91% increase in FY 2020 and a 1.83% increase in FY 2021 per 20-9-326, MCA.

DP 922 - NRD Major Maintenance Aid RST/BIEN -

The legislature adopted \$6.4 million in FY 2020 and \$7.6 million in FY 2021 for the Natural Resource Development K-12 School Facilities Payment (20-9-635, MCA). Funding includes \$1.6 million in FY 2020 and \$2.2 million in FY 2021 from the school major maintenance aid state special revenue fund (20-9-380, MCA) and \$4.8 million in FY 2020 and \$5.4 million in FY 2021 from the state general fund.

DP 923 - Debt Service Assistance RST -

The legislature adopted DP 923, which aligns the appropriation with anticipated revenue for the purpose of the debt service assistance payment in 20-9-346, MCA. This is a decrease of \$4.6 million in FY 2020 and \$2.1 million in FY 2021. The total appropriation in FY 2020 will be \$4.0 million, and in FY 2021 \$6.5 million, based upon funds available in the account.

DP 960 - Guarantee Account Adjustment RST/BIEN -

The legislature adopted a general fund decrease of \$8.1 million for the 2021 biennium to offset estimated increases to the guarantee state special revenue account.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals									
-----Fiscal 2020-----					-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 900 - School Safety RST/BIEN									
0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 901 - Reinstate SB 261 Cuts RST/BIEN									
0.00	39,350	0	0	39,350	0.00	39,350	0	0	39,350
DP 905 - HB 695 Adjustment									
0.00	(400,000)	0	0	(400,000)	0.00	(400,000)	0	0	(400,000)
DP 906 - Adjust Debt Service Assistance									
0.00	0	(4,000,000)	0	(4,000,000)	0.00	0	(4,000,000)	0	(4,000,000)
DP 926 - SB 9 Restoration Funds RST/BIEN									
0.00	867,111	0	0	867,111	0.00	867,111	0	0	867,111
DP 9041 - HB 41 Funding									
0.00	47,590	0	0	47,590	0.00	48,470	0	0	48,470
DP 9042 - Line Item HB41 Funding									
0.00	0	0	0	0	0.00	0	0	0	0
Total	0.00	\$654,051	(\$4,000,000)	\$0 (\$3,345,949)	0.00	\$654,931	(\$4,000,000)	\$0	(\$3,345,069)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 900 - School Safety RST/BIEN -

The legislature adopted an appropriation of \$200,000 for the biennium to provide school safety training to educators.

DP 901 - Reinstate SB 261 Cuts RST/BIEN -

The legislature adopted an appropriation of \$39,350 per year to restore reductions in multiple programs that were impacted by SB 261.

DP 905 - HB 695 Adjustment -

Reduces the K-12 BASE Aid line item by \$400,000 per year due to the interest earnings that would flow into the Guarantee Account from the passage of HB 695. This includes language to make this contingent upon passage and approval of HB 695.

DP 906 - Adjust Debt Service Assistance -

This removes \$4.0 million per year in state special authority for Debt Service Assistance as this authority was overflow authority from Major Maintenance and is no longer needed as the authority is contained in the combined Major Maintenance and Debt Service Assistance line. This also renamed the line items School Facility Reimbursement (Restricted) to Debt Service Assistance (Restricted) as well as Major Maintenance Aid (Restricted/Biennial) to Major Maintenance Aid and Debt Service Assistance (Restricted). Language was also added for the order of distribution between Major Maintenance and Debt Service Assistance as well as make this line item appropriation not biennial.

DP 926 - SB 9 Restoration Funds RST/BIEN -

The legislature adopted an increase in special education allowable cost base of \$217,547 plus \$39,564 GTB and retirement costs per year; secondary Vo-Ed base of \$510,000 per year; and additional gifted and talented base authority of \$100,000 per year.

DP 9041 - HB 41 Funding -

Provides funding for HB 41, which extends the Culture Integrity Commitment Act through June 30, 2023. Cost to the state general fund is \$47,590 in FY 2020 and \$48,470 in FY 2021. This is contingent upon passage of HB 41.

DP 9042 - Line Item HB41 Funding -

Transfers funding for HB41 from the K-12 BASE Aid Line item to the Cultural Integrity Act line item. This includes language to make this contingent upon passage and approval of HB 41.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	483,896	504,248	20,352	4.21 %
Operating Expenses	230,623	191,018	(39,605)	(17.17)%
Total Expenditures	\$714,519	\$695,266	(\$19,253)	(2.69)%
General Fund	278,326	329,452	51,126	18.37 %
State/Other Special Rev. Funds	436,193	365,814	(70,379)	(16.13)%
Total Funds	\$714,519	\$695,266	(\$19,253)	(2.69)%
Total Ongoing	\$654,519	\$695,266	\$40,747	6.23 %
Total OTO	\$60,000	\$0	(\$60,000)	(100.00)%

Page Reference

Legislative Budget Analysis, E-25.

Agency Highlights

Board of Public Education Major Budget Highlights	
<ul style="list-style-type: none"> The legislature adopted a decrease to the Board of Public Education's total biennial appropriation of approximately \$19,000 or 2.7% compared to the 2019 biennium appropriation <ul style="list-style-type: none"> The legislature adopted a \$20,000 increase to personal services for the 2021 biennium The legislature adopted a decrease of \$40,000 in operating expenses from the last biennium budget 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.00	3.00	3.00	3.00
Personal Services	220,845	237,947	245,949	252,395	251,853
Operating Expenses	83,268	115,150	115,473	103,438	87,580
Total Expenditures	\$304,113	\$353,097	\$361,422	\$355,833	\$339,433
General Fund	118,717	136,811	141,515	172,926	156,526
State/Other Special Rev. Funds	185,396	216,286	219,907	182,907	182,907
Total Funds	\$304,113	\$353,097	\$361,422	\$355,833	\$339,433
Total Ongoing	\$286,472	\$323,097	\$331,422	\$355,833	\$339,433
Total OTO	\$17,641	\$30,000	\$30,000	\$0	\$0

Page Reference

Legislative Budget Analysis, E-26.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	3.00	3.00	3.00	0.00	3.00	3.00	0.00	0.00
Personal Services	245,949	252,395	252,395	0	251,853	251,853	0	0
Operating Expenses	115,473	103,438	103,438	0	87,580	87,580	0	0
Total Costs	\$361,422	\$355,833	\$355,833	\$0	\$339,433	\$339,433	\$0	\$0
General Fund	141,515	172,926	172,926	0	156,526	156,526	0	0
State/other Special Rev. Funds	219,907	182,907	182,907	0	182,907	182,907	0	0
Total Funds	\$361,422	\$355,833	\$355,833	\$0	\$339,433	\$339,433	\$0	\$0
Total Ongoing	\$331,422	\$355,833	\$355,833	\$0	\$339,433	\$339,433	\$0	\$0
Total OTO	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted the executive budget proposal with no changes.

Funding

The following table shows agency funding by source of authority.

Total Board of Public Education Funding by Source of Authority 2021 Biennium Budget Request - Board of Public Education						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	329,452	0	0	0	329,452	47.38 %
State Special Total	365,814	0	0	0	365,814	52.62 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$695,266	\$0	\$0	\$0	\$695,266	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %	0.00 %		

The Board of Public Education (BPE) is funded through a combination of general fund and state special funds. In previous biennia the funding was evenly split between general fund and state special funds. However last biennium state special funds made up a larger portion of the budget in order to spend down unused fund balances. For the 2021 biennium the legislature approved rebalancing the funding between general fund and state special funds by shifting the appropriation from state special to the general fund.

The funding for the state special revenue accounts is provided by teacher certification fees of \$6.00 per year. By statute, these fees are collected by the Office of Public Instruction (OPI) and deposited into two accounts: two-thirds of the fees are deposited in the advisory council state special revenue fund which supports the activities of the Certification Standards and Practices Advisory Council (CSPAC), and one third is deposited into the research state special revenue fund and used to fund the statutory duties of the BPE and CSPAC.

All revenue to the advisory council fund is expended each year before general fund is expended. As originally created, the research fund was to be a reserve for special projects. Statute was changed to allow for the appropriation of a portion of the fund for operations with the balance reserved for special projects. Historical revenues and expenditures over the last five years are in line with the appropriation adopted by the legislature for both funds.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	141,515	141,515	283,030	85.91 %	331,422	331,422	662,844	95.34 %
SWPL Adjustments	31,411	15,011	46,422	14.09 %	24,411	8,011	32,422	4.66 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$172,926	\$156,526	\$329,452		\$355,833	\$339,433	\$695,266	

Page Reference

Legislative Budget Analysis, E-25.

Page Reference

Legislative Budget Analysis, E-26.

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	Fiscal 2020					Fiscal 2021				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
	0.00	18,446	(12,000)	0	6,446	0.00	17,904	(12,000)	0	5,904
DP 2 - Fixed Costs										
	0.00	12,896	5,000	0	17,896	0.00	(2,978)	5,000	0	2,022
DP 3 - Inflation Deflation										
	0.00	69	0	0	69	0.00	85	0	0	85
Grand Total All Present Law Adjustments	0.00	\$31,411	(\$7,000)	\$0	\$24,411	0.00	\$15,011	(\$7,000)	\$0	\$8,011

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	13,566,250	10,566,296	(2,999,954)	(22.11)%
Operating Expenses	21,354,719	13,931,344	(7,423,375)	(34.76)%
Equipment & Intangible Assets	42,630	22,126	(20,504)	(48.10)%
Local Assistance	25,825,047	27,756,318	1,931,271	7.48 %
Grants	32,257,920	35,799,041	3,541,121	10.98 %
Benefits & Claims	90,937,952	0	(90,937,952)	(100.00)%
Transfers	444,145,532	473,136,337	28,990,805	6.53 %
Debt Service	25,364	0	(25,364)	(100.00)%
Total Expenditures	\$628,155,414	\$561,211,462	(\$66,943,952)	(10.66)%
General Fund	444,997,731	475,516,946	30,519,215	6.86 %
State/Other Special Rev. Funds	43,814,509	48,302,616	4,488,107	10.24 %
Federal Spec. Rev. Funds	138,282,033	36,170,615	(102,111,418)	(73.84)%
Proprietary Funds	1,061,141	1,221,285	160,144	15.09 %
Total Funds	\$628,155,414	\$561,211,462	(\$66,943,952)	(10.66)%
Total Ongoing	\$627,246,964	\$557,408,962	(\$69,838,002)	(11.13)%
Total OTO	\$908,450	\$3,802,500	\$2,894,050	318.57 %

Page Reference

Legislative Budget Analysis, E-31.

Agency Highlights

**Commissioner of Higher Education
Major Budget Highlights**

- The legislature adopted an increase to the Commissioner of Higher Education's total biennial appropriation of approximately \$41.7 million or 8.0% compared to the 2019 biennium appropriation
 - This has been adjusted for the Guaranteed Student Loan and Improving Teacher Quality programs that have been either reduced or eliminated, accounting for a federal funds decrease of \$103.9 million
- The legislature agreed to a Shared Policy Goal with the Office of the Commissioner of Higher Education to enhance the efforts of career and technical education (CTE). This Shared Policy Goal is the result of agreeing to a tuition freeze for the 2021 biennium
- The legislature adopted a match of \$2.0 million one-time-only to fund scholarships for need-based aid and adult learners
- The legislature adopted \$350,000 one-time-only funding to Tribal Colleges for high school equivalency test (HiSET) preparation
- The legislature adopted one-time-only funding for:
 - Bureau of Mines data preservation project
 - Agricultural Experiment Stations Wool Lab
 - Agricultural Experiment Stations Seed Lab
- The legislature adopted an increase in federal authority for GEAR UP and Perkins grants
- The legislature adopted \$542,500 one-time-only funding for Flathead Valley Community College

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	89.90	89.90	50.22	50.22
Personal Services	4,283,621	6,676,172	6,890,078	5,285,927	5,280,369
Operating Expenses	10,814,305	13,785,389	7,569,330	6,999,137	6,932,207
Equipment & Intangible Assets	0	21,315	21,315	11,063	11,063
Local Assistance	12,815,643	12,815,644	13,009,403	13,835,193	13,921,125
Grants	14,455,942	16,120,845	16,137,075	17,704,363	18,094,678
Benefits & Claims	11,046,860	42,112,415	48,825,537	0	0
Transfers	219,774,756	220,957,926	223,187,606	235,642,188	237,494,149
Debt Service	0	12,682	12,682	0	0
Total Expenditures	\$273,191,127	\$312,502,388	\$315,653,026	\$279,477,871	\$281,733,591
General Fund	219,766,507	220,857,734	224,139,997	236,913,165	238,603,781
State/Other Special Rev. Funds	21,696,821	22,022,324	21,792,185	23,918,364	24,384,252
Federal Spec. Rev. Funds	31,269,452	69,095,328	69,186,705	18,035,611	18,135,004
Proprietary Funds	458,347	527,002	534,139	610,731	610,554
Total Funds	\$273,191,127	\$312,502,388	\$315,653,026	\$279,477,871	\$281,733,591
Total Ongoing	\$272,736,902	\$312,048,163	\$315,198,801	\$277,719,371	\$279,689,591
Total OTO	\$454,225	\$454,225	\$454,225	\$1,758,500	\$2,044,000

Page Reference

Legislative Budget Analysis, E-33.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	89.90	49.88	50.22	0.34	49.88	50.22	0.34	0.34
Personal Services	6,890,078	5,201,646	5,285,927	84,281	5,194,915	5,280,369	85,454	169,735
Operating Expenses	7,569,330	6,994,488	6,999,137	4,649	6,927,558	6,932,207	4,649	9,298
Equipment & Intangible Assets	21,315	11,063	11,063	0	11,063	11,063	0	0
Local Assistance	13,009,403	13,519,243	13,835,193	315,950	13,607,125	13,921,125	314,000	629,950
Grants	16,137,075	19,479,363	17,704,363	(1,775,000)	19,669,678	18,094,678	(1,575,000)	(3,350,000)
Benefits & Claims	48,825,537	0	0	0	0	0	0	0
Transfers	223,187,606	235,350,708	235,642,188	291,480	237,202,669	237,494,149	291,480	582,960
Debt Service	12,682	0	0	0	0	0	0	0
Total Costs	\$315,653,026	\$280,556,511	\$279,477,871	(\$1,078,640)	\$282,613,008	\$281,733,591	(\$879,417)	(\$1,958,057)
General Fund	224,139,997	238,377,746	236,913,165	(1,464,581)	239,870,312	238,603,781	(1,266,531)	(2,731,112)
State/other Special Rev. Funds	21,792,185	23,618,364	23,918,364	300,000	24,084,252	24,384,252	300,000	600,000
Federal Spec. Rev. Funds	69,186,705	17,954,319	18,035,611	81,292	18,052,539	18,135,004	82,465	163,757
Other	534,139	606,082	610,731	4,649	605,905	610,554	4,649	9,298
Total Funds	\$315,653,026	\$280,556,511	\$279,477,871	(\$1,078,640)	\$282,613,008	\$281,733,591	(\$879,417)	(\$1,958,057)
Total Ongoing	\$315,198,801	\$280,392,991	\$277,719,371	(\$2,673,620)	\$282,449,488	\$279,689,591	(\$2,759,897)	(\$5,433,517)
Total OTO	\$454,225	\$163,520	\$1,758,500	\$1,594,980	\$163,520	\$2,044,000	\$1,880,480	\$3,475,460

The legislature approved a budget that is \$2.0 million less than the budget proposed by the executive for the 2021 biennium.

The major differences in the legislative budget compared to the executive budget are:

- The legislature adopted the proposal for Financial Assistance Match at \$2.0 million rather than \$5.0 million
- The legislature reduced the proposed HiSET preparation funding from \$700,000 to \$350,000
- The legislature adopted a reduced amount of the proposed reinstatement of personal services in several programs and the reduction of 1.66 FTE
- The legislature increased the Guaranteed Student Loan Program FTE to a total of 3.00 rather than 2.00
- The legislature did not approve the one-time-only operation and maintenance costs associated with the MSU American Indian Hall
- The legislature did not adopt the further reduction of audit costs on the community colleges
- The legislature adopted a \$542,500 one-time-only appropriation for Flathead Valley Community College

Funding

The following table shows agency funding by source of authority.

Total Commissioner of Higher Education Funding by Source of Authority 2021 Biennium Budget Request - Commissioner of Higher Education						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	472,314,446	3,202,500	0	3,570,048	479,086,994	53.55 %
State Special Total	47,702,616	600,000	0	7,690,792	55,993,408	6.26 %
Federal Special Total	36,170,615	0	0	0	36,170,615	4.04 %
Proprietary Total	1,221,285	0	322,179,375	0	323,400,660	36.15 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$557,408,962	\$3,802,500	\$322,179,375	\$11,260,840	\$894,651,677	
Percent - Total All Sources	62.30 %	0.42 %	36.01 %	1.26 %		

The Commissioner of Higher Education is funded through a combination of general fund, state special revenue, federal special revenue, and propriety funds. Funding is discussed in further detail at the program level.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	223,985,772	223,985,772	447,971,544	94.21 %	315,198,801	315,198,801	630,397,602	112.33 %
SWPL Adjustments	469,694	393,866	863,560	0.18 %	467,225	391,342	858,567	0.15 %
PL Adjustments	10,999,199	12,480,143	23,479,342	4.94 %	(37,946,655)	(35,900,552)	(73,847,207)	(13.16) %
New Proposals	1,458,500	1,744,000	3,202,500	0.67 %	1,758,500	2,044,000	3,802,500	0.68 %
Total Budget	\$236,913,165	\$238,603,781	\$475,516,946		\$279,477,871	\$281,733,591	\$561,211,462	

Language and Statutory Authority

Items designated as OCHE Administration (01), Student Assistance (02), Educational Outreach and Diversity (06), Workforce Development (08), Appropriation Distribution (09), Guaranteed Student Loan (12), and the Board of Regents (13) are designated as biennial appropriations.

General fund money, state and federal special revenue and proprietary fund revenue appropriated to the Board of Regents are included in all Montana university system programs. All other public funds received by units of the Montana university system (other than plant funds appropriated in HB 5, relating to long-range building) are appropriated to the board of regents and may be expended under the provisions of 17-7-138(2). The board of regents shall allocate the appropriations to individual university system units, as defined in 17-7-102(15), according to board policy.

The Montana University system, except the Office of the Commissioner of Higher Education and the community colleges, shall provide the office of budget and program planning and the legislative fiscal division banner access to the entire university system's information system, except for information pertaining to individual students and individual employees that is protected by Article II, sections 9 and 10, of the Montana constitution, 20-25-515, or the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g.

The Montana university system shall provide the electronic data required for entering human resource data for the current unrestricted operating funds into the Internet Budgeting and Reporting System (IBARS). The salary and benefit data provided must reflect approved board of regents operating budgets.

The average budgeted amount for each full-time equivalent student at the community colleges, includes \$3,196 for each year of the 2021 biennium. The general fund appropriation for Community College Assistance provides 48.2% in FY 2020

and 48.2% in FY 2021 of the budget amount for each full-time equivalent student each year of the 2021 biennium. The remaining 51.8% of the budget amount for each full-time equivalent student must be paid from funds other than those appropriated for Community College Assistance.

The commissioner may adjust the funding distribution between community colleges based on actual enrollment.

The general fund appropriation for Community College Assistance is calculated to fund education in the community colleges for an estimated 2,083 resident FTE in FY 2020 and 2,143 in FY 2021. If total resident FTE student enrollment in the community colleges is greater than the estimated number for the biennium, the community colleges shall serve the additional students without a state general fund contribution. If actual resident FTE student enrollment is less than the estimated numbers for the biennium, the community colleges shall revert general fund money to the state in accordance with 17-7-142.

Funding to be transferred to the state energy conservation program debt service account for energy improvements are as followed. Transferred funding for each year of the biennium to retire bonded projects are University of Montana \$26,500, UM Western \$98,000, UM Helena \$6,000, MSU Northern \$16,700 in FY 2020 and \$16,200 in FY 2021, MSU Billings \$45,519, Great Falls \$86,500. Funding to be transferred for each year of the biennium for state energy revolving projects are UM Western \$41,885 in FY 2020 and \$41,205 in FY 2021, UM Helena \$55,649, UM Montana Tech \$90,266, MSU Billings \$55,323, MSU Northern \$64,576, Miles Community College \$23,553, University of Montana \$294,875. Montana State University transfers are \$277,611 in FY 2020 and \$254,753 in FY 2021.

Total audit costs are estimated to be \$197,329 for the community colleges for the biennium. The general fund appropriation for each community college provides 48.2% of the total audit costs in the 2021 biennium. The remaining 51.8% of these cost must be paid from funds other than those appropriated from Community College Assistance – Legislative Audit. Audit costs charged to the community colleges for the biennium may not exceed \$62,577 for Flathead Valley CC, \$56,987 for Miles CC, and \$77,765 for Dawson CC. Total audit cost for Administration \$65,951, UM - Missoula \$286,054, MSU - Bozeman \$286,054.

The Montana university system shall pay \$88,506 for the 2021 biennium in current funds in support of the Montana Natural Resource Information System (NRIS) located at the Montana state library. Quarterly payments must be made upon receipt of the bills from the state library, up to the total appropriated.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	5,304,545	6,339,328	1,034,783	19.51 %
Operating Expenses	1,905,144	2,225,288	320,144	16.80 %
Equipment & Intangible Assets	22,126	22,126	0	0.00 %
Transfers	31,958	45,546	13,588	42.52 %
Total Expenditures	\$7,263,773	\$8,632,288	\$1,368,515	18.84 %
General Fund	6,202,632	7,411,003	1,208,371	19.48 %
Proprietary Funds	1,061,141	1,221,285	160,144	15.09 %
Total Funds	\$7,263,773	\$8,632,288	\$1,368,515	18.84 %
Total Ongoing	\$7,263,773	\$8,632,288	\$1,368,515	18.84 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-43.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	23.28	23.28	23.28	23.28
Personal Services	2,518,604	2,608,913	2,695,632	3,171,741	3,167,587
Operating Expenses	829,526	966,348	938,796	1,146,198	1,079,090
Equipment & Intangible Assets	0	11,063	11,063	11,063	11,063
Transfers	8,973	9,185	22,773	22,773	22,773
Total Expenditures	\$3,357,103	\$3,595,509	\$3,668,264	\$4,351,775	\$4,280,513
General Fund	2,898,756	3,068,507	3,134,125	3,741,044	3,669,959
Proprietary Funds	458,347	527,002	534,139	610,731	610,554
Total Funds	\$3,357,103	\$3,595,509	\$3,668,264	\$4,351,775	\$4,280,513
Total Ongoing	\$3,357,103	\$3,595,509	\$3,668,264	\$4,351,775	\$4,280,513
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-44.

Funding

This program is funded primarily from general fund. The remaining portion of the funding for the 2021 biennium would come from proprietary revenue in the form of indirect costs to support administrative overhead activities for programs administered by other OCHE programs (e.g. Talent Search, GEAR-UP, Perkins, Group Insurance, and MUS Workers' Compensation).

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,134,125	3,134,125	6,268,250	84.58 %	3,668,264	3,668,264	7,336,528	84.99 %
SWPL Adjustments	469,415	393,531	862,946	11.64 %	541,358	465,297	1,006,655	11.66 %
PL Adjustments	137,504	142,303	279,807	3.78 %	142,153	146,952	289,105	3.35 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$3,741,044	\$3,669,959	\$7,411,003		\$4,351,775	\$4,280,513	\$8,632,288	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	404,950	0	0	476,109	0.00	401,162	0	0	471,955
DP 2 - Fixed Costs	0.00	64,465	0	0	64,465	0.00	(7,631)	0	0	(7,631)
DP 3 - Inflation Deflation	0.00	0	0	0	784	0.00	0	0	0	973
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	4,649	0.00	0	0	0	4,649
DP 101 - Information Technology Costs	0.00	137,504	0	0	137,504	0.00	142,303	0	0	142,303
Grand Total All Present Law Adjustments	0.00	\$606,919	\$0	\$0	\$683,511	0.00	\$535,834	\$0	\$0	\$612,249

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

DP 101 - Information Technology Costs -

The legislature adopted an increase related to information technology fixed costs.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	300,129	250,438	(49,691)	(16.56)%
Operating Expenses	154,795	541,204	386,409	249.63 %
Local Assistance	302,000	315,000	13,000	4.30 %
Grants	19,697,986	22,155,553	2,457,567	12.48 %
Total Expenditures	\$20,454,910	\$23,262,195	\$2,807,285	13.72 %
General Fund	18,886,646	22,519,833	3,633,187	19.24 %
State/Other Special Rev. Funds	1,568,264	742,362	(825,902)	(52.66)%
Total Funds	\$20,454,910	\$23,262,195	\$2,807,285	13.72 %
Total Ongoing	\$20,454,910	\$21,262,195	\$807,285	3.95 %
Total OTO	\$0	\$2,000,000	\$2,000,000	100.00 %

Page Reference

Legislative Budget Analysis, E-47.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1.50	1.50	1.50	1.50
Personal Services	45,729	139,833	160,296	125,373	125,065
Operating Expenses	84,192	84,192	70,603	270,607	270,597
Local Assistance	149,000	149,000	153,000	156,000	159,000
Grants	9,505,681	9,771,155	9,926,831	10,882,619	11,272,934
Total Expenditures	\$9,784,602	\$10,144,180	\$10,310,730	\$11,434,599	\$11,827,596
General Fund	9,369,740	9,440,248	9,446,398	11,063,362	11,456,471
State/Other Special Rev. Funds	414,862	703,932	864,332	371,237	371,125
Total Funds	\$9,784,602	\$10,144,180	\$10,310,730	\$11,434,599	\$11,827,596
Total Ongoing	\$9,784,602	\$10,144,180	\$10,310,730	\$10,534,599	\$10,727,596
Total OTO	\$0	\$0	\$0	\$900,000	\$1,100,000

Page Reference

Legislative Budget Analysis, E-48.

Funding

The Student Assistance Program is funded primarily with general fund via HB 2. State special revenue is also included in HB 2 to administer the college savings program.

The figure below summarizes the proposed budgets for the student assistance programs for the 2021 biennium.

Figure 5

Montana University System - Impact of 2021 Biennium Executive Budget Across Functional Areas General Fund and State Special Revenue Only						
Budget Item	Appropriated FY 2018	Appropriated FY 2019	Request FY 2020	Request FY 2021	Change 19-21 Bien.	% Change 19-21 Bien.
<u>GRANTS, LOANS, WK STUDY</u>						
Supplemental Ed Opportunity Grant	\$458,160	\$458,160	\$737,160	\$737,160	\$558,000	60.9%
Work Study	851,056	815,781	815,781	815,781	(35,275)	-2.1%
Governor's Scholarship Program	279,000	279,000	-	-	(558,000)	-100.0%
Financial Assistance Match	-	-	900,000	1,100,000	2,000,000	100.0%
<u>PROFESSIONAL STUDENT EXCHANGE</u>						
WICHE	2,348,266	2,337,958	2,456,091	2,447,636	217,503	4.6%
WWAMI	4,792,500	4,939,470	4,909,140	5,059,710	236,880	2.4%
MN Dentistry	180,250	183,225	133,750	164,100	(65,625)	-18.1%
WIMU Veterinary Program	1,002,810	1,022,880	1,043,340	1,064,190	81,840	4.0%
<u>STUDENT LOAN REPAYMENT ASSISTANCE</u>						
Institutional Nursing Incentive	43,388	43,388	43,388	43,388	-	0.0%
<u>ADMINISTRATIVE COSTS</u>						
Student Assistance Admin	49,381	91,698	24,712	24,506	(91,861)	-60.4%
Family Savings Program (SSR)	139,369	139,170	371,237	371,126	463,824	166.5%
TOTAL COSTS	10,144,180	10,310,730	11,434,599	11,827,596	2,807,285	13.7%
<u>FUNDING</u>						
General Fund	9,440,248	9,446,398	11,063,362	11,456,471	3,633,187	19.2%
State Special	703,932	864,332	371,237	371,125	(825,902)	-52.7%
TOTAL FUNDING	\$10,144,180	\$10,310,730	\$11,434,599	\$11,827,596	\$2,807,285	13.7%

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	9,446,398	9,446,398	18,892,796	83.89 %	10,310,730	10,310,730	20,621,460	88.65 %
SWPL Adjustments	4	(6)	(2)	0.00 %	4	(6)	(2)	0.00 %
PL Adjustments	716,960	910,079	1,627,039	7.22 %	223,865	416,872	640,737	2.75 %
New Proposals	900,000	1,100,000	2,000,000	8.88 %	900,000	1,100,000	2,000,000	8.60 %
Total Budget	\$11,063,362	\$11,456,471	\$22,519,833		\$11,434,599	\$11,827,596	\$23,262,195	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	4	0	0	4	0.00	(6)	0	0	(6)
DP 50 - Present Law Adjustment	0.00	(66,098)	31,175	0	(34,923)	0.00	(66,294)	31,063	0	(35,231)
DP 201 - WICHE/WWAMI/MN Dental	0.00	58,788	0	0	58,788	0.00	252,103	0	0	252,103
DP 202 - WWAMI Funding Switch	0.00	724,270	(724,270)	0	0	0.00	724,270	(724,270)	0	0
DP 203 - Increase Family Educational Savings Authority	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
Grand Total All Present Law Adjustments	0.00	\$716,964	(\$493,095)	\$0	\$223,869	0.00	\$910,073	(\$493,207)	\$0	\$416,866

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 50 - Present Law Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include reducing the proposed reinstatement of personal services.

DP 201 - WICHE/WWAMI/MN Dental -

The legislature adopted present law increases associated with increased fees to continue the support of professional programs.

DP 202 - WWAMI Funding Switch -

The legislature restored funding of WICHE/WWAMI/MN Dental to general fund from the rural physicians state special revenue.

DP 203 - Increase Family Educational Savings Authority -

The legislature adopted an increase in family educational savings state special revenue authority to increase marketing of college savings plans.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals											
-----Fiscal 2020-----						-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 204 - Financial Assistance Match (RST/OTO)											
	0.00	900,000	0	0	900,000		0.00	1,100,000	0	0	1,100,000
Total	0.00	\$900,000	\$0	\$0	\$900,000		0.00	\$1,100,000	\$0	\$0	\$1,100,000

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 204 - Financial Assistance Match (RST/OTO) -

The legislature adopted funding for student assistance programs to provide student funding for need-based aid and returning adult learners as restricted and one-time-only. Distribution is contingent on a 1:1 match from private donors.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison					
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change	
Personal Services	32,780	0	(32,780)	(100.00)%	
Operating Expenses	2,000	0	(2,000)	(100.00)%	
Grants	1,000,000	0	(1,000,000)	(100.00)%	
Total Expenditures	\$1,034,780	\$0	(\$1,034,780)	(100.00)%	
Federal Spec. Rev. Funds	1,034,780	0	(1,034,780)	(100.00)%	
Total Funds	\$1,034,780	\$0	(\$1,034,780)	(100.00)%	
Total Ongoing	\$1,034,780	\$0	(\$1,034,780)	(100.00)%	
Total OTO	\$0	\$0	\$0	0.00 %	

Page Reference

Legislative Budget Analysis, E-54.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Personal Services	41	16,390	16,390	0	0
Operating Expenses	2	1,000	1,000	0	0
Grants	280,183	500,000	500,000	0	0
Total Expenditures	\$280,226	\$517,390	\$517,390	\$0	\$0
Federal Spec. Rev. Funds	280,226	517,390	517,390	0	0
Total Funds	\$280,226	\$517,390	\$517,390	\$0	\$0
Total Ongoing	\$280,226	\$517,390	\$517,390	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-54.

Funding

This program was funded entirely from the federal Improving Teacher Quality grant. The federal grant supporting this program terminated on December 31, 2018.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	517,390	517,390	1,034,780	0.00 %	
SWPL Adjustments	0	0	0	0.00 %	(16,390)	(16,390)	(32,780)	0.00 %	
PL Adjustments	0	0	0	0.00 %	(501,000)	(501,000)	(1,002,000)	0.00 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$0	\$0	\$0		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----				-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	(16,390)	(16,390)	0.00	0	0	(16,390)	(16,390)
DP 301 - Remove Federal Authority for Grant Ending	0.00	0	0	(501,000)	(501,000)	0.00	0	0	(501,000)	(501,000)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	(\$517,390)	(\$517,390)	0.00	\$0	\$0	(\$517,390)	(\$517,390)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted to reduce the personal services budget authority in each year to zero. Federal funding for this program has been eliminated.

DP 301 - Remove Federal Authority for Grant Ending -

The legislature adopted to reduce the federal budget authority in each year to zero. Federal funding for this program has been eliminated.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Local Assistance	25,523,047	27,441,318	1,918,271	7.52 %
Total Expenditures	\$25,523,047	\$27,441,318	\$1,918,271	7.52 %
General Fund	25,523,047	27,441,318	1,918,271	7.52 %
Total Funds	\$25,523,047	\$27,441,318	\$1,918,271	7.52 %
Total Ongoing	\$25,523,047	\$26,898,818	\$1,375,771	5.39 %
Total OTO	\$0	\$542,500	\$542,500	100.00 %

Page Reference

Legislative Budget Analysis, E-57.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Local Assistance	12,666,643	12,666,644	12,856,403	13,679,193	13,762,125
Total Expenditures	\$12,666,643	\$12,666,644	\$12,856,403	\$13,679,193	\$13,762,125
General Fund	12,666,643	12,666,644	12,856,403	13,679,193	13,762,125
Total Funds	\$12,666,643	\$12,666,644	\$12,856,403	\$13,679,193	\$13,762,125
Total Ongoing	\$12,666,643	\$12,666,644	\$12,856,403	\$13,450,693	\$13,448,125
Total OTO	\$0	\$0	\$0	\$228,500	\$314,000

Page Reference

Legislative Budget Analysis, E-58.

Funding

The Community College Assistance Program is funded entirely with general fund in HB 2. The state appropriation for the community colleges is a separate line item and is not part of the lump sum appropriation to the Montana University System educational units.

The general fund appropriation is determined by a three-factor statutory funding formula that is a calculation of the cost of education, the projected resident student enrollment, and the state percent share of funding that is determined by the legislature as a matter of public policy. The total cost of education is rebased each biennium from the actual base year expenditures reported by the community colleges in the annual operating budgets submitted to and approved by the Montana Board of Regents.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	12,856,403	12,856,403	25,712,806	93.70 %	12,856,403	12,856,403	25,712,806	93.70 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	594,290	591,722	1,186,012	4.32 %	594,290	591,722	1,186,012	4.32 %
New Proposals	228,500	314,000	542,500	1.98 %	228,500	314,000	542,500	1.98 %
Total Budget	\$13,679,193	\$13,762,125	\$27,441,318		\$13,679,193	\$13,762,125	\$27,441,318	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 401 - Community College PLA	0.00	499,177	0	0	499,177	0.00	591,722	0	0	591,722
DP 402 - Community College LAD Audit Costs	0.00	95,113	0	0	95,113	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$594,290	\$0	\$0	\$594,290	0.00	\$591,722	\$0	\$0	\$591,722

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 401 - Community College PLA -

The legislature adopted present law adjustments related to the increased funding based on the statutory funding formula.

DP 402 - Community College LAD Audit Costs -

The legislature adopted the present law adjustment for the legislative audit costs for the community colleges.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 404 - Additional funding for FVCC (OTO)	0.00	228,500	0	0	228,500	0.00	314,000	0	0	314,000
Total	0.00	\$228,500	\$0	\$0	\$228,500	0.00	\$314,000	\$0	\$0	\$314,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 404 - Additional funding for FVCC (OTO) -

The legislature adopted additional one-time-only general fund for Flathead Valley Community College. These funds were to increase the state support per resident FTE to make it more equitable with other colleges in the Montana University System.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,421,674	1,410,029	(11,645)	(0.82)%
Operating Expenses	28,370,209	42,272,441	13,902,232	49.00 %
Benefits & Claims	231,623,981	269,165,879	37,541,898	16.21 %
Total Expenditures	\$261,415,864	\$312,848,349	\$51,432,485	19.67 %
Proprietary Funds	261,415,864	312,848,349	51,432,485	19.67 %
Total Funds	\$261,415,864	\$312,848,349	\$51,432,485	19.67 %

Page Reference

Legislative Budget Analysis, E-67.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	7.00	7.00	7.00	7.00
Personal Services	874,310	874,311	547,363	704,765	705,264
Operating Expenses	8,317,194	13,234,281	15,135,928	20,136,189	22,136,252
Benefits & Claims	91,552,134	109,228,293	122,395,688	128,793,408	140,372,471
Total Expenditures	\$100,743,638	\$123,336,885	\$138,078,979	\$149,634,362	\$163,213,987
Proprietary Funds	100,743,638	123,336,885	138,078,979	149,634,362	163,213,987
Total Funds	\$100,743,638	\$123,336,885	\$138,078,979	\$149,634,362	\$163,213,987

Page Reference

Legislative Budget Analysis, E-67.

Funding

This program is funded with an enterprise type proprietary fund. As such, the legislature does not appropriate funds or approve rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	138,078,979	138,078,979	276,157,958	88.27 %	
SWPL Adjustments	0	0	0	0.00 %	157,663	158,225	315,888	0.10 %	
PL Adjustments	0	0	0	0.00 %	11,397,720	24,976,783	36,374,503	11.63 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$149,634,362	\$163,213,987	\$312,848,349		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	157,402	0.00	0	0	0	157,901
DP 3 - Inflation Deflation	0.00	0	0	0	261	0.00	0	0	0	324
DP 501 - MUS Group Health Insurance Inflation	0.00	0	0	0	11,397,720	0.00	0	0	0	24,976,783
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$11,555,383	0.00	\$0	\$0	\$0	\$25,135,008

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 501 - MUS Group Health Insurance Inflation -

The legislature reviewed the increase in proprietary fund authority for program expenses.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,637,704	2,585,911	(51,793)	(1.96)%
Operating Expenses	6,593,662	6,577,444	(16,218)	(0.25)%
Grants	5,754,000	6,754,000	1,000,000	17.38 %
Transfers	3,000,000	3,000,000	0	0.00 %
Total Expenditures	\$17,985,366	\$18,917,355	\$931,989	5.18 %
General Fund	255,647	279,027	23,380	9.15 %
Federal Spec. Rev. Funds	17,729,719	18,638,328	908,609	5.12 %
Total Funds	\$17,985,366	\$18,917,355	\$931,989	5.18 %
Total Ongoing	\$17,985,366	\$18,917,355	\$931,989	5.18 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-72.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	19.90	19.90	18.24	18.24
Personal Services	934,140	1,289,063	1,348,641	1,293,129	1,292,782
Operating Expenses	1,991,060	3,305,773	3,287,889	3,288,668	3,288,776
Grants	1,836,834	2,877,000	2,877,000	3,377,000	3,377,000
Transfers	1,455,781	1,500,000	1,500,000	1,500,000	1,500,000
Total Expenditures	\$6,217,815	\$8,971,836	\$9,013,530	\$9,458,797	\$9,458,558
General Fund	125,804	125,870	129,777	139,664	139,363
Federal Spec. Rev. Funds	6,092,011	8,845,966	8,883,753	9,319,133	9,319,195
Total Funds	\$6,217,815	\$8,971,836	\$9,013,530	\$9,458,797	\$9,458,558
Total Ongoing	\$6,217,815	\$8,971,836	\$9,013,530	\$9,458,797	\$9,458,558
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-73.

Funding

General fund supports the American Indian/Minority Achievement component of the program.

Federal funds are from two grant sources:

- The Talent Search grant comprising approximately 9.1% of the biennial program funding; it does not have a non-federal matching requirement

- The GEAR UP grant comprising approximately 90.9% of the biennial budget; requires a 50.0% non-federal fund match which is provided through allowable in-kind services

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	129,777	129,777	259,554	93.02 %	9,013,530	9,013,530	18,027,060	95.29 %
SWPL Adjustments	275	341	616	0.22 %	779	887	1,666	0.01 %
PL Adjustments	9,612	9,245	18,857	6.76 %	444,488	444,141	888,629	4.70 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$139,664	\$139,363	\$279,027		\$9,458,797	\$9,458,558	\$18,917,355	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments											
-----Fiscal 2020-----					-----Fiscal 2021-----						
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	26	26	0.00	0	0		(47)	(47)
DP 3 - Inflation Deflation	0.00	275	0	478	753	0.00	341	0		593	934
DP 50 - Present Law Adjustment	(1.66)	9,612	0	(65,124)	(55,512)	(1.66)	9,245	0		(65,104)	(55,859)
DP 601 - GEAR UP Federal Authority Increase	0.00	0	0	500,000	500,000	0.00	0	0		500,000	500,000
Grand Total All Present Law Adjustments	(1.66)	\$9,887	\$0	\$435,380	\$445,267	(1.66)	\$9,586	\$0		\$435,442	\$445,028

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Present Law Adjustment -

The legislature adopted a present law adjustment in personal services to maintain operations and services of the program. Specific adjustments include a reduction of 1.66 FTE.

DP 601 - GEAR UP Federal Authority Increase -

The legislature adopted an increase in federal authority to utilize carryover funds on grants to eligible schools.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	197,280	200,938	3,658	1.85 %
Operating Expenses	2,926,966	3,130,088	203,122	6.94 %
Benefits & Claims	6,000,000	6,000,000	0	0.00 %
Total Expenditures	\$9,124,246	\$9,331,026	\$206,780	2.27 %
Proprietary Funds	9,124,246	9,331,026	206,780	2.27 %
Total Funds	\$9,124,246	\$9,331,026	\$206,780	2.27 %

Page Reference

Legislative Budget Analysis, E-76.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	1.00	1.00	1.00	1.00
Personal Services	99,715	99,715	97,565	100,600	100,338
Operating Expenses	1,124,555	1,461,951	1,465,015	1,565,041	1,565,047
Benefits & Claims	1,513,273	3,000,000	3,000,000	3,000,000	3,000,000
Total Expenditures	\$2,737,543	\$4,561,666	\$4,562,580	\$4,665,641	\$4,665,385
Proprietary Funds	2,737,543	4,561,666	4,562,580	4,665,641	4,665,385
Total Funds	\$2,737,543	\$4,561,666	\$4,562,580	\$4,665,641	\$4,665,385

Page Reference

Legislative Budget Analysis, E-77.

Funding

This program is funded with an enterprise type proprietary fund in which the funding is derived from premiums and investment earnings. For enterprise type proprietary funds, the legislature does not appropriate funds or approve rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund.

Program Budget Summary by Category

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				Percent of Budget
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	
2019 Base Budget	0	0	0	0.00 %	4,562,580	4,562,580	9,125,160	97.79 %	
SWPL Adjustments	0	0	0	0.00 %	3,061	2,805	5,866	0.06 %	
PL Adjustments	0	0	0	0.00 %	100,000	100,000	200,000	2.14 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$4,665,641	\$4,665,385	\$9,331,026		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	3,035	0.00	0	0	0	2,773
DP 3 - Inflation Deflation	0.00	0	0	0	26	0.00	0	0	0	32
DP 701 - MUS Workers Comp Increased Budget Authority	0.00	0	0	0	100,000	0.00	0	0	0	100,000
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$103,061	0.00	\$0	\$0	\$0	\$102,805

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to annualize personal services costs including FY 2019 statewide pay plan adjustments, benefit rate adjustments, vacancy savings adjustments and longevity adjustments related to incumbents in each position at the time of the personal services snapshot.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 701 - MUS Workers Comp Increased Budget Authority -

The legislature reviewed the additional spending authority for safety incentives contingent upon approval by the MUS Workers' Compensation Management Committee.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	661,987	870,426	208,439	31.49 %
Operating Expenses	526,244	181,869	(344,375)	(65.44)%
Grants	4,130,184	4,863,738	733,554	17.76 %
Transfers	6,721,854	7,005,356	283,502	4.22 %
Total Expenditures	\$12,040,269	\$12,921,389	\$881,120	7.32 %
General Fund	180,134	180,134	0	0.00 %
Federal Spec. Rev. Funds	11,860,135	12,741,255	881,120	7.43 %
Total Funds	\$12,040,269	\$12,921,389	\$881,120	7.32 %
Total Ongoing	\$12,040,269	\$12,921,389	\$881,120	7.32 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-81.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	4.20	4.20	4.20	4.20
Personal Services	325,075	333,661	328,326	435,352	435,074
Operating Expenses	90,633	435,611	90,633	90,917	90,952
Grants	1,995,369	2,134,815	1,995,369	2,431,869	2,431,869
Transfers	3,317,171	3,569,176	3,152,678	3,452,678	3,552,678
Total Expenditures	\$5,728,248	\$6,473,263	\$5,567,006	\$6,410,816	\$6,510,573
General Fund	90,068	90,067	90,067	90,067	90,067
Federal Spec. Rev. Funds	5,638,180	6,383,196	5,476,939	6,320,749	6,420,506
Total Funds	\$5,728,248	\$6,473,263	\$5,567,006	\$6,410,816	\$6,510,573
Total Ongoing	\$5,728,248	\$6,473,263	\$5,567,006	\$6,410,816	\$6,510,573
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-82.

Funding

Funding for this program is nearly all federal special revenue. These federal funds:

- Are authorized by the federal Carl D. Perkins Career and Technical Education Improvement Act of 2006
- Are administered by the Office of the Commissioner of Higher Education and granted to postsecondary programs and transferred to the Office of Public Instruction for secondary programs
- Require a maintenance of effort on funds used for administration

The state general fund in this program is the minimum non-federal match for the postsecondary administration costs. The state match for administration related to secondary programs is accounted for in the Office of Public Instruction.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	90,067	90,067	180,134	100.00 %	5,567,006	5,567,006	11,134,012	86.17 %
SWPL Adjustments	0	0	0	0.00 %	284	319	603	0.00 %
PL Adjustments	0	0	0	0.00 %	843,526	943,248	1,786,774	13.83 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$90,067	\$90,067	\$180,134		\$6,410,816	\$6,510,573	\$12,921,389	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	12	12	0.00	0	0	(18)	(18)
DP 3 - Inflation Deflation	0.00	0	0	272	272	0.00	0	0	337	337
DP 50 - Present Law Adjustment	0.00	0	0	107,026	107,026	0.00	0	0	106,748	106,748
DP 801 - Perkins Federal Authority Increase	0.00	0	0	736,500	736,500	0.00	0	0	836,500	836,500
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$843,810	\$843,810	0.00	\$0	\$0	\$943,567	\$943,567

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Present Law Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 801 - Perkins Federal Authority Increase -

The legislature adopted additional federal authority for the anticipated increase in federal funds and carryover funding from prior years.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Transfers	377,365,721	403,888,508	26,522,787	7.03 %
Total Expenditures	\$377,365,721	\$403,888,508	\$26,522,787	7.03 %
General Fund	337,749,412	358,758,190	21,008,778	6.22 %
State/Other Special Rev. Funds	39,616,309	45,130,318	5,514,009	13.92 %
Total Funds	\$377,365,721	\$403,888,508	\$26,522,787	7.03 %
Total Ongoing	\$377,365,721	\$403,888,508	\$26,522,787	7.03 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-85.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Transfers	186,544,947	187,431,681	189,934,040	201,138,471	202,750,037
Total Expenditures	\$186,544,947	\$187,431,681	\$189,934,040	\$201,138,471	\$202,750,037
General Fund	166,577,956	167,428,257	170,321,155	178,806,312	179,951,878
State/Other Special Rev. Funds	19,966,991	20,003,424	19,612,885	22,332,159	22,798,159
Total Funds	\$186,544,947	\$187,431,681	\$189,934,040	\$201,138,471	\$202,750,037
Total Ongoing	\$186,544,947	\$187,431,681	\$189,934,040	\$201,138,471	\$202,750,037
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-86.

Funding

Funding for this program is predominately general fund. State special revenue from the six-mill property tax levy funds a portion of the university educational units. Program fees and an allocation from drivers' license fees support the motorcycle safety program at MSU Northern in Havre.

State general fund for the educational units and the state special revenue from the statewide six-mill property tax levy are appropriated as a lump sum. The Board of Regents allocates the funds to the educational units.

Tuition

In addition to state funding, the educational units fund operational costs with revenue from student tuition and interest earnings (collectively these comprise the current unrestricted operating fund). In FY 2018, state funds provided an average

of 38.2% of the current unrestricted fund budget for the educational units with state general fund and six-mill levy revenue. Student tuition funded the majority of the remaining 61.8%.

With the proposed legislative action and if the Board of Regents approves the current unrestricted operating budgets at the level included in the agency budget request submitted in September 2018, the equivalent state percent share would be 39.5% of the current unrestricted fund. Student tuition would comprise most of the remaining 60.5%. The legislature agreed to a Shared Policy Goal to further the development and promotion of career and technical education (CTE) in Montana in return for a tuition freeze for the 2021 biennium.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	170,321,155	170,321,155	340,642,310	94.95 %	189,934,040	189,934,040	379,868,080	94.05 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	8,485,157	9,630,723	18,115,880	5.05 %	11,204,431	12,815,997	24,020,428	5.95 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$178,806,312	\$179,951,878	\$358,758,190		\$201,138,471	\$202,750,037	\$403,888,508	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments									
	-----Fiscal 2020-----					-----Fiscal 2021-----			
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special
DP 901 - MUS LAD Audit Costs	0.00	572,108	0	0	572,108	0.00	0	0	0
DP 902 - MUS Fixed Cost Increases from State	0.00	246,014	0	0	246,014	0.00	8,284	0	0
DP 903 - Educational Units PLA	0.00	7,667,035	0	0	7,667,035	0.00	9,622,439	0	0
DP 905 - 6 Mill Levy PLA	0.00	0	2,719,274	0	2,719,274	0.00	0	3,185,274	0
Grand Total All Present Law Adjustments	0.00	\$8,485,157	\$2,719,274	\$0	\$11,204,431	0.00	\$9,630,723	\$3,185,274	\$0
									\$12,815,997

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 901 - MUS LAD Audit Costs -

The legislature adopted a line item appropriation for legislative audit costs.

DP 902 - MUS Fixed Cost Increases from State -

The legislature adopted an increase for fixed costs for the educational units.

DP 903 - Educational Units PLA -

The legislature adopted an increase in general fund for personal services, operating expenses, and other items specific to higher education. This request is similar to SWPL 1, 2, and 3 for all other agencies.

DP 905 - 6 Mill Levy PLA -

The legislature adopted an increase of six-mill levy authority.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Transfers	57,025,999	59,196,927	2,170,928	3.81 %
Total Expenditures	\$57,025,999	\$59,196,927	\$2,170,928	3.81 %
General Fund	54,396,063	56,766,991	2,370,928	4.36 %
State/Other Special Rev. Funds	2,629,936	2,429,936	(200,000)	(7.60)%
Total Funds	\$57,025,999	\$59,196,927	\$2,170,928	3.81 %
Total Ongoing	\$56,117,549	\$58,286,927	\$2,169,378	3.87 %
Total OTO	\$908,450	\$910,000	\$1,550	0.17 %

Page Reference

Legislative Budget Analysis, E-96.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Transfers	28,447,884	28,447,884	28,578,115	29,528,266	29,668,661
Total Expenditures	\$28,447,884	\$28,447,884	\$28,578,115	\$29,528,266	\$29,668,661
General Fund	27,132,916	27,132,916	27,263,147	28,313,298	28,453,693
State/Other Special Rev. Funds	1,314,968	1,314,968	1,314,968	1,214,968	1,214,968
Total Funds	\$28,447,884	\$28,447,884	\$28,578,115	\$29,528,266	\$29,668,661
Total Ongoing	\$27,993,659	\$27,993,659	\$28,123,890	\$29,073,266	\$29,213,661
Total OTO	\$454,225	\$454,225	\$454,225	\$455,000	\$455,000

Page Reference

Legislative Budget Analysis, E-97.

Funding

The general operating budgets for the Research and Development Agencies are funded for the most part with general fund. The remaining funding comes from state special revenue sources. The state special revenue is comprised of revenues from resource indemnity trust (RIT) interest, and oil and gas and metal mines tax. The agencies also use non-state revenues to support their general operating budgets; these revenues are not appropriated in HB 2.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	27,108,922	27,108,922	54,217,844	95.51 %	28,123,890	28,123,890	56,247,780	95.02 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	1,049,376	1,189,771	2,239,147	3.94 %	949,376	1,089,771	2,039,147	3.44 %
New Proposals	155,000	155,000	310,000	0.55 %	455,000	455,000	910,000	1.54 %
Total Budget	\$28,313,298	\$28,453,693	\$56,766,991		\$29,528,266	\$29,668,661	\$59,196,927	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments									
-----Fiscal 2020-----					-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1001 - Restore General Fund to FSTS					0.00	100,000	(100,000)	0	0
DP 1002 - SWPL Research and Development Agencies					0.00	444,894	0	0	444,894
DP 1003 - PL Research and Development Agencies					0.00	392,037	0	0	392,037
					0.00	504,482	0	0	504,482
Grand Total All Present Law Adjustments					0.00	\$1,049,376	(\$100,000)	\$0	\$949,376
					0.00	\$1,189,771	(\$100,000)	\$0	\$1,089,771

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1001 - Restore General Fund to FSTS -

The legislature restored funding for the Fire Services Training School to general fund from the fire suppression account.

DP 1002 - SWPL Research and Development Agencies -

The legislature adopted an increase in general fund to annualize various personal services costs, fixed costs, and inflation and deflation factors. This request is equivalent to SWPL 1, 2, and 3 for all other agencies.

DP 1003 - PL Research and Development Agencies -

The legislature adopted an increase in general fund to annualize personal services and operating costs.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1004 - MAES Seed Lab (RST/OTO)	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 1005 - MAES Wool Lab (RST/OTO)	0.00	55,000	0	0	55,000	0.00	55,000	0	0	55,000
DP 1006 - MBMG Data Preservation (RST/OTO)	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
Total	0.00	\$155,000	\$300,000	\$0	\$455,000	0.00	\$155,000	\$300,000	\$0	\$455,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1004 - MAES Seed Lab (RST/OTO) -

The legislature adopted a restricted one-time-only appropriation for the Montana Ag Experiment Stations Seed Lab.

DP 1005 - MAES Wool Lab (RST/OTO) -

The legislature adopted a restricted one-time-only appropriation for the Montana Ag Experiment Stations Wool Lab.

DP 1006 - MBMG Data Preservation (RST/OTO) -

The legislature adopted a restricted one-time-only appropriation for the Montana Bureau of Mines and Geology data preservation project.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Grants	1,675,750	2,025,750	350,000	20.89 %
Total Expenditures	\$1,675,750	\$2,025,750	\$350,000	20.89 %
General Fund	1,675,750	2,025,750	350,000	20.89 %
Total Funds	\$1,675,750	\$2,025,750	\$350,000	20.89 %
Total Ongoing	\$1,675,750	\$1,675,750	\$0	0.00 %
Total OTO	\$0	\$350,000	\$350,000	100.00 %

Page Reference

Legislative Budget Analysis, E-101.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Grants	837,875	837,875	837,875	1,012,875	1,012,875
Total Expenditures	\$837,875	\$837,875	\$837,875	\$1,012,875	\$1,012,875
General Fund	837,875	837,875	837,875	1,012,875	1,012,875
Total Funds	\$837,875	\$837,875	\$837,875	\$1,012,875	\$1,012,875
Total Ongoing	\$837,875	\$837,875	\$837,875	\$837,875	\$837,875
Total OTO	\$0	\$0	\$0	\$175,000	\$175,000

Page Reference

Legislative Budget Analysis, E-102.

Funding

Funding for tribal college support of nonbeneficiary students is entirely from the state general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	837,875	837,875	1,675,750	82.72 %	837,875	837,875	1,675,750	82.72 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	175,000	175,000	350,000	17.28 %	175,000	175,000	350,000	17.28 %
Total Budget	\$1,012,875	\$1,012,875	\$2,025,750		\$1,012,875	\$1,012,875	\$2,025,750	

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1101 - HiSET to Tribal Colleges (RST/OTO)	0.00	175,000	0	0	175,000	0.00	175,000	0	0	175,000
Total	0.00	\$175,000	\$0	\$0	\$175,000	0.00	\$175,000	\$0	\$0	\$175,000

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1101 - HiSET to Tribal Colleges (RST/OTO) -

The legislature adopted funding from the general fund for the tribal colleges to provide specific classes and training to individuals and students to prepare for and complete the high school equivalency test (HiSET) as restricted and one-time-only.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,624,704	507,593	(4,117,111)	(89.02)%
Operating Expenses	12,048,875	4,283,439	(7,765,436)	(64.45)%
Equipment & Intangible Assets	20,504	0	(20,504)	(100.00)%
Benefits & Claims	90,937,952	0	(90,937,952)	(100.00)%
Debt Service	25,364	0	(25,364)	(100.00)%
Total Expenditures	\$107,657,399	\$4,791,032	(\$102,866,367)	(95.55)%
Federal Spec. Rev. Funds	107,657,399	4,791,032	(102,866,367)	(95.55)%
Total Funds	\$107,657,399	\$4,791,032	(\$102,866,367)	(95.55)%
Total Ongoing	\$107,657,399	\$4,791,032	(\$102,866,367)	(95.55)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-105.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	41.02	41.02	3.00	3.00
Personal Services	456,232	2,283,911	2,340,793	254,032	253,561
Operating Expenses	7,755,943	8,929,516	3,119,359	2,141,697	2,141,742
Equipment & Intangible Assets	0	10,252	10,252	0	0
Benefits & Claims	11,046,860	42,112,415	48,825,537	0	0
Debt Service	0	12,682	12,682	0	0
Total Expenditures	\$19,259,035	\$53,348,776	\$54,308,623	\$2,395,729	\$2,395,303
Federal Spec. Rev. Funds	19,259,035	53,348,776	54,308,623	2,395,729	2,395,303
Total Funds	\$19,259,035	\$53,348,776	\$54,308,623	\$2,395,729	\$2,395,303
Total Ongoing	\$19,259,035	\$53,348,776	\$54,308,623	\$2,395,729	\$2,395,303
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-106.

Funding

This program is funded entirely with federal funds from the U.S. Department of Education.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	54,308,623	54,308,623	108,617,246	2,267.10 %
SWPL Adjustments	0	0	0	0.00 %	(58,810)	(58,765)	(117,575)	(2.45)%
PL Adjustments	0	0	0	0.00 %	(51,854,084)	(51,854,555)	(103,708,639)	(2,164.64)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$2,395,729	\$2,395,303	\$4,791,032	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	(58,993)	(58,993)	0.00	0	0	(58,993)	(58,993)
DP 3 - Inflation Deflation	0.00	0	0	183	183	0.00	0	0	228	228
DP 50 - Present Law Adjustment	0.00	0	0	(1,711,239)	(1,711,239)	0.00	0	0	(1,661,920)	(1,661,920)
DP 1201 - Reduce Federal Authority for GSL	(38.02)	0	0	(50,142,845)	(50,142,845)	(38.02)	0	0	(50,192,635)	(50,192,635)
Grand Total All Present Law Adjustments	(38.02)	\$0	\$0	(\$51,912,894)	(\$51,912,894)	(38.02)	\$0	\$0	(\$51,913,320)	(\$51,913,320)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others

DP 50 - Present Law Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 1201 - Reduce Federal Authority for GSL -

The legislature adopted a decrease in each year of the biennium of federal authority to align with the reduced operating plan as approved by the Board of Regents. In addition, the legislature adopted a reduction of 38.02 FTE associated with the decrease in authority.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,401	12,600	8,199	186.30 %
Operating Expenses	123,999	122,100	(1,899)	(1.53)%
Total Expenditures	\$128,400	\$134,700	\$6,300	4.91 %
General Fund	128,400	134,700	6,300	4.91 %
Total Funds	\$128,400	\$134,700	\$6,300	4.91 %
Total Ongoing	\$128,400	\$134,700	\$6,300	4.91 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-110.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
Personal Services	3,800	4,401	0	6,300	6,300
Operating Expenses	62,949	62,949	61,050	61,050	61,050
Total Expenditures	\$66,749	\$67,350	\$61,050	\$67,350	\$67,350
General Fund	66,749	67,350	61,050	67,350	67,350
Total Funds	\$66,749	\$67,350	\$61,050	\$67,350	\$67,350
Total Ongoing	\$66,749	\$67,350	\$61,050	\$67,350	\$67,350
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-111.

Funding

The Board of Regents Program is funded exclusively with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	61,050	61,050	122,100	90.65 %	61,050	61,050	122,100	90.65 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	6,300	6,300	12,600	9.35 %	6,300	6,300	12,600	9.35 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$67,350	\$67,350	\$134,700		\$67,350	\$67,350	\$134,700	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1301 - Reinstate Personal Services	0.00	6,300	0	0	6,300	0.00	6,300	0	0	6,300
Grand Total All Present Law Adjustments	0.00	\$6,300	\$0	\$0	\$6,300	0.00	\$6,300	\$0	\$0	\$6,300

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1301 - Reinstate Personal Services -

The legislature adopted the reinstatement of personal services for the Board of Regents which had been removed from the base budget.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	12,898,380	14,280,646	1,382,266	10.72 %
Operating Expenses	1,599,929	1,711,454	111,525	6.97 %
Equipment & Intangible Assets	19,547	0	(19,547)	(100.00)%
Transfers	10,000	2,000	(8,000)	(80.00)%
Debt Service	56,902	56,902	0	0.00 %
Total Expenditures	\$14,584,758	\$16,051,002	\$1,466,244	10.05 %
General Fund	13,642,654	15,116,428	1,473,774	10.80 %
State/Other Special Rev. Funds	801,916	570,764	(231,152)	(28.82)%
Federal Spec. Rev. Funds	140,188	363,810	223,622	159.52 %
Total Funds	\$14,584,758	\$16,051,002	\$1,466,244	10.05 %
Total Ongoing	\$14,470,882	\$15,937,126	\$1,466,244	10.13 %
Total OTO	\$113,876	\$113,876	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-113.

Agency Highlights

Montana School for the Deaf and Blind Major Budget Highlights
<ul style="list-style-type: none"> The legislature adopted an increase to the Montana School for the Deaf and Blind's total biennial appropriation of approximately \$1.5 million or 10.1% compared to the 2019 biennium appropriation. This includes a: <ul style="list-style-type: none"> \$1.5 million general fund increase \$0.2 million state special revenue decrease \$0.2 million federal special revenue increase The legislature adopted a budget reduction eliminating 1.49 FTE The legislature adopted a one-time-only appropriation of \$60,000 general fund for student travel The legislature adopted a one-time-only appropriation of \$53,876 general fund for extra-curricular stipends

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	84.96	84.96	83.47	83.47
Personal Services	5,877,998	6,339,656	6,558,724	7,138,028	7,142,618
Operating Expenses	787,283	827,997	771,932	868,081	843,373
Equipment & Intangible Assets	13,147	19,547	0	0	0
Transfers	9,000	9,000	1,000	1,000	1,000
Debt Service	28,450	28,451	28,451	28,451	28,451
Total Expenditures	\$6,715,878	\$7,224,651	\$7,360,107	\$8,035,560	\$8,015,442
General Fund	6,266,628	6,757,028	6,885,626	7,568,273	7,548,155
State/Other Special Rev. Funds	379,968	398,340	403,576	285,382	285,382
Federal Spec. Rev. Funds	69,282	69,283	70,905	181,905	181,905
Total Funds	\$6,715,878	\$7,224,651	\$7,360,107	\$8,035,560	\$8,015,442
Total Ongoing	\$6,665,778	\$7,167,713	\$7,303,169	\$7,978,622	\$7,958,504
Total OTO	\$50,100	\$56,938	\$56,938	\$56,938	\$56,938

Page Reference

Legislative Budget Analysis, E-114.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	84.96	84.96	83.47	(1.49)	84.96	83.47	(1.49)	(1.49)
Personal Services	6,558,724	7,238,635	7,138,028	(100,607)	7,243,079	7,142,618	(100,461)	(201,068)
Operating Expenses	771,932	867,803	868,081	278	843,095	843,373	278	556
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Transfers	1,000	1,000	1,000	0	1,000	1,000	0	0
Debt Service	28,451	28,451	28,451	0	28,451	28,451	0	0
Total Costs	\$7,360,107	\$8,135,889	\$8,035,560	(\$100,329)	\$8,115,625	\$8,015,442	(\$100,183)	(\$200,512)
General Fund	6,885,626	7,668,880	7,568,273	(100,607)	7,648,616	7,548,155	(100,461)	(201,068)
State/other Special Rev. Funds	403,576	285,104	285,382	278	285,104	285,382	278	556
Federal Spec. Rev. Funds	70,905	181,905	181,905	0	181,905	181,905	0	0
Total Funds	\$7,360,107	\$8,135,889	\$8,035,560	(\$100,329)	\$8,115,625	\$8,015,442	(\$100,183)	(\$200,512)
Total Ongoing	\$7,303,169	\$8,078,951	\$7,978,622	(\$100,329)	\$8,058,687	\$7,958,504	(\$100,183)	(\$200,512)
Total OTO	\$56,938	\$56,938	\$56,938	\$0	\$56,938	\$56,938	\$0	\$0

In addition to the executive request, the legislature approved an additional reduction of \$0.1 million for the biennium which removes 1.49 FTE from the Student Services Program.

Funding

The following table shows agency funding by source of authority.

Total School For the Deaf & Blind Funding by Source of Authority 2021 Biennium Budget Request - School For the Deaf & Blind						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	15,002,552	113,876	0	0	15,116,428	94.18 %
State Special Total	570,764	0	0	0	570,764	3.56 %
Federal Special Total	363,810	0	0	0	363,810	2.27 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$15,937,126	\$113,876	\$0	\$0	\$16,051,002	
Percent - Total All Sources	99.29 %	0.71 %	0.00 %	0.00 %		

HB 2 Funding**General Fund**

- Montana School for the Deaf and Blind's programs are funded primarily with general fund

State Special Revenue

- School trust income & interest. Revenues from school trusts fluctuate based on the activities occurring on school lands
- Medicaid reimbursement. Students under the care of the MSDB may be Medicaid eligible and the school is reimbursed for those services covered by Medicaid

Federal Special Revenue

- National School Lunch Program provides subsidized meals for low-income children
- Education Consolidation and Improvement Act Chapter I assists state and local educational agencies meet the needs of educationally deprived children

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,885,626	6,885,626	13,771,252	91.10 %	7,303,169	7,303,169	14,606,338	91.00 %
SWPL Adjustments	102,905	78,912	181,817	1.20 %	102,905	78,912	181,817	1.13 %
PL Adjustments	549,742	553,617	1,103,359	7.30 %	599,486	603,361	1,202,847	7.49 %
New Proposals	30,000	30,000	60,000	0.40 %	30,000	30,000	60,000	0.37 %
Total Budget	\$7,568,273	\$7,548,155	\$15,116,428		\$8,035,560	\$8,015,442	\$16,051,002	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	838,935	858,347	19,412	2.31 %
Operating Expenses	223,969	336,984	113,015	50.46 %
Equipment & Intangible Assets	3,335	0	(3,335)	(100.00)%
Total Expenditures	\$1,066,239	\$1,195,331	\$129,092	12.11 %
General Fund	1,060,417	1,188,801	128,384	12.11 %
State/Other Special Rev. Funds	5,822	6,530	708	12.16 %
Total Funds	\$1,066,239	\$1,195,331	\$129,092	12.11 %
Total Ongoing	\$1,066,239	\$1,195,331	\$129,092	12.11 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-119.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	388,414	417,153	421,782	428,816	429,531
Operating Expenses	100,928	128,632	95,337	181,456	155,528
Equipment & Intangible Assets	3,335	3,335	0	0	0
Total Expenditures	\$492,677	\$549,120	\$517,119	\$610,272	\$585,059
General Fund	489,842	546,285	514,132	607,007	581,794
State/Other Special Rev. Funds	2,835	2,835	2,987	3,265	3,265
Total Funds	\$492,677	\$549,120	\$517,119	\$610,272	\$585,059
Total Ongoing	\$492,677	\$549,120	\$517,119	\$610,272	\$585,059
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-120.

Funding

The program is funded almost entirely with general fund. The school also receives interest and income from school trust lands which funds less than one percent of the programs budget.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	514,132	514,132	1,028,264	86.50 %	517,119	517,119	1,034,238	86.52 %
SWPL Adjustments	92,875	67,662	160,537	13.50 %	92,875	67,662	160,537	13.43 %
PL Adjustments	0	0	0	0.00 %	278	278	556	0.05 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$607,007	\$581,794	\$1,188,801		\$610,272	\$585,059	\$1,195,331	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	7,034	0	0	7,034	0.00	7,749	0	0	7,749
DP 2 - Fixed Costs	0.00	85,841	0	0	85,841	0.00	59,913	0	0	59,913
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	278	0	278	0.00	0	278	0	278
Grand Total All Present Law Adjustments	0.00	\$92,875	\$278	\$0	\$93,153	0.00	\$67,662	\$278	\$0	\$67,940

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	377,809	405,199	27,390	7.25 %
Operating Expenses	528,467	518,698	(9,769)	(1.85)%
Equipment & Intangible Assets	6,400	0	(6,400)	(100.00)%
Transfers	10,000	2,000	(8,000)	(80.00)%
Debt Service	56,902	56,902	0	0.00 %
Total Expenditures	\$979,578	\$982,799	\$3,221	0.33 %
General Fund	979,565	982,799	3,234	0.33 %
State/Other Special Rev. Funds	13	0	(13)	(100.00)%
Total Funds	\$979,578	\$982,799	\$3,221	0.33 %
Total Ongoing	\$979,578	\$982,799	\$3,221	0.33 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-123.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	3.57	3.57	3.57	3.57
Personal Services	165,060	181,041	196,768	202,279	202,920
Operating Expenses	268,503	268,511	259,956	259,949	258,749
Equipment & Intangible Assets	0	6,400	0	0	0
Transfers	9,000	9,000	1,000	1,000	1,000
Debt Service	28,450	28,451	28,451	28,451	28,451
Total Expenditures	\$471,013	\$493,403	\$486,175	\$491,679	\$491,120
General Fund	471,000	493,390	486,175	491,679	491,120
State/Other Special Rev. Funds	13	13	0	0	0
Total Funds	\$471,013	\$493,403	\$486,175	\$491,679	\$491,120
Total Ongoing	\$471,013	\$493,403	\$486,175	\$491,679	\$491,120
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-124.

Funding

The program is funded entirely with general fund.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	486,175	486,175	972,350	98.94 %	486,175	486,175	972,350	98.94 %
SWPL Adjustments	(7)	(1,207)	(1,214)	(0.12)%	(7)	(1,207)	(1,214)	(0.12)%
PL Adjustments	5,511	6,152	11,663	1.19 %	5,511	6,152	11,663	1.19 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$491,679	\$491,120	\$982,799		\$491,679	\$491,120	\$982,799	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	(7)	0	0	(7)	0.00	(1,207)	0	0	(1,207)
DP 50 - Personal Services Adjustment	0.00	5,511	0	0	5,511	0.00	6,152	0	0	6,152
Grand Total All Present Law Adjustments	0.00	\$5,504	\$0	\$0	\$5,504	0.00	\$4,945	\$0	\$0	\$4,945

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments include: an increase of \$5,511 in FY 2020 and \$6,152 in FY 2021.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	2,994,530	2,943,890	(50,640)	(1.69)%
Operating Expenses	367,234	376,304	9,070	2.47 %
Equipment & Intangible Assets	2,496	0	(2,496)	(100.00)%
Total Expenditures	\$3,364,260	\$3,320,194	(\$44,066)	(1.31)%
General Fund	3,258,533	3,251,864	(6,669)	(0.20)%
State/Other Special Rev. Funds	60,000	0	(60,000)	(100.00)%
Federal Spec. Rev. Funds	45,727	68,330	22,603	49.43 %
Total Funds	\$3,364,260	\$3,320,194	(\$44,066)	(1.31)%
Total Ongoing	\$3,304,260	\$3,260,194	(\$44,066)	(1.33)%
Total OTO	\$60,000	\$60,000	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-127.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	26.70	26.70	25.21	25.21
Personal Services	1,308,498	1,469,712	1,524,818	1,471,784	1,472,106
Operating Expenses	180,075	181,199	186,035	187,924	188,380
Equipment & Intangible Assets	2,496	2,496	0	0	0
Total Expenditures	\$1,491,069	\$1,653,407	\$1,710,853	\$1,659,708	\$1,660,486
General Fund	1,438,507	1,600,845	1,657,688	1,625,543	1,626,321
State/Other Special Rev. Funds	30,000	30,000	30,000	0	0
Federal Spec. Rev. Funds	22,562	22,562	23,165	34,165	34,165
Total Funds	\$1,491,069	\$1,653,407	\$1,710,853	\$1,659,708	\$1,660,486
Total Ongoing	\$1,461,069	\$1,623,407	\$1,680,853	\$1,629,708	\$1,630,486
Total OTO	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000

Page Reference

Legislative Budget Analysis, E-128.

Funding

The program is funded primarily with general fund appropriations. Federal funds are subsidies provided by the National School Lunch Program.

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,657,688	1,657,688	3,315,376	101.95 %	1,680,853	1,680,853	3,361,706	101.25 %
SWPL Adjustments	1,889	2,345	4,234	0.13 %	1,889	2,345	4,234	0.13 %
PL Adjustments	(64,034)	(63,712)	(127,746)	(3.93)%	(53,034)	(52,712)	(105,746)	(3.18)%
New Proposals	30,000	30,000	60,000	1.85 %	30,000	30,000	60,000	1.81 %
Total Budget	\$1,625,543	\$1,626,321	\$3,251,864		\$1,659,708	\$1,660,486	\$3,320,194	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	1,889	0	0	1,889	0.00	2,345	0	0	2,345
DP 50 - Personal Services Adjustment	(1.49)	(64,034)	0	11,000	(53,034)	(1.49)	(63,712)	0	11,000	(52,712)
Grand Total All Present Law Adjustments	(1.49)	(\$62,145)	\$0	\$11,000	(\$51,145)	(1.49)	(\$61,367)	\$0	\$11,000	(\$50,367)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments include: a decrease of \$62,145 in FY 2020 and \$50,367 in FY 2021.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Student Travel RST/OTO	0.00	30,000	0	0	30,000	0.00	30,000	0	0	30,000
Total	0.00	\$30,000	\$0	\$0	\$30,000	0.00	\$30,000	\$0	\$0	\$30,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Student Travel RST/OTO -

The legislature adopted an appropriation of \$30,000 one-time-only, restricted, general fund in each year of the 2021 biennium to cover travel costs due to lack of commercial transportation available in Great Falls. Statute requires MSDB to use a carrier certified by the Public Service Commission, in accordance with 20-8-121, MCA, to charter buses to transport children on visits home twice per month. The school used commercial bus transportation until the bus lines ceased to run through Great Falls.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	8,687,106	10,073,210	1,386,104	15.96 %
Operating Expenses	480,259	479,468	(791)	(0.16)%
Equipment & Intangible Assets	7,316	0	(7,316)	(100.00)%
Total Expenditures	\$9,174,681	\$10,552,678	\$1,377,997	15.02 %
General Fund	8,344,139	9,692,964	1,348,825	16.16 %
State/Other Special Rev. Funds	736,081	564,234	(171,847)	(23.35)%
Federal Spec. Rev. Funds	94,461	295,480	201,019	212.81 %
Total Funds	\$9,174,681	\$10,552,678	\$1,377,997	15.02 %
Total Ongoing	\$9,120,805	\$10,498,802	\$1,377,997	15.11 %
Total OTO	\$53,876	\$53,876	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-131.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	49.69	49.69	49.69	49.69
Personal Services	4,016,026	4,271,750	4,415,356	5,035,149	5,038,061
Operating Expenses	237,777	249,655	230,604	238,752	240,716
Equipment & Intangible Assets	7,316	7,316	0	0	0
Total Expenditures	\$4,261,119	\$4,528,721	\$4,645,960	\$5,273,901	\$5,278,777
General Fund	3,867,279	4,116,508	4,227,631	4,844,044	4,848,920
State/Other Special Rev. Funds	347,120	365,492	370,589	282,117	282,117
Federal Spec. Rev. Funds	46,720	46,721	47,740	147,740	147,740
Total Funds	\$4,261,119	\$4,528,721	\$4,645,960	\$5,273,901	\$5,278,777
Total Ongoing	\$4,241,019	\$4,501,783	\$4,619,022	\$5,246,963	\$5,251,839
Total OTO	\$20,100	\$26,938	\$26,938	\$26,938	\$26,938

Page Reference

Legislative Budget Analysis, E-132.

Funding

The Outreach Program is funded almost entirely with general fund. The Residential Education Program is funded primarily with general fund, with additional funding from the school's trust lands, Medicaid reimbursement for services provided to students who qualify for Medicaid, and federal funds designated for the assistance of state and local educational agencies to meet the special educational needs of educationally deprived children.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,227,631	4,227,631	8,455,262	87.23 %	4,619,022	4,619,022	9,238,044	87.54 %
SWPL Adjustments	8,148	10,112	18,260	0.19 %	8,148	10,112	18,260	0.17 %
PL Adjustments	608,265	611,177	1,219,442	12.58 %	646,731	649,643	1,296,374	12.28 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$4,844,044	\$4,848,920	\$9,692,964		\$5,273,901	\$5,278,777	\$10,552,678	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	8,148	0	0	8,148	0.00	10,112	0	0	10,112
DP 4 - Extra-curricular stipends RST/OTO	0.00	26,938	0	0	26,938	0.00	26,938	0	0	26,938
DP 50 - Personal Services Adjustment	0.00	581,327	(61,534)	100,000	619,793	0.00	584,239	(61,534)	100,000	622,705
Grand Total All Present Law Adjustments	0.00	\$616,413	(\$61,534)	\$100,000	\$654,879	0.00	\$621,289	(\$61,534)	\$100,000	\$659,755

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - Extra-curricular stipends RST/OTO -

The legislature adopted one-time-only revenue of \$26,938 in each year of the 2021 biennium, which is restricted for stipends to be paid to staff sponsoring and interpreting extra-curricular activities such as sports, clubs, and class meetings.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program. Specific adjustments include: an increase of \$0.7 million for each year of the biennium.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,285,030	1,365,168	80,138	6.24 %
Operating Expenses	664,506	701,257	36,751	5.53 %
Grants	924,476	924,476	0	0.00 %
Total Expenditures	\$2,874,012	\$2,990,901	\$116,889	4.07 %
General Fund	995,386	1,074,383	78,997	7.94 %
State/Other Special Rev. Funds	466,320	482,455	16,135	3.46 %
Federal Spec. Rev. Funds	1,412,306	1,434,063	21,757	1.54 %
Total Funds	\$2,874,012	\$2,990,901	\$116,889	4.07 %
Total Ongoing	\$2,874,012	\$2,990,901	\$116,889	4.07 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-135.

Agency Highlights

Montana Arts Council Major Budget Highlights	
<ul style="list-style-type: none"> • The legislature adopted an increase to the Montana Arts Council's total biennial appropriation by approximately \$116,000 or 4.0% compared to the 2019 biennium appropriation • Increases are due to SB 9 restoration to the base and statewide present law adjustments • The agency is not subject to vacancy savings 	

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	7.00	7.00	7.00	7.00
Personal Services	615,610	616,404	668,626	683,245	681,923
Operating Expenses	332,358	332,808	331,698	364,531	336,726
Grants	459,801	462,238	462,238	462,238	462,238
Total Expenditures	\$1,407,769	\$1,411,450	\$1,462,562	\$1,510,014	\$1,480,887
General Fund	475,354	479,042	516,344	551,314	523,069
State/Other Special Rev. Funds	230,129	230,126	236,194	241,419	241,036
Federal Spec. Rev. Funds	702,286	702,282	710,024	717,281	716,782
Total Funds	\$1,407,769	\$1,411,450	\$1,462,562	\$1,510,014	\$1,480,887
Total Ongoing	\$1,407,769	\$1,411,450	\$1,462,562	\$1,510,014	\$1,480,887
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-136.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	7.00	7.00	7.00	0.00	7.00	7.00	0.00	0.00
Personal Services	668,626	683,245	683,245	0	681,923	681,923	0	0
Operating Expenses	331,698	363,999	364,531	532	336,194	336,726	532	1,064
Grants	462,238	462,238	462,238	0	462,238	462,238	0	0
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$1,462,562	\$1,509,482	\$1,510,014	\$532	\$1,480,355	\$1,480,887	\$532	\$1,064
General Fund	516,344	551,314	551,314	0	523,069	523,069	0	0
State/other Special Rev. Funds	236,194	241,286	241,419	133	240,903	241,036	133	266
Federal Spec. Rev. Funds	710,024	716,882	717,281	399	716,383	716,782	399	798
Total Funds	\$1,462,562	\$1,509,482	\$1,510,014	\$532	\$1,480,355	\$1,480,887	\$532	\$1,064
Total Ongoing	\$1,462,562	\$1,509,482	\$1,510,014	\$532	\$1,480,355	\$1,480,887	\$532	\$1,064
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted a budget that is slightly higher than the proposed executive budget for the 2021 biennium. The legislature adopted the statewide cost allocation plan adjustment for fixed costs which was not included in the executive proposed budget. The legislature adopted all other present law adjustments as proposed in the executive budget.

Funding

The following table shows agency funding by source of authority.

Total Montana Arts Council Funding by Source of Authority 2021 Biennium Budget Request - Montana Arts Council						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,074,383	0	0	0	1,074,383	35.92 %
State Special Total	482,455	0	0	0	482,455	16.13 %
Federal Special Total	1,434,063	0	0	0	1,434,063	47.95 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$2,990,901	\$0	\$0	\$0	\$2,990,901	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %	0.00 %		

MAC is funded with a combination of general fund, state special revenue, and federal special revenue.

General fund supports:

- A portion of the agency operations and services to the state's arts community

- Arts grants including Artists in the Schools and several other grant programs available to non-profit arts organizations, schools, and other eligible entities

State special revenue from the Cultural and Aesthetic Trust:

- Supports the agency's administration of cultural and aesthetic trust activities and the preservation of the state's cultural heritage
- Grant awards through HB 9 Cultural and Aesthetic projects

Federal special revenue from the National Endowment of the Arts:

- Formula grants requiring a non-federal revenue dollar for dollar match. The agency utilizes general fund and state special revenue as a source of matching funds
- Supports the administration, grants, and services to the state's arts community

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	516,344	516,344	1,032,688	96.12 %	1,462,562	1,462,562	2,925,124	97.80 %
SWPL Adjustments	34,970	6,725	41,695	3.88 %	46,920	17,793	64,713	2.16 %
PL Adjustments	0	0	0	0.00 %	532	532	1,064	0.04 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$551,314	\$523,069	\$1,074,383		\$1,510,014	\$1,480,887	\$2,990,901	

Language and Statutory Authority

All HB 2 federal funding appropriations for the Montana Arts Council are biennial appropriations.

Page Reference

Legislative Budget Analysis, E-135.

Page Reference

Legislative Budget Analysis, E-136.

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	4,824	4,240	5,555	14,619	0.00	4,388	3,856	5,053	13,297
DP 2 - Fixed Costs	0.00	30,004	800	1,224	32,028	0.00	2,161	789	1,207	4,157
DP 3 - Inflation Deflation	0.00	142	52	79	273	0.00	176	64	99	339
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	133	399	532	0.00	0	133	399	532
Grand Total All Present Law Adjustments	0.00	\$34,970	\$5,225	\$7,257	\$47,452	0.00	\$6,725	\$4,842	\$6,758	\$18,325

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,346,437	4,513,363	166,926	3.84 %
Operating Expenses	3,451,694	3,899,479	447,785	12.97 %
Grants	2,450,314	2,659,356	209,042	8.53 %
Total Expenditures	\$10,248,445	\$11,072,198	\$823,753	8.04 %
General Fund	4,335,299	5,142,124	806,825	18.61 %
State/Other Special Rev. Funds	3,493,578	3,827,715	334,137	9.56 %
Federal Spec. Rev. Funds	2,419,568	2,102,359	(317,209)	(13.11)%
Total Funds	\$10,248,445	\$11,072,198	\$823,753	8.04 %
Total Ongoing	\$10,248,445	\$10,822,198	\$573,753	5.60 %
Total OTO	\$0	\$250,000	\$250,000	100.00 %

Page Reference

Legislative Budget Analysis, E-141.

Agency Highlights

Montana State Library Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted an increase to the Montana State Library's ongoing total biennial appropriation of approximately \$0.6 million or 5.6% compared to the 2019 biennium appropriation • The legislature adopted a reduction of 1.00 FTE for a personal services savings of \$114,000 • The legislature adopted an additional \$250,000 one-time-only state special revenue for the 2021 biennium

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	30.46	30.46	29.46	29.46
Personal Services	2,361,289	2,510,782	1,835,655	2,258,110	2,255,253
Operating Expenses	1,604,658	1,729,119	1,722,575	1,926,334	1,973,145
Grants	425,303	845,636	1,604,678	1,504,678	1,154,678
Total Expenditures	\$4,391,250	\$5,085,537	\$5,162,908	\$5,689,122	\$5,383,076
General Fund	2,099,353	2,148,954	2,186,345	2,582,171	2,559,953
State/Other Special Rev. Funds	1,399,846	1,729,049	1,764,529	1,880,403	1,947,312
Federal Spec. Rev. Funds	892,051	1,207,534	1,212,034	1,226,548	875,811
Total Funds	\$4,391,250	\$5,085,537	\$5,162,908	\$5,689,122	\$5,383,076
Total Ongoing	\$4,391,250	\$5,085,537	\$5,162,908	\$5,589,122	\$5,233,076
Total OTO	\$0	\$0	\$0	\$100,000	\$150,000

Page Reference

Legislative Budget Analysis, E-142.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	30.46	29.46	29.46	0.00	29.46	29.46	0.00	0.00
Personal Services	1,835,655	2,258,110	2,258,110	0	2,255,253	2,255,253	0	0
Operating Expenses	1,722,575	1,824,176	1,926,334	102,158	1,820,987	1,973,145	152,158	254,316
Grants	1,604,678	1,504,678	1,504,678	0	1,154,678	1,154,678	0	0
Total Costs	\$5,162,908	\$5,586,964	\$5,689,122	\$102,158	\$5,230,918	\$5,383,076	\$152,158	\$254,316
General Fund	2,186,345	2,582,171	2,582,171	0	2,559,953	2,559,953	0	0
State/other Special Rev. Funds	1,764,529	1,779,549	1,880,403	100,854	1,796,458	1,947,312	150,854	251,708
Federal Spec. Rev. Funds	1,212,034	1,225,244	1,226,548	1,304	874,507	875,811	1,304	2,608
Total Funds	\$5,162,908	\$5,586,964	\$5,689,122	\$102,158	\$5,230,918	\$5,383,076	\$152,158	\$254,316
Total Ongoing	\$5,162,908	\$5,586,964	\$5,589,122	\$2,158	\$5,230,918	\$5,233,076	\$2,158	\$4,316
Total OTO	\$0	\$0	\$100,000	\$100,000	\$0	\$150,000	\$150,000	\$250,000

The legislature adopted an ongoing budget that is approximately \$4,300 higher than the budget proposed by the executive for the 2021 biennium. The legislature adopted the statewide cost allocation plan adjustment for fixed costs which was not included in the executive proposed budget. The legislature adopted all other present law adjustments as proposed in the executive budget. In addition, the legislature adopted a one-time-only appropriation of \$250,000 state special revenue to align their overall budget closer to their 2017 biennium appropriation.

Funding

The following table shows agency funding by source of authority.

Total Montana State Library Funding by Source of Authority 2021 Biennium Budget Request - Montana State Library						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	5,142,124	0	0	791,532	5,933,656	46.96 %
State Special Total	3,577,715	250,000	0	0	3,827,715	30.29 %
Federal Special Total	2,102,359	0	0	0	2,102,359	16.64 %
Proprietary Total	0	0	771,773	0	771,773	6.11 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$10,822,198	\$250,000	\$771,773	\$791,532	\$12,635,503	
Percent - Total All Sources	85.65 %	1.98 %	6.11 %	6.26 %		

The Montana State Library is funded through a combination of general fund, state special revenue, and federal special revenue.

General fund supports:

- The statewide inter-library resource-sharing program
- State aid to libraries throughout Montana
- Natural Resource Information System (NRIS)
- General agency operations

State special revenue includes:

- Coal severance tax from the basic library services account, which was previously a portion of the coal severance tax shared account, partially funds general operations, statewide technology contracts, and the library federation grants to assist local libraries in providing basic services
- Assessments from certain state agencies that use the NRIS
- Revenue from the Montana Land Information account that receives a portion of document recording fees assessed at the local level

Federal funds come primarily from LSTA grants administered through the federal Institute of Museum and Library Services. These funds:

- Are formula grants from the federal agency rather than competitive grants
- Require a 2:1 federal: state match and a 5 year plan
- Are used for collection content and access, training and outreach to local libraries, and services to patrons with disabilities.

In addition, the Montana State Library has proprietary funding that does not require an appropriation. This funding is discussed in more detail in the Proprietary Rates section later in this narrative.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,186,345	2,186,345	4,372,690	85.04 %	5,162,908	5,162,908	10,325,816	93.26 %
SWPL Adjustments	453,033	430,719	883,752	17.19 %	528,767	505,625	1,034,392	9.34 %
PL Adjustments	0	0	0	0.00 %	(45,346)	(378,346)	(423,692)	(3.83)%
New Proposals	(57,207)	(57,111)	(114,318)	(2.22)%	42,793	92,889	135,682	1.23 %
Total Budget	\$2,582,171	\$2,559,953	\$5,142,124		\$5,689,122	\$5,383,076	\$11,072,198	

Page Reference

Legislative Budget Analysis, E-141.

Page Reference

Legislative Budget Analysis, E-142.

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	419,030	62,524	(1,892)	479,662	0.00	416,905	62,433	(2,629)	476,709
DP 2 - Fixed Costs	0.00	32,493	0	15,102	47,595	0.00	11,940	0	15,102	27,042
DP 3 - Inflation Deflation	0.00	1,510	0	0	1,510	0.00	1,874	0	0	1,874
DP 5 - Coal Severance Tax Allotment	0.00	0	52,496	0	52,496	0.00	0	69,496	0	69,496
DP 7 - MLIAC & LSTA Grant Authority Adjustment	0.00	0	(100,000)	0	(100,000)	0.00	0	(100,000)	(350,000)	(450,000)
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	854	1,304	2,158	0.00	0	854	1,304	2,158
Grand Total All Present Law Adjustments	0.00	\$453,033	\$15,874	\$14,514	\$483,421	0.00	\$430,719	\$32,783	(\$336,223)	\$127,279

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 5 - Coal Severance Tax Allotment -

The legislature adopted an increase in the coal severance tax authority to the Montana State Library due to increased revenue projections.

DP 7 - MLIAC LSTA Grant Authority Adjustment -

The legislature adopted to reduce state special revenue authority for the Montana Land Information Advisory Council to align projects and expenditures with needed authority. The legislature adopted to reduce federal special revenue authority to align Library Services and Technology Act grant activities with needed authority.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 9 - FTE Reductions	(1.00)	(57,207)	0	0	(57,207)	(1.00)	(57,111)	0	0	(57,111)
DP 10 - Montana State Library Funding (OTO)	0.00	0	100,000	0	100,000	0.00	0	150,000	0	150,000
Total	(1.00)	(\$57,207)	\$100,000	\$0	\$42,793	(1.00)	(\$57,111)	\$150,000	\$0	\$92,889

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 9 - FTE Reductions -

The legislature adopted a reduction of 1.00 FTE, and associated general fund appropriations, to make permanent reductions as the result of SB 261 during the 2017 Legislative Session.

DP 10 - Montana State Library Funding (OTO) -

The legislature adopted one-time-only state special revenue fund for the Montana State Library in order to align their funding closer to their 2017 biennium appropriation.

Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,032,843	6,474,009	441,166	7.31 %
Operating Expenses	3,442,628	3,777,961	335,333	9.74 %
Equipment & Intangible Assets	160,068	188,020	27,952	17.46 %
Grants	174,240	174,240	0	0.00 %
Total Expenditures	\$9,809,779	\$10,614,230	\$804,451	8.20 %
General Fund	5,255,234	5,932,122	676,888	12.88 %
State/Other Special Rev. Funds	1,534,552	1,842,173	307,621	20.05 %
Federal Spec. Rev. Funds	1,658,714	1,596,057	(62,657)	(3.78)%
Proprietary Funds	1,361,279	1,243,878	(117,401)	(8.62)%
Total Funds	\$9,809,779	\$10,614,230	\$804,451	8.20 %
Total Ongoing	\$9,809,779	\$10,614,230	\$804,451	8.20 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-151.

Agency Highlights

Montana Historical Society Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted an increase to the Montana Historical Society's total biennial appropriation of approximately \$804,000 or 8.2% compared to the 2019 biennium appropriation • The legislature adopted a reduced amount of the proposed reinstatement of personal services • The legislature adopted the reduction of 4.01 FTE for a personal services savings of \$0.5 million

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	58.39	58.39	54.38	54.38
Personal Services	2,928,101	2,945,028	3,087,815	3,236,869	3,237,140
Operating Expenses	1,644,159	1,758,341	1,684,287	1,892,621	1,885,340
Equipment & Intangible Assets	66,057	66,058	94,010	94,010	94,010
Grants	73,200	87,120	87,120	87,120	87,120
Total Expenditures	\$4,711,517	\$4,856,547	\$4,953,232	\$5,310,620	\$5,303,610
General Fund	2,553,796	2,593,159	2,662,075	2,986,814	2,945,308
State/Other Special Rev. Funds	766,101	768,776	765,776	905,359	936,814
Federal Spec. Rev. Funds	756,025	818,165	840,549	796,635	799,422
Proprietary Funds	635,595	676,447	684,832	621,812	622,066
Total Funds	\$4,711,517	\$4,856,547	\$4,953,232	\$5,310,620	\$5,303,610
Total Ongoing	\$4,711,517	\$4,856,547	\$4,953,232	\$5,310,620	\$5,303,610
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-152.

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	58.39	54.38	54.38	0.00	54.38	54.38	0.00	0.00
Personal Services	3,087,815	3,608,182	3,236,869	(371,313)	3,608,453	3,237,140	(371,313)	(742,626)
Operating Expenses	1,684,287	1,763,473	1,892,621	129,148	1,727,766	1,885,340	157,574	286,722
Equipment & Intangible Assets	94,010	94,010	94,010	0	94,010	94,010	0	0
Grants	87,120	87,120	87,120	0	87,120	87,120	0	0
Total Costs	\$4,953,232	\$5,552,785	\$5,310,620	(\$242,165)	\$5,517,349	\$5,303,610	(\$213,739)	(\$455,904)
General Fund	2,662,075	3,308,628	2,986,814	(321,814)	3,267,122	2,945,308	(321,814)	(643,628)
State/other Special Rev. Funds	765,776	768,147	905,359	137,212	768,394	936,814	168,420	305,632
Federal Spec. Rev. Funds	840,549	820,285	796,635	(23,650)	823,076	799,422	(23,654)	(47,304)
Other	684,832	655,725	621,812	(33,913)	658,757	622,066	(36,691)	(70,604)
Total Funds	\$4,953,232	\$5,552,785	\$5,310,620	(\$242,165)	\$5,517,349	\$5,303,610	(\$213,739)	(\$455,904)
Total Ongoing	\$4,953,232	\$5,552,785	\$5,310,620	(\$242,165)	\$5,517,349	\$5,303,610	(\$213,739)	(\$455,904)
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted a budget that is approximately \$500,000 less than the proposed executive budget for the 2021 biennium.

The major differences in the legislative budget compared to the executive are:

- The legislature adopted a reduced amount of the proposed reinstatement of personal services

- The legislature adopted an increase in the statewide cost allocation plan

Funding

The following table shows agency funding by source of authority.

Total Montana Historical Society Funding by Source of Authority 2021 Biennium Budget Request - Montana Historical Society						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	5,932,122	0	0	0	5,932,122	52.13 %
State Special Total	1,842,173	0	0	766,291	2,608,464	22.92 %
Federal Special Total	1,596,057	0	0	0	1,596,057	14.02 %
Proprietary Total	1,243,878	0	0	0	1,243,878	10.93 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$10,614,230	\$0	\$0	\$766,291	\$11,380,521	
Percent - Total All Sources	93.27 %	0.00 %	0.00 %	6.73 %		

The Montana Historical Society is funded through a combination of general fund, state special revenue, federal special revenue, and proprietary revenue as shown in the table above.

Proprietary revenues are fees for goods and services to external customers and support the costs of providing those goods and services. Proprietary fund revenues include magazine subscriptions, the sale of books published by the Historical Society, merchandise sales, and photography sales.

In addition, Montana Historical Society receives statutory authority which includes:

- Montana Historical Society Membership fees
- Entrance fees charged at the Original Governor's Mansion
- A 1.0% allocation of the lodging facility use tax
- One fourth of the revenue generated from the sale of Lewis and Clark license plates

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,662,075	2,662,075	5,324,150	89.75 %	4,953,232	4,953,232	9,906,464	93.33 %
SWPL Adjustments	56,289	16,235	72,524	1.22 %	79,186	43,479	122,665	1.16 %
PL Adjustments	515,599	513,973	1,029,572	17.36 %	398,003	398,100	796,103	7.50 %
New Proposals	(247,149)	(246,975)	(494,124)	(8.33)%	(119,801)	(91,201)	(211,002)	(1.99)%
Total Budget	\$2,986,814	\$2,945,308	\$5,932,122		\$5,310,620	\$5,303,610	\$10,614,230	

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,611,937	1,753,982	142,045	8.81 %
Operating Expenses	708,772	643,467	(65,305)	(9.21)%
Equipment & Intangible Assets	28,368	56,736	28,368	100.00 %
Total Expenditures	\$2,349,077	\$2,454,185	\$105,108	4.47 %
General Fund	1,638,054	1,874,419	236,365	14.43 %
State/Other Special Rev. Funds	54,918	105,480	50,562	92.07 %
Federal Spec. Rev. Funds	151,927	79,679	(72,248)	(47.55)%
Proprietary Funds	504,178	394,607	(109,571)	(21.73)%
Total Funds	\$2,349,077	\$2,454,185	\$105,108	4.47 %
Total Ongoing	\$2,349,077	\$2,454,185	\$105,108	4.47 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-158.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	16.19	16.19	14.68	14.68
Personal Services	764,882	779,267	832,670	877,452	876,530
Operating Expenses	372,093	418,513	290,259	342,665	300,802
Equipment & Intangible Assets	0	0	28,368	28,368	28,368
Total Expenditures	\$1,136,975	\$1,197,780	\$1,151,297	\$1,248,485	\$1,205,700
General Fund	830,169	869,538	768,516	959,533	914,886
State/Other Special Rev. Funds	757	2,222	52,696	52,740	52,740
Federal Spec. Rev. Funds	73,194	74,599	77,328	38,978	40,701
Proprietary Funds	232,855	251,421	252,757	197,234	197,373
Total Funds	\$1,136,975	\$1,197,780	\$1,151,297	\$1,248,485	\$1,205,700
Total Ongoing	\$1,136,975	\$1,197,780	\$1,151,297	\$1,248,485	\$1,205,700
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-159.

Funding

The program is funded with a combination of:

- General fund
- State special revenue funds from membership fees, donations, and a portion of the lodging facility use tax
- Federal funds through indirect cost recoveries
- Proprietary funds from museum entrance fees and merchandise sales

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	768,516	768,516	1,537,032	82.00 %	1,151,297	1,151,297	2,302,594	93.82 %
SWPL Adjustments	49,712	7,710	57,422	3.06 %	52,131	10,268	62,399	2.54 %
PL Adjustments	229,546	226,711	456,257	24.34 %	133,298	132,186	265,484	10.82 %
New Proposals	(88,241)	(88,051)	(176,292)	(9.41)%	(88,241)	(88,051)	(176,292)	(7.18)%
Total Budget	\$959,533	\$914,886	\$1,874,419		\$1,248,485	\$1,205,700	\$2,454,185	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	49,669	6	0	52,088	0.00	7,657	6	0	10,215
DP 3 - Inflation Deflation	0.00	43	0	0	43	0.00	53	0	0	53
DP 50 - Personal Services Adjustment	0.00	229,546	0	(38,406)	133,023	0.00	226,711	0	(36,683)	131,911
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	38	56	275	0.00	0	38	56	275
Grand Total All Present Law Adjustments	0.00	\$279,258	\$44	(\$38,350)	\$185,429	0.00	\$234,421	\$44	(\$36,627)	\$142,454

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - Position Reductions	(1.51)	(88,241)	0	0	(88,241)	(1.51)	(88,051)	0	0	(88,051)
Total	(1.51)	(\$88,241)	\$0	\$0	(\$88,241)	(1.51)	(\$88,051)	\$0	\$0	(\$88,051)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - Position Reductions -

The legislature adopted a reduction of 1.51 FTE, and associated general fund appropriations, to make certain reductions from SB 261 (2017 Legislative Session) permanent.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,420,517	1,478,133	57,616	4.06 %
Operating Expenses	661,949	814,727	152,778	23.08 %
Equipment & Intangible Assets	113,628	117,694	4,066	3.58 %
Total Expenditures	\$2,196,094	\$2,410,554	\$214,460	9.77 %
General Fund	1,898,478	1,970,577	72,099	3.80 %
State/Other Special Rev. Funds	228,110	369,834	141,724	62.13 %
Proprietary Funds	69,506	70,143	637	0.92 %
Total Funds	\$2,196,094	\$2,410,554	\$214,460	9.77 %
Total Ongoing	\$2,196,094	\$2,410,554	\$214,460	9.77 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-162.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	15.50	15.50	13.50	13.50
Personal Services	703,607	703,604	716,913	738,505	739,628
Operating Expenses	329,603	332,789	329,160	399,291	415,436
Equipment & Intangible Assets	54,780	54,781	58,847	58,847	58,847
Total Expenditures	\$1,087,990	\$1,091,174	\$1,104,920	\$1,196,643	\$1,213,911
General Fund	942,371	942,366	956,112	983,756	986,821
State/Other Special Rev. Funds	114,029	114,055	114,055	177,814	192,020
Proprietary Funds	31,590	34,753	34,753	35,073	35,070
Total Funds	\$1,087,990	\$1,091,174	\$1,104,920	\$1,196,643	\$1,213,911
Total Ongoing	\$1,087,990	\$1,091,174	\$1,104,920	\$1,196,643	\$1,213,911
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-163.

Funding

The program is funded with a combination of:

- General fund
- State special revenue from the lodging facility use tax
- Proprietary fund revenue from the sale of historic photo reproductions and images

Program Budget Summary by Category

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	956,112	956,112	1,912,224	97.04 %	1,104,920	1,104,920	2,209,840	91.67 %
SWPL Adjustments	6,052	7,994	14,046	0.71 %	6,333	8,265	14,598	0.61 %
PL Adjustments	137,958	138,810	276,768	14.04 %	138,082	138,934	277,016	11.49 %
New Proposals	(116,366)	(116,095)	(232,461)	(11.80)%	(52,692)	(38,208)	(90,900)	(3.77)%
Total Budget	\$983,756	\$986,821	\$1,970,577		\$1,196,643	\$1,213,911	\$2,410,554	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	5,903	(10)	0	6,184	0.00	7,809	(17)	0	8,080
DP 3 - Inflation Deflation	0.00	149	0	0	149	0.00	185	0	0	185
DP 50 - Personal Services Adjustment	0.00	137,958	0	0	137,958	0.00	138,810	0	0	138,810
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	95	0	124	0.00	0	95	0	124
Grand Total All Present Law Adjustments	0.00	\$144,010	\$85	\$0	\$144,415	0.00	\$146,804	\$78	\$0	\$147,199

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - Position Reductions	(2.00)	(116,366)	0	0	(116,366)	(2.00)	(116,095)	0	0	(116,095)
DP 10 - Accommodations Tax Authority	0.00	0	63,674	0	63,674	0.00	0	77,887	0	77,887
Total	(2.00)	(\$116,366)	\$63,674	\$0	(\$52,692)	(2.00)	(\$116,095)	\$77,887	\$0	(\$38,208)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - Position Reductions -

The legislature adopted a reduction of 2.00 FTE, and associated general fund appropriations, to make certain reductions from SB 261 (2017 Legislative Session) permanent.

DP 10 - Accommodations Tax Authority -

The legislature adopted an increase in state special revenue authority from the accommodations tax to match HJ 2 revenue projections.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	909,924	972,697	62,773	6.90 %
Operating Expenses	1,145,330	1,338,467	193,137	16.86 %
Equipment & Intangible Assets	18,072	13,590	(4,482)	(24.80)%
Total Expenditures	\$2,073,326	\$2,324,754	\$251,428	12.13 %
General Fund	1,030,661	1,172,971	142,310	13.81 %
State/Other Special Rev. Funds	1,035,647	1,145,686	110,039	10.63 %
Proprietary Funds	7,018	6,097	(921)	(13.12)%
Total Funds	\$2,073,326	\$2,324,754	\$251,428	12.13 %
Total Ongoing	\$2,073,326	\$2,324,754	\$251,428	12.13 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-166.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	7.75	7.75	7.75	7.75
Personal Services	440,740	440,741	469,183	486,401	486,296
Operating Expenses	557,158	558,487	586,843	660,734	677,733
Equipment & Intangible Assets	11,277	11,277	6,795	6,795	6,795
Total Expenditures	\$1,009,175	\$1,010,505	\$1,062,821	\$1,153,930	\$1,170,824
General Fund	461,868	461,869	568,792	586,535	586,436
State/Other Special Rev. Funds	543,445	544,627	491,020	564,346	581,340
Proprietary Funds	3,862	4,009	3,009	3,049	3,048
Total Funds	\$1,009,175	\$1,010,505	\$1,062,821	\$1,153,930	\$1,170,824
Total Ongoing	\$1,009,175	\$1,010,505	\$1,062,821	\$1,153,930	\$1,170,824
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-167.

Funding

The program is funded with a combination of:

- General fund
- State special revenue from the lodging facility use tax, and donations at the Original Governor's Mansion
- Proprietary funds generated through the sales of books, copies, and photographs, and the rental of traveling exhibits

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	568,792	568,792	1,137,584	96.98 %	1,062,821	1,062,821	2,125,642	91.44 %
SWPL Adjustments	525	531	1,056	0.09 %	9,284	12,070	21,354	0.92 %
PL Adjustments	17,218	17,113	34,331	2.93 %	18,151	18,046	36,197	1.56 %
New Proposals	0	0	0	0.00 %	63,674	77,887	141,561	6.09 %
Total Budget	\$586,535	\$586,436	\$1,172,971		\$1,153,930	\$1,170,824	\$2,324,754	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	493	34	0	9,252	0.00	491	33	0	12,030
DP 3 - Inflation Deflation	0.00	32	0	0	32	0.00	40	0	0	40
DP 11 - Fixed Costs Fund Adjustment	0.00	0	8,691	0	0	0.00	0	11,473	0	0
DP 50 - Personal Services Adjustment	0.00	17,218	0	0	17,218	0.00	17,113	0	0	17,113
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	927	0	933	0.00	0	927	0	933
Grand Total All Present Law Adjustments	0.00	\$17,743	\$9,652	\$0	\$27,435	0.00	\$17,644	\$12,433	\$0	\$30,116

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 11 - Fixed Costs Fund Adjustment -

The legislature adopted a correction to the funding for DP 3 Fixed Costs for the Museum Program.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10 - Accommodations Tax Authority										
	0.00	0	63,674	0	63,674	0.00	0	77,887	0	77,887
Total	0.00	\$0	\$63,674	\$0	\$63,674	0.00	\$0	\$77,887	\$0	\$77,887

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 10 - Accommodations Tax Authority -

The legislature adopted an increase in state special revenue authority from the accommodations tax to match HJ 2 revenue projections.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	585,096	643,282	58,186	9.94 %
Operating Expenses	313,044	339,288	26,244	8.38 %
Total Expenditures	\$898,140	\$982,570	\$84,430	9.40 %
General Fund	245,661	355,480	109,819	44.70 %
Proprietary Funds	652,479	627,090	(25,389)	(3.89)%
Total Funds	\$898,140	\$982,570	\$84,430	9.40 %
Total Ongoing	\$898,140	\$982,570	\$84,430	9.40 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-170.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	297,891	297,933	287,163	321,879	321,403
Operating Expenses	144,290	146,068	166,976	169,577	169,711
Total Expenditures	\$442,181	\$444,001	\$454,139	\$491,456	\$491,114
General Fund	116,536	116,536	129,125	177,978	177,502
Proprietary Funds	325,645	327,465	325,014	313,478	313,612
Total Funds	\$442,181	\$444,001	\$454,139	\$491,456	\$491,114
Total Ongoing	\$442,181	\$444,001	\$454,139	\$491,456	\$491,114
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-171.

Funding

The program is funded with a combination of:

- General fund
- Proprietary funds from subscription sales for the magazine and sales of books published by the program

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	129,125	129,125	258,250	72.65 %	454,139	454,139	908,278	92.44 %
SWPL Adjustments	0	0	0	0.00 %	2,192	2,326	4,518	0.46 %
PL Adjustments	48,853	48,377	97,230	27.35 %	35,125	34,649	69,774	7.10 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$177,978	\$177,502	\$355,480		\$491,456	\$491,114	\$982,570	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	0	2,172	0.00	0	0	0	2,301
DP 3 - Inflation Deflation	0.00	0	0	0	20	0.00	0	0	0	25
DP 50 - Personal Services Adjustment	0.00	48,853	0	0	34,716	0.00	48,377	0	0	34,240
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	0	409	0.00	0	0	0	409
Grand Total All Present Law Adjustments	0.00	\$48,853	\$0	\$0	\$37,317	0.00	\$48,377	\$0	\$0	\$36,975

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	393,954	446,729	52,775	13.40 %
Operating Expenses	268,697	271,580	2,883	1.07 %
Total Expenditures	\$662,651	\$718,309	\$55,658	8.40 %
General Fund	393,954	446,729	52,775	13.40 %
State/Other Special Rev. Funds	215,877	221,173	5,296	2.45 %
Proprietary Funds	52,820	50,407	(2,413)	(4.57)%
Total Funds	\$662,651	\$718,309	\$55,658	8.40 %
Total Ongoing	\$662,651	\$718,309	\$55,658	8.40 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-174.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	4.95	4.95	4.45	4.45
Personal Services	180,963	180,962	212,992	222,931	223,798
Operating Expenses	132,808	135,532	133,165	135,664	135,916
Total Expenditures	\$313,771	\$316,494	\$346,157	\$358,595	\$359,714
General Fund	180,963	180,962	212,992	222,931	223,798
State/Other Special Rev. Funds	107,870	107,872	108,005	110,459	110,714
Proprietary Funds	24,938	27,660	25,160	25,205	25,202
Total Funds	\$313,771	\$316,494	\$346,157	\$358,595	\$359,714
Total Ongoing	\$313,771	\$316,494	\$346,157	\$358,595	\$359,714
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-175.

Funding

The program is funded with a combination of:

- General fund
- State special revenue appropriated in HB 2 from a 2.6% allocation of the lodging facility use tax which may be used only for the purpose of historical interpretation and costs relating to the Scriver collection
- State special revenue appropriated via a statutory appropriation from a 1.0% allocation of the lodging facility use tax which may be used for the installation or maintenance of roadside historical signs and historic sites
- Proprietary funds derived from program fees and education enterprises

Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	212,992	212,992	425,984	95.36 %	346,157	346,157	692,314	96.38 %
SWPL Adjustments	0	0	0	0.00 %	2,384	2,636	5,020	0.70 %
PL Adjustments	52,481	53,635	106,116	23.75 %	52,596	53,750	106,346	14.80 %
New Proposals	(42,542)	(42,829)	(85,371)	(19.11)%	(42,542)	(42,829)	(85,371)	(11.88)%
Total Budget	\$222,931	\$223,798	\$446,729		\$358,595	\$359,714	\$718,309	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	2,245	0	2,288	0.00	0	2,476	0	2,516
DP 3 - Inflation Deflation	0.00	0	96	0	96	0.00	0	120	0	120
DP 50 - Personal Services Adjustment	0.00	52,481	0	0	52,481	0.00	53,635	0	0	53,635
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	113	0	115	0.00	0	113	0	115
Grand Total All Present Law Adjustments	0.00	\$52,481	\$2,454	\$0	\$54,980	0.00	\$53,635	\$2,709	\$0	\$56,386

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - Position Reductions	(0.50)	(42,542)	0	0	(42,542)	(0.50)	(42,829)	0	0	(42,829)
Total	(0.50)	(\$42,542)	\$0	\$0	(\$42,542)	(0.50)	(\$42,829)	\$0	\$0	(\$42,829)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - Position Reductions -

The legislature adopted a reduction of 0.50 FTE, and associated general fund appropriations, to make certain reductions from SB 261 (2017 Legislative Session) permanent.

Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,111,415	1,179,186	67,771	6.10 %
Operating Expenses	344,836	370,432	25,596	7.42 %
Grants	174,240	174,240	0	0.00 %
Total Expenditures	\$1,630,491	\$1,723,858	\$93,367	5.73 %
General Fund	48,426	111,946	63,520	131.17 %
Federal Spec. Rev. Funds	1,506,787	1,516,378	9,591	0.64 %
Proprietary Funds	75,278	95,534	20,256	26.91 %
Total Funds	\$1,630,491	\$1,723,858	\$93,367	5.73 %
Total Ongoing	\$1,630,491	\$1,723,858	\$93,367	5.73 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

Legislative Budget Analysis, E-178.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	9.00	9.00	9.00	9.00
Personal Services	540,018	542,521	568,894	589,701	589,485
Operating Expenses	108,207	166,952	177,884	184,690	185,742
Grants	73,200	87,120	87,120	87,120	87,120
Total Expenditures	\$721,425	\$796,593	\$833,898	\$861,511	\$862,347
General Fund	21,889	21,888	26,538	56,081	55,865
Federal Spec. Rev. Funds	682,831	743,566	763,221	757,657	758,721
Proprietary Funds	16,705	31,139	44,139	47,773	47,761
Total Funds	\$721,425	\$796,593	\$833,898	\$861,511	\$862,347
Total Ongoing	\$721,425	\$796,593	\$833,898	\$861,511	\$862,347
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

Legislative Budget Analysis, E-179.

Funding

The program is funded through a combination of:

- General fund
- Federal special revenue
- Proprietary

Federal special revenue is from the National Park Service for historic site preservation. Proprietary funds are generated from fees for historical preservation assistance and services and are used to enhance and maintain the agency's antiquities database.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	26,538	26,538	53,076	47.41 %	833,898	833,898	1,667,796	96.75 %
SWPL Adjustments	0	0	0	0.00 %	6,862	7,914	14,776	0.86 %
PL Adjustments	29,543	29,327	58,870	52.59 %	20,751	20,535	41,286	2.40 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$56,081	\$55,865	\$111,946		\$861,511	\$862,347	\$1,723,858	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Fixed Costs	0.00	0	0	3,144	6,808	0.00	0	0	4,198	7,846
DP 3 - Inflation Deflation	0.00	0	0	54	54	0.00	0	0	68	68
DP 50 - Personal Services Adjustment	0.00	29,543	0	(8,736)	20,807	0.00	29,327	0	(8,736)	20,591
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	0	(26)	(56)	0.00	0	0	(30)	(56)
Grand Total All Present Law Adjustments	0.00	\$29,543	\$0	(\$5,564)	\$27,613	0.00	\$29,327	\$0	(\$4,500)	\$28,449

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a present law increase in personal services to maintain operations and services of the agency/program.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).