

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

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REPRESENTATIVE JIM KEANE
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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 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 %	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.

	-----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

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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-----				
	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-----				
	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

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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 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 %	3,973,717	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.

	-----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

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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-----				
	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

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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 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 %	8,283,783	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.

	-----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.

	-----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.

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 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 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.

	-----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

53010 - Department Of Environmental Quality 40-Waste Management & Remediation Division

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 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.

	-----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.

53010 - Department Of Environmental Quality 40-Waste Management & Remediation 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 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 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 %	

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	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 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 %	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.

	-----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 %

Page Reference

Legislative Budget Analysis, C-86

Agency Highlights

Department of Transportation Major Budget Highlights	
<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ◦ 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: <ul style="list-style-type: none"> ◦ 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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Legislative Budget Analysis, C-88

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	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

Page Reference

Legislative Budget Analysis, C-98

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-----				
	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	0	(144,827)	0	(144,827)	(2.00)	0	(144,827)	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 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 %	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.

	-----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									
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 %	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

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 %	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

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 %	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.

	-----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 %

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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

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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

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 %	2,022,745	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.

	-----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

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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 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 %	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.

	-----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.

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 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.

	-----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 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 %	3,549,242	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.

	-----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	
<p>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.</p> <ul style="list-style-type: none"> • Total appropriation for the 2021 biennium is \$149.1 million: <ul style="list-style-type: none"> ◦ 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: <ul style="list-style-type: none"> ◦ 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

Page Reference

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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 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.

	-----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.

57060 - Department Of Natural Resources And Conservation22-Oil & Gas Conservation Division

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	\$90,000	(\$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 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 Administration 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 Administration 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

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	9,129,415	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.

57060 - Department Of Natural Resources And Conservation35-Forestry & Trust Lands 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	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)%	

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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

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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								
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	12,596,930	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.

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 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 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	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.

	-----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 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.

	-----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)%

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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

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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

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	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.

	-----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.