

**Agency Biennium Comparison**

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	19,104,370	21,116,322	2,011,952	10.53 %
Operating Expenses	8,793,586	9,201,379	407,793	4.64 %
Equipment & Intangible Assets	514,185	567,361	53,176	10.34 %
Transfers	741,962	798,962	57,000	7.68 %
<b>Total Expenditures</b>	<b>\$29,154,103</b>	<b>\$31,684,024</b>	<b>\$2,529,921</b>	<b>8.68 %</b>
General Fund	6,955,248	7,800,672	845,424	12.16 %
State/Other Special Rev. Funds	17,987,376	19,228,978	1,241,602	6.90 %
Federal Spec. Rev. Funds	4,211,479	4,654,374	442,895	10.52 %
<b>Total Funds</b>	<b>\$29,154,103</b>	<b>\$31,684,024</b>	<b>\$2,529,921</b>	<b>8.68 %</b>
<b>Total Ongoing</b>	<b>\$28,408,491</b>	<b>\$31,217,073</b>	<b>\$2,808,582</b>	<b>9.89 %</b>
<b>Total OTO</b>	<b>\$745,612</b>	<b>\$466,951</b>	<b>(\$278,661)</b>	<b>(37.37)%</b>

**Mission Statement**

The mission of the Department of Livestock is to control and eradicate animal diseases, prevent the transmission of animal diseases to humans, and to protect the livestock industry from theft and predatory animals.

Please refer to the agency profile at <https://leg.mt.gov/lfid/appropriation-subcommittee-section-c/agency-department-livestock/> for additional information about the agency’s organization structure, historical expenditures, goals and objectives, and recent studies and audits.

**Agency Highlights**

<b>Department of Livestock Major Budget Highlights</b>
<p>The executive proposes an increase of 8.7% or \$2.5 million in total appropriations when compared to the 2023 biennium including:</p> <ul style="list-style-type: none"> <li>• Statewide present law adjustments - \$1.9 million</li> <li>• Additional 5.00 FTE for meat and poultry inspectors, and livestock market staff - \$571,200</li> <li>• One-time-only appropriations for laboratory equipment, veterinary vehicles, and law enforcement equipment - \$467,000</li> <li>• Operational increase for the Livestock Loss Board and meat and poultry inspections - \$430,000</li> <li>• Overtime for the Brands Division - \$190,000</li> <li>• Funding for brucellosis surveillance - \$100,000</li> </ul>

**Agency Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	132.87	132.87	137.87	137.87
Personal Services	9,246,186	9,450,860	9,653,510	10,533,311	10,583,011
Operating Expenses	3,453,599	4,675,982	4,117,604	4,624,392	4,576,987
Equipment & Intangible Assets	150,000	416,980	97,205	502,156	65,205
Transfers	292,503	342,481	399,481	399,481	399,481
<b>Total Expenditures</b>	<b>\$13,142,288</b>	<b>\$14,886,303</b>	<b>\$14,267,800</b>	<b>\$16,059,340</b>	<b>\$15,624,684</b>
General Fund	3,086,472	3,467,012	3,488,236	3,885,799	3,914,873
State/Other Special Rev. Funds	8,243,116	9,323,843	8,663,533	9,853,595	9,375,383
Federal Spec. Rev. Funds	1,812,700	2,095,448	2,116,031	2,319,946	2,334,428
<b>Total Funds</b>	<b>\$13,142,288</b>	<b>\$14,886,303</b>	<b>\$14,267,800</b>	<b>\$16,059,340</b>	<b>\$15,624,684</b>
<b>Total Ongoing</b>	<b>\$12,946,671</b>	<b>\$14,382,691</b>	<b>\$14,025,800</b>	<b>\$15,592,389</b>	<b>\$15,624,684</b>
<b>Total OTO</b>	<b>\$195,617</b>	<b>\$503,612</b>	<b>\$242,000</b>	<b>\$466,951</b>	<b>\$0</b>

**Agency Discussion**

*FY 2022 Appropriation Compared to FY 2022 Actual Expenditures*

The Department of Livestock's HB 2 modified budget was 88.3% expended as of the end of FY 2022 leaving about \$1.7 million in unspent budget authority at the end of the fiscal year. The unexpended authority is summarized below:

Operating expenditures, 73.9% expended, \$1.2 million unexpended

Operating expenses totaling \$673,400 for operation and maintenance for the future veterinary and diagnostic lab were included in the budget even though the building has not yet been constructed. The legislature may not authorize a new facility unless it also appropriates funds for the increase in state funding for operations and maintenance of the facility (17-7-210, MCA). The 2021 Legislature passed HB 14, which contained funding for a new veterinary and diagnostic laboratory, completion of the building is expected in FY 2025. One-time-only funding of \$200,000 for operation of the new Cooperative Interstate Shipping Program and authority for operations totaling \$230,500 for centralized services were unexpended.

Equipment, 36.0% expended, \$267,000 unexpended

Funding for equipment for the future veterinary and diagnostic lab totaling \$172,000 was unexpended. The agency found other funding sources outside of HB 2 to replace one-time-only authority totaling \$95,000 for laboratory equipment.

Personal services, 97.8%, expended, \$204,700 unexpended

The agency expended 97.8% of the \$9.5 million appropriation for personal services.

Transfers, 85.4% expended, \$50,000 unexpended

Transfers of primarily federal funds for animal health programs were not made.

*FY 2022 Appropriations Compared to FY 2023 Appropriations*

Total appropriations in FY 2023 decreased by 4.2% or \$618,500, and ongoing authority decreased by 2.5% or \$356,900. Appropriations in the first fiscal year of the biennium were higher due to one-time-only expenditures for a new helicopter for predator control, equipment purchases, operational funding for the diagnostic laboratory, and audit fees.

*Comparison of FY 2023 Legislative Budget to FY 2023 Base*

The figure below illustrates the beginning FY 2023 budget as adopted by the 2021 Legislature compared to the finalized FY 2023 base budget, which included modifications as approved by the executive during the interim. The FY 2023 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2025 biennium budgeting process.

Department of Livestock				
Comparison of the FY 2023 Legislative Budget to the FY 2023 Base Budget				
<u>Division</u>	<u>Legislative Budget</u>	<u>Executive Modifications</u>	<u>Base Budget</u>	<u>Percent Change</u>
<b><u>Centralized Services Division</u></b>				
Personal Services	\$1,416,701	\$0	\$1,416,701	0.0%
Operating Expenses	728,583	-	728,583	0.0%
Transfers	102,481	-	102,481	0.0%
Centralized Services Division Total	2,247,765	-	2,247,765	0.0%
<b><u>Animal Health Division</u></b>				
Personal Services	4,688,740	-	4,688,740	0.0%
Operating Expenses	2,509,507	-	2,509,507	0.0%
Equipment & Intangible Assets	65,205	-	65,205	0.0%
Transfers	297,000	-	297,000	0.0%
Animal Health Division Total	7,560,452	-	7,560,452	0.0%
<b><u>Brands Enforcement Division</u></b>				
Personal Services	3,548,069	-	3,548,069	0.0%
Operating Expenses	669,514	-	669,514	0.0%
Brands Enforcement Division Total	4,217,583	-	4,217,583	0.0%
Agency Total	\$14,025,800	\$0	\$14,025,800	0.0%

The agency made no modifications affecting the base budget.

*Executive Request*

The executive proposes an increase for the biennium of 8.7% or \$2.5 million in total expenditures and an increase of 5.00 FTE.

In addition to statewide present law adjustments, the executive proposes increasing the number of meat and poultry inspectors from 12.00 FTE to 16.00 FTE. In Montana, in addition to verifying meat and poultry operations meet state standards, inspectors are also authorized by the United States Department of Agriculture (USDA) to inspect operations on their behalf, allowing the operations to use the USDA stamp. Increased federal funding during the 2023 biennium for local Montana meat processing operations has increased the requirement for inspections of meat and poultry operations. Also included in the budget, is additional funding to cover the operating cost of meat and poultry inspections. These proposals are funded with general fund and federal special revenue.

The executive also proposes to increase livestock market staff by 1.00 FTE. Market staff oversee and regulate market operations. This additional FTE would be funded from state special revenue generated primarily from market inspection fees. The executive also requests authority for overtime pay for the Brands Division inspectors.

One-time-only proposals include funding for a new veterinary truck, diagnostic equipment for the Montana Veterinary

Diagnostic Laboratory, and equipment upgrades for the brands staff. The veterinary truck would replace existing equipment that is 13 years old and has high mileage. The laboratory equipment will replace obsolete and end of life equipment that is used to detect and identify microorganisms. New brands staff equipment include law enforcement radios, livestock trailers, and other equipment. These one-time-only appropriations are funded with state special revenue generated from fees for service.

The executive proposes additional general fund for the Livestock Loss Board operations.

The proposed budget includes additional funding for Montana’s Designated Surveillance Area (DSA). The DSA is an area in Southwest Montana where brucellosis infected wildlife (Yellowstone National Park wild bison and infected elk) exist and can expose cattle and domestic bison to the disease of brucellosis. As a result, cattle and domestic bison in the region are required to participate in Montana’s brucellosis testing program.

*5.0% Reduction Plan*

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5.0%. A summary of the entire 2025 biennium 5.0% plan submitted for this agency can be found Online at the Section C subcommittee page on “Tab 4 Materials.”

The Department of Livestock 5% plan reduces general fund by \$154,324 annually through the elimination of positions in meat and milk inspection, a microbiologist, and reduces funding for brucella testing, and support for the Livestock Loss Board. These reductions would also reduce state special revenue by \$8,124 each year.

*Agency Goals and Objectives*

Statute requires that agencies submit a statement of the agency mission and a statement of goals and objectives for each program of the agency. The goals and objectives are required to be concise, specific, quantifiable, and measurable. Goals and objectives, submitted by the agency, are included in the agency profile webpage.

**Agency Personal Services**

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

- Legislatively approved changes – This category includes adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs included in the FY 2023 statewide pay plan adjustments, changes to benefit rates, increases in pay approved by the legislature, longevity adjustments required by statute, and changes in rates for workers’ compensation and unemployment insurance
- Management decisions – This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring full time equivalent (FTE) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications – This category includes other modifications to the FY 2023 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or transfers to move personal services funding to or from other expenditure categories (e.g. moving funding from operating expenses to personal services)

The figure below shows the analysis of the executive budget for personal services for each program.

Department of Livestock DP1 for FY 2024				
Division	Legislative Changes	Management Decisions	Total Budget Modifications	Total Personal Service Changes
Centralized Services	\$1,056	\$999	\$0	\$2,055
Animal Health	67,763	140,057	-	207,820
Brands Enforcement	46,734	172,680	-	219,414
Total	\$115,553	\$313,736	\$0	\$429,289

In FY 2023 the Department of Livestock was appropriated \$9.7 million to fund 132.87 FTE, the personal services budget represented 67.7% of total appropriations. The executive proposes SWPL adjustments to increase personal services by \$429,289 in FY 2024 and \$478,800 in FY 2025. Management changes include negotiated pay adjustments, and corrections to inaccurate pay.

The Department of Livestock has 132.87 FTE currently funded in HB 2:

- Centralized Services Division – 17.00 FTE
- Animal Health Division – 62.76 FTE
- Brands Enforcement Division – 53.11 FTE

Of the total personal services hours available in FY 2022, the agency utilized 94.2%. At fiscal year end, the agency had 26.52 FTE vacant.

**Turnover FY 2022**

In FY 2022, the agency had 11 retirements and 17 employees leave state employment. Other adjustments in pay include longevity, retention adjustment, and adjustments for pay of new hires being lower than the senior staff that they replaced.

**Funding**

The following table shows proposed agency funding for all sources of authority.

Total Department of Livestock Funding by Source of Authority 2025 Biennium Budget Request - Department of Livestock						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	7,800,672	0	0	0	7,800,672	20.81 %
State Special Total	18,762,027	466,951	0	2,950,000	22,178,978	59.16 %
Federal Special Total	4,654,374	0	0	0	4,654,374	12.42 %
Proprietary Total	0	0	2,855,356	0	2,855,356	7.62 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$31,217,073</b>	<b>\$466,951</b>	<b>\$2,855,356</b>	<b>\$2,950,000</b>	<b>\$37,489,380</b>	
<b>Percent - Total All Sources</b>	<b>83.27 %</b>	<b>1.25 %</b>	<b>7.62 %</b>	<b>7.87 %</b>		

The Department of Livestock is funded with general fund, state special revenue, federal special revenue, and proprietary funding. General fund provides 25.0% of total HB 2 funds and 20.8% 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. State special revenue provides 60.1% of total HB 2 funds and 59.2% of total funding. State special revenue is primarily from taxes and fees assessed to livestock owners. Two state special revenue funds comprise 89.0% of all state special revenues in the HB2 budget, the livestock per capita fee, which is assessed on a per animal basis, and fees charged for inspections and brand recording.

**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.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	3,408,236	3,408,236	6,816,472	87.38 %	14,025,800	14,025,800	28,051,600	88.54 %
SWPL Adjustments	194,973	225,970	420,943	5.40 %	916,356	950,462	1,866,818	5.89 %
PL Adjustments	166,000	164,000	330,000	4.23 %	361,000	359,000	720,000	2.27 %
New Proposals	116,590	116,667	233,257	2.99 %	756,184	289,422	1,045,606	3.30 %
<b>Total Budget</b>	<b>\$3,885,799</b>	<b>\$3,914,873</b>	<b>\$7,800,672</b>		<b>\$16,059,340</b>	<b>\$15,624,684</b>	<b>\$31,684,024</b>	

**Program Biennium Comparison**

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	2,709,784	2,845,635	135,851	5.01 %
Operating Expenses	1,519,353	1,686,573	167,220	11.01 %
Equipment & Intangible Assets	150,000	0	(150,000)	(100.00)%
Transfers	204,962	204,962	0	0.00 %
<b>Total Expenditures</b>	<b>\$4,584,099</b>	<b>\$4,737,170</b>	<b>\$153,071</b>	<b>3.34 %</b>
General Fund	253,565	294,708	41,143	16.23 %
State/Other Special Rev. Funds	4,330,534	4,442,462	111,928	2.58 %
<b>Total Funds</b>	<b>\$4,584,099</b>	<b>\$4,737,170</b>	<b>\$153,071</b>	<b>3.34 %</b>
<b>Total Ongoing</b>	<b>\$4,414,099</b>	<b>\$4,737,170</b>	<b>\$323,071</b>	<b>7.32 %</b>
<b>Total OTO</b>	<b>\$170,000</b>	<b>\$0</b>	<b>(\$170,000)</b>	<b>(100.00)%</b>

**Program Description**

The Centralized Services Division is responsible for overall department administration, budgeting, accounting, payroll, personnel, legal services, purchasing, information technology, public information, risk management, contract administration, and general services for the department. The Board of Milk Control and the Livestock Loss Board are administratively attached to the department. The Milk Control Bureau staff and the Livestock Loss Board (LLB) staff are part of the Centralized Services Division. The Livestock Loss Board provides compensation and prevention funding for predation losses to livestock producers from wolves, grizzlies, and mountain lions. The Board of Milk Control regulates producer pricing of milk (prices paid to dairy farmers) and fair-trade practices for the sale of all dairy products in Montana. The Predator Control Program is administered by the Board of Livestock and the executive officer.

**Program Highlights**

<b>Centralized Services Division Major Budget Highlights</b>
<p>The executive proposes an increase of 3.3% or \$153,100 in total appropriations when compared to the 2023 biennium including:</p> <ul style="list-style-type: none"> <li>• Statewide present law adjustments - \$211,600</li> <li>• Increased funding for operation of the Livestock Loss Board - \$30,000</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	17.00	17.00	17.00	17.00
Personal Services	1,289,684	1,293,083	1,416,701	1,418,756	1,426,879
Operating Expenses	507,851	780,770	738,583	871,943	814,630
Equipment & Intangible Assets	150,000	150,000	0	0	0
Transfers	100,476	102,481	102,481	102,481	102,481
<b>Total Expenditures</b>	<b>\$2,048,011</b>	<b>\$2,326,334</b>	<b>\$2,257,765</b>	<b>\$2,393,180</b>	<b>\$2,343,990</b>
General Fund	113,804	125,141	128,424	147,896	146,812
State/Other Special Rev. Funds	1,934,207	2,201,193	2,129,341	2,245,284	2,197,178
<b>Total Funds</b>	<b>\$2,048,011</b>	<b>\$2,326,334</b>	<b>\$2,257,765</b>	<b>\$2,393,180</b>	<b>\$2,343,990</b>
<b>Total Ongoing</b>	<b>\$1,888,011</b>	<b>\$2,166,334</b>	<b>\$2,247,765</b>	<b>\$2,393,180</b>	<b>\$2,343,990</b>
<b>Total OTO</b>	<b>\$160,000</b>	<b>\$160,000</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2022 Appropriation Compared to FY 2022 Actual Expenditures*

The Centralized Services Division expended 88.0% of its \$2.3 million HB 2 budget in FY 2022. Unexpended appropriations totaled \$278,300, primarily in state and federal special revenue. General fund authority was 90.9% expended. Operating expenses budgeted for the Centralized Services Division, which supports the Board of Livestock, the Milk Control Bureau, Livestock Loss Board, and administrative services for the agency, accounted for 95.4% or \$274,200 of the unexpended authority. Personal services were 99.7% expended leaving \$3,400 unexpended.

*FY 2022 Appropriations Compared to FY 2023 Appropriations*

Appropriations decreased by 2.9% or \$68,600 between FY 2022 and FY 2023 due primarily to a one-time-only appropriation of \$150,000 for the purchase of a helicopter for predator control budgeted in the first fiscal year of the 2023 biennium. Personal services increased 9.6% or \$123,600 between the first and second fiscal years of the 2023 biennium funded primarily with state special revenue. Authority of operations in support of boards, bureaus, and administration functions decreased by \$42,200.

*Executive Request*

In addition to statewide present law adjustments, the executive requests additional general fund to supplement the operations of the Livestock Loss Board.

**Program Personal Services**

Personal services appropriations in FY 2023 totaled \$1.4 million or 62.7% of total appropriations. The FY 2023 appropriation funded 17.00 FTE. The executive proposes SWPL adjustments that increase personal services by \$2,055 in FY 2024 and \$10,178 in FY 2025. In addition to legislative changes in pay, management made small adjustments for employee compensation. There is no change in FTE for the 2025 biennium.

**Funding**

The following table shows proposed agency funding for all sources of authority.

Department of Livestock, 01-Centralized Services Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	294,708	0	0	0	294,708	3.83 %
02117 Predatory Animal SSR	0	0	0	1,150,000	1,150,000	15.56 %
02124 LLB Restricted Special Revenue	0	0	0	1,200,000	1,200,000	16.23 %
02426 Lvstk Per Capita	3,914,262	0	0	0	3,914,262	52.95 %
02495 POOL SETTLEMENT FUND	0	0	0	0	0	0.00 %
02817 Milk Control Bureau	528,200	0	0	0	528,200	7.15 %
02125 Livestock Loss Reduction	0	0	0	400,000	400,000	5.41 %
02136 Wolf Mitigation Donation Fund	0	0	0	200,000	200,000	2.71 %
<b>State Special Total</b>	<b>\$4,442,462</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,950,000</b>	<b>\$7,392,462</b>	<b>96.17 %</b>
03345 LLRMB Fed Spec Rev Fund	0	0	0	0	0	0.00 %
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
06004 Electronic Government Services	0	0	0	0	0	0.00 %
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$4,737,170</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,950,000</b>	<b>\$7,687,170</b>	

The program is funded primarily with state special revenue, of which the primary source is 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**

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.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	128,424	128,424	256,848	87.15 %	2,247,765	2,247,765	4,495,530	94.90 %
SWPL Adjustments	3,472	4,388	7,860	2.67 %	129,415	82,225	211,640	4.47 %
PL Adjustments	16,000	14,000	30,000	10.18 %	16,000	14,000	30,000	0.63 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$147,896</b>	<b>\$146,812</b>	<b>\$294,708</b>		<b>\$2,393,180</b>	<b>\$2,343,990</b>	<b>\$4,737,170</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,016	1,039	0	2,055	0.00	1,873	8,305	0	10,178
DP 2 - Fixed Costs	0.00	1,758	93,728	0	95,486	0.00	1,743	34,723	0	36,466
DP 3 - Inflation Deflation	0.00	698	31,176	0	31,874	0.00	772	34,809	0	35,581
DP 102 - Livestock Loss Board Operations Augment	0.00	16,000	0	0	16,000	0.00	14,000	0	0	14,000
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$19,472</b>	<b>\$125,943</b>	<b>\$0</b>	<b>\$145,415</b>	<b>0.00</b>	<b>\$18,388</b>	<b>\$77,837</b>	<b>\$0</b>	<b>\$96,225</b>

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, 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: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 102 - Livestock Loss Board Operations Augment -

The executive proposes to increase the general fund appropriation to support operational expenses of the Livestock Loss Board.

**Program Biennium Comparison**

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	9,152,999	10,425,276	1,272,277	13.90 %
Operating Expenses	6,043,554	5,912,607	(130,947)	(2.17)%
Equipment & Intangible Assets	364,185	417,361	53,176	14.60 %
Transfers	537,000	594,000	57,000	10.61 %
<b>Total Expenditures</b>	<b>\$16,097,738</b>	<b>\$17,349,244</b>	<b>\$1,251,506</b>	<b>7.77 %</b>
General Fund	6,701,683	7,505,964	804,281	12.00 %
State/Other Special Rev. Funds	5,184,576	5,188,906	4,330	0.08 %
Federal Spec. Rev. Funds	4,211,479	4,654,374	442,895	10.52 %
<b>Total Funds</b>	<b>\$16,097,738</b>	<b>\$17,349,244</b>	<b>\$1,251,506</b>	<b>7.77 %</b>
<b>Total Ongoing</b>	<b>\$15,570,738</b>	<b>\$17,062,293</b>	<b>\$1,491,555</b>	<b>9.58 %</b>
<b>Total OTO</b>	<b>\$527,000</b>	<b>\$286,951</b>	<b>(\$240,049)</b>	<b>(45.55)%</b>

**Program Description**

The Animal Health & Food Safety Division (State Veterinarian Office) works with animal owners and veterinarians to prevent, control, and eradicate animal diseases, including those in bison and alternative livestock animals. The program cooperates with the Department of Public Health and Human Services, the Department of Fish, Wildlife and Parks, and the United States Department of Agriculture to protect human health from animal diseases transmissible to humans, including rabies and brucellosis by monitoring testing and enforcing animal quarantines. The division also regulates the importation of animals into Montana; ensures the production and sale of safe and wholesome products of animal agriculture including meat, poultry, and milk and their products; and enforces the laws of Montana relating to animal health and producing a safe and wholesome food supply.

**Program Highlights**

<b>Animal Health Division Major Budget Highlights</b>
<p>The executive proposes an increase of 7.8% or \$1.3 million in total appropriations when compared to the 2023 biennium including:</p> <ul style="list-style-type: none"> <li>• Statewide present law adjustments - \$969,300</li> <li>• Additional 4.00 FTE as meat and poultry inspectors - \$465,500</li> <li>• Funding for meat and poultry inspection operations - \$400,000</li> <li>• One-time-only appropriation for diagnostic laboratory equipment - \$237,000</li> <li>• Increased funding for brucellosis surveillance - \$100,000</li> <li>• One-time-only appropriation for a new veterinary truck - \$50,000</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	62.76	62.76	66.76	66.76
Personal Services	4,276,987	4,464,259	4,688,740	5,199,250	5,226,026
Operating Expenses	2,390,981	3,334,047	2,709,507	2,940,843	2,971,764
Equipment & Intangible Assets	0	266,980	97,205	352,156	65,205
Transfers	192,027	240,000	297,000	297,000	297,000
<b>Total Expenditures</b>	<b>\$6,859,995</b>	<b>\$8,305,286</b>	<b>\$7,792,452</b>	<b>\$8,789,249</b>	<b>\$8,559,995</b>
General Fund	2,972,668	3,341,871	3,359,812	3,737,903	3,768,061
State/Other Special Rev. Funds	2,074,627	2,867,967	2,316,609	2,731,400	2,457,506
Federal Spec. Rev. Funds	1,812,700	2,095,448	2,116,031	2,319,946	2,334,428
<b>Total Funds</b>	<b>\$6,859,995</b>	<b>\$8,305,286</b>	<b>\$7,792,452</b>	<b>\$8,789,249</b>	<b>\$8,559,995</b>
<b>Total Ongoing</b>	<b>\$6,859,995</b>	<b>\$8,010,286</b>	<b>\$7,560,452</b>	<b>\$8,502,298</b>	<b>\$8,559,995</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$295,000</b>	<b>\$232,000</b>	<b>\$286,951</b>	<b>\$0</b>

**Program Discussion -**

*FY 2022 Appropriations Compared to FY 2022 Actual Expenditures*

The animal health division expended 82.6% of its \$8.3 million HB 2 modified budget in FY 2022. Unexpended appropriation totaled \$1.4 million and includes operating expenses of \$943,100 and personal services of \$187,300.

*FY 2022 Appropriations Compared to FY 2023 Appropriations*

The FY 2023 appropriations decreased by 6.2% or \$512,800 when compared to FY 2022 appropriations. Decreases in federal authority for operating expenses and equipment are offset by increases for personal services.

*Executive Request*

The executive proposes to increase funding for the program by 7.8% or \$1.3 million and increase staff by 4.00 FTE.

New meat and poultry inspectors, totaling 4.00 FTE, would be funded from federal sources and matching general fund. Increases in general fund support operational cost of meat and poultry inspections.

Animal health programs include a proposed appropriation of state special revenue, which will allow the diagnostic laboratory to buy new equipment for the detection and identification of microbes, and general fund supporting the expansion of the designated surveillance area for brucellosis. Other requests include one-time-only funding for a new veterinary truck.

Other proposals include statewide present law adjustments and additional funding for fixed costs for the Chief Data Office and the State Management Training Center in the Department of Administration.

*Personal Services*

The executive proposes statewide present law adjustments that increase personal services by \$207,800 in FY 2024 and \$234,400 in FY 2025, funded by general fund, state special revenue, and federal special revenue. Increases are due to the legislative pay plan, increases in salary for negotiated changes, and adjustments to correct pay.

Staffing would also increase by 4.00 FTE funded with \$465,500 from federal sources and matching general funds.

**Funding**

The following table shows proposed agency funding for all sources of authority.

Department of Livestock, 04-Animal Health Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	7,505,964	0	0	0	7,505,964	37.15 %	
02262 Egg Shielded Grading Program	756,066	0	0	0	756,066	14.57 %	
02425 Inspection and Control	0	0	0	0	0	0.00 %	
02426 Lvstk Per Capita	3,372,795	286,951	0	0	3,659,746	70.53 %	
02427 Animal Health	11,442	0	0	0	11,442	0.22 %	
02701 Milk and Egg Inspection	761,652	0	0	0	761,652	14.68 %	
02817 Milk Control Bureau	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$4,901,955</b>	<b>\$286,951</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,188,906</b>	<b>25.68 %</b>	
03032 Animal Health Sp. Rev	30,302	0	0	0	30,302	0.65 %	
03209 Meat/Poultry Inspection Sp Rev	2,751,993	0	0	0	2,751,993	59.13 %	
03427 AH FEDERAL UMBRELLA	1,810,035	0	0	0	1,810,035	38.89 %	
03673 Small Federal Grants	62,044	0	0	0	62,044	1.33 %	
03710 NAIS	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$4,654,374</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,654,374</b>	<b>23.04 %</b>	
06026 MT Veterinary Diagnostic Lab	0	0	2,855,356	0	2,855,356	100.00 %	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,855,356</b>	<b>\$0</b>	<b>\$2,855,356</b>	<b>14.13 %</b>	
<b>Total All Funds</b>	<b>\$17,062,293</b>	<b>\$286,951</b>	<b>\$2,855,356</b>	<b>\$0</b>	<b>\$20,204,600</b>		

General fund supports 43.3% of the HB 2 appropriations and 37.2% of total funding. General fund primarily supports personal services and operations for the diagnostic laboratory, animal health programs, meat and poultry inspection, and information technology. State special revenues which support 29.9% of the HB 2 appropriations and 25.2% of total authority is generated from per head livestock tax and fees charged for milk and egg inspection. State special revenues are matched with federal funds for meat and poultry inspection and animal health. Non-budgeted proprietary funds are generated from fees for service at the Montana Veterinary Diagnostic Laboratory.

**Program Budget Summary by Category**

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

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	3,279,812	3,279,812	6,559,624	87.39 %	7,560,452	7,560,452	15,120,904	87.16 %
SWPL Adjustments	191,501	221,582	413,083	5.50 %	455,886	513,428	969,314	5.59 %
PL Adjustments	150,000	150,000	300,000	4.00 %	250,000	250,000	500,000	2.88 %
New Proposals	116,590	116,667	233,257	3.11 %	522,911	236,115	759,026	4.38 %
<b>Total Budget</b>	<b>\$3,737,903</b>	<b>\$3,768,061</b>	<b>\$7,505,964</b>		<b>\$8,789,249</b>	<b>\$8,559,995</b>	<b>\$17,349,244</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	82,885	57,878	67,058	207,821	0.00	92,833	67,046	74,563	234,442
DP 2 - Fixed Costs	0.00	36,949	79,885	14,548	131,382	0.00	36,591	79,225	14,348	130,164
DP 3 - Inflation Deflation	0.00	71,667	22,077	22,939	116,683	0.00	92,158	26,626	30,038	148,822
DP 404 - M&PI Operational Augment	0.00	100,000	0	100,000	200,000	0.00	100,000	0	100,000	200,000
DP 405 - DSA Augment	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$341,501</b>	<b>\$159,840</b>	<b>\$204,545</b>	<b>\$705,886</b>	<b>0.00</b>	<b>\$371,582</b>	<b>\$172,897</b>	<b>\$218,949</b>	<b>\$763,428</b>

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, 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: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 404 - M&PI Operational Augment -

The executive proposes increase appropriation to fund operational increases related to meat and poultry inspections. This proposal would be funded from the general fund and federal sources.

DP 405 - DSA Augment -

The executive requests general fund to augment the additional brucellosis testing and increased cost of the screening test in Montana's Designated Surveillance Area.

**New Proposals**

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	245	0	3,026	3,271	0.00	245	0	3,026	3,271
DP 401 - MVDL Lab Equipment Purchase (OTO/BIEN)	0.00	0	236,951	0	236,951	0.00	0	0	0	0
DP 403 - Additional Meat & Poultry Inspectors	4.00	116,345	0	116,344	232,689	4.00	116,422	0	116,422	232,844
DP 406 - Vet Truck Purchase (OTO/BIEN)	0.00	0	50,000	0	50,000	0.00	0	0	0	0
<b>Total</b>	<b>4.00</b>	<b>\$116,590</b>	<b>\$286,951</b>	<b>\$119,370</b>	<b>\$522,911</b>	<b>4.00</b>	<b>\$116,667</b>	<b>\$0</b>	<b>\$119,448</b>	<b>\$236,115</b>

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

DP 99 - New Fixed Costs -

The executive requests appropriations for the agency to provide funding for a new fixed cost for the Chief Data Office. Additionally, the executive requests appropriations of \$6,452 for the agency to provide funding for a new fixed cost for the State Management Training Center. This appropriation is offset by a reduction to the existing training budget in the agency. The rates charged for this service are approved in the section of the budget that provides the services.

DP 401 - MVDL Lab Equipment Purchase (OTO/BIEN) -

The executive proposes a one-time-only appropriation of state special revenue to purchase equipment for the diagnostic laboratory. The equipment will be used by the Montana Veterinary Diagnostic Laboratory to identify microorganisms. The equipment will replace obsolete and end of life equipment currently in use.

<b>LFD COMMENT</b>	The legislature may wish to add a designation of restricted to this proposal, which would restrict the use of this appropriation for its intended purpose.
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DP 403 - Additional Meat & Poultry Inspectors -

The executive proposes an increase of 4.00 FTE, meat & poultry inspectors, funded with general fund and federal special revenue to meet the continued growth in requested inspections.

DP 406 - Vet Truck Purchase (OTO/BIEN) -

The executive proposes a one-time-only appropriation of state special revenue to purchase a truck for the Animal Health Bureau Veterinarian. The truck will require extensive modifications which precludes leasing it from the motor pool. This will replace the current vehicle which is thirteen years old and has high milage.

<b>LFD COMMENT</b>	The legislature may wish to add a designation of restricted to this proposal, this would restrict the use of this appropriation for its intended purpose.
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**Program Biennium Comparison**

The following table compares the 2023 biennium appropriated budget to the 2025 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 22-23	Requested Budget 24-25	Biennium Change	Biennium % Change
Personal Services	7,241,587	7,845,411	603,824	8.34 %
Operating Expenses	1,230,679	1,602,199	371,520	30.19 %
Equipment & Intangible Assets	0	150,000	150,000	0.00 %
<b>Total Expenditures</b>	<b>\$8,472,266</b>	<b>\$9,597,610</b>	<b>\$1,125,344</b>	<b>13.28 %</b>
State/Other Special Rev. Funds	8,472,266	9,597,610	1,125,344	13.28 %
<b>Total Funds</b>	<b>\$8,472,266</b>	<b>\$9,597,610</b>	<b>\$1,125,344</b>	<b>13.28 %</b>
<b>Total Ongoing</b>	<b>\$8,423,654</b>	<b>\$9,417,610</b>	<b>\$993,956</b>	<b>11.80 %</b>
<b>Total OTO</b>	<b>\$48,612</b>	<b>\$180,000</b>	<b>\$131,388</b>	<b>270.28 %</b>

**Program Description**

The Brands Enforcement Division provides the livestock industry with professional law enforcement and investigative work in tracking livestock ownership and in the deterrence and/or resolution of related criminal activities. It conducts, collects, documents, audits, and evaluates compliance on brand inspections and permits for Montana livestock. It also maintains the official record of Montana brands and security interest filings of branded livestock, and licenses livestock markets and dealers.

**Program Highlights**

<b>Brands Enforcement Division Major Budget Highlights</b>
<p>The executive proposes an increase of 13.3% or \$1.1 million in total appropriations when compared to the 2023 biennium including</p> <ul style="list-style-type: none"> <li>• Statewide present law adjustments - \$685,900</li> <li>• Funding for over time for the brands division - \$190,000</li> <li>• One-time-only authority for equipment upgrades for enforcement and market operations - \$180,000</li> <li>• 1.00 FTE for market operations staff - \$105,700</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the expenditures requested for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Request Fiscal 2024	Request Fiscal 2025
FTE	0.00	53.11	53.11	54.11	54.11
Personal Services	3,679,515	3,693,518	3,548,069	3,915,305	3,930,106
Operating Expenses	554,767	561,165	669,514	811,606	790,593
Equipment & Intangible Assets	0	0	0	150,000	0
<b>Total Expenditures</b>	<b>\$4,234,282</b>	<b>\$4,254,683</b>	<b>\$4,217,583</b>	<b>\$4,876,911</b>	<b>\$4,720,699</b>
State/Other Special Rev. Funds	4,234,282	4,254,683	4,217,583	4,876,911	4,720,699
<b>Total Funds</b>	<b>\$4,234,282</b>	<b>\$4,254,683</b>	<b>\$4,217,583</b>	<b>\$4,876,911</b>	<b>\$4,720,699</b>
<b>Total Ongoing</b>	<b>\$4,198,665</b>	<b>\$4,206,071</b>	<b>\$4,217,583</b>	<b>\$4,696,911</b>	<b>\$4,720,699</b>
<b>Total OTO</b>	<b>\$35,617</b>	<b>\$48,612</b>	<b>\$0</b>	<b>\$180,000</b>	<b>\$0</b>

**Program Discussion -**

*FY 2022 Appropriations Compared to FY 2022 Actual Expenditures*

The Brands Enforcement Division expended 99.5% of the \$4.3 million HB 2 appropriation in FY 2022. Unexpended appropriations totaling \$20,400 include \$14,000 for personal services and \$64,400 for operating expenditures.

*FY 2022 Appropriations Compared to FY 2023 Appropriations*

FY 2023 appropriations decreased by 0.9% or \$37,100 when compared to FY 2022 appropriations. Increases for operations were offset by decreases in personal services.

*Executive Request*

In addition to statewide present law adjustments the Executive proposes an increase of 1.00 FTE for to regulate livestock markets, one-time-only authority for law enforcement equipment upgrades, and additional overtime.

*Personal Services*

The executive proposes statewide present law adjustments that increase personal services by \$219,400 in FY 2024 and \$234,200 in FY 2025. Adjustments include legislative changes, and management changes resulting from negotiated changes to base pay.

**Funding**

The following table shows proposed agency funding for all sources of authority.

Department of Livestock, 06-Brands Enforcement Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	0	0	0	0	0	0.00 %
02425 Inspection and Control	6,642,681	180,000	0	0	6,822,681	71.09 %
02426 Lvstk Per Capita	2,774,929	0	0	0	2,774,929	28.91 %
<b>State Special Total</b>	<b>\$9,417,610</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,597,610</b>	<b>100.00 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$9,417,610</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,597,610</b>	

The program is funded with revenue generated from fees 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**

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.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	0	0	0	0.00 %	4,217,583	4,217,583	8,435,166	87.89 %
SWPL Adjustments	0	0	0	0.00 %	331,055	354,809	685,864	7.15 %
PL Adjustments	0	0	0	0.00 %	95,000	95,000	190,000	1.98 %
New Proposals	0	0	0	0.00 %	233,273	53,307	286,580	2.99 %
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$4,876,911</b>	<b>\$4,720,699</b>	<b>\$9,597,610</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	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	219,413	0	219,413	0.00	0	234,180	0	234,180
DP 2 - Fixed Costs	0.00	0	69,644	0	69,644	0.00	0	68,955	0	68,955
DP 3 - Inflation Deflation	0.00	0	41,998	0	41,998	0.00	0	51,674	0	51,674
DP 602 - Brands Division Overtime Augment	0.00	0	95,000	0	95,000	0.00	0	95,000	0	95,000
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$426,055</b>	<b>\$0</b>	<b>\$426,055</b>	<b>0.00</b>	<b>\$0</b>	<b>\$449,809</b>	<b>\$0</b>	<b>\$449,809</b>

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

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2023 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, 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: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 602 - Brands Division Overtime Augment -

The executive proposes state special revenue for overtime expense for the Brands Division’s Market Enforcement staff.

**New Proposals**

The “New Proposals” table shows new proposals for spending.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	0	450	0	450	0.00	0	450	0	450
DP 601 - Brands Equipment Upgrades (OTO/BIEN)	0.00	0	180,000	0	180,000	0.00	0	0	0	0
DP 603 - Additional Market Staff	1.00	0	52,823	0	52,823	1.00	0	52,857	0	52,857
<b>Total</b>	<b>1.00</b>	<b>\$0</b>	<b>\$233,273</b>	<b>\$0</b>	<b>\$233,273</b>	<b>1.00</b>	<b>\$0</b>	<b>\$53,307</b>	<b>\$0</b>	<b>\$53,307</b>

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

DP 99 - New Fixed Costs -

The executive requests appropriations for the agency to provide funding for a new fixed cost for the Chief Data Office. Additionally, the executive requests appropriations of \$900 for the agency to provide funding for a new fixed cost for the State Management Training Center. This appropriation is offset by a reduction to the existing training budget in the agency. The rates charged for this service are approved in the section of the budget that provides the services.

DP 601 - Brands Equipment Upgrades (OTO/BIEN) -

The executive proposes a one-time-only appropriation of state special revenue to fund equipment upgrades for enforcement and market operations. The funding would purchase law enforcement radios, livestock trailers, and other equipment.

<b>LFD COMMENT</b>	The legislature may wish to add a designation of restricted to this proposal, which would restrict the use of this appropriation for the intended purpose.
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DP 603 - Additional Market Staff -

The executive proposes an appropriation of state special revenue to fund 1.00 FTE to be part of the Brands Market staff. The new FTE will help regulate at the markets with increasing activity.