



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

Room 110 Capitol Building \* P.O. Box 201711 \* Helena, MT 59620-1711 \* (406) 444-2986 \* FAX (406) 444-3036

**Director**  
AMY CARLSON

DATE: March 13, 2024  
TO: Section A – Interim Budget Committee  
FROM: Molly DelCurto, Fiscal Analyst  
RE: Budget Amendment Authority

This memo outlines the criteria for approving budget amendments to grant additional budget authority for unanticipated revenue, in accordance with 17-7-402, MCA. The following reasons have been identified in statute as valid justification for budget amendment authority:

1. Agency receives additional federal revenue
2. Additional tuition is collected by the Montana University System
3. Additional revenue is deposited in the internal service funds within the department or the Office of Commissioner of Higher Education due to increased service demands by state agencies
4. Montana Historical Society enterprise revenue resulting from sales to the public
5. Additional revenue is received in funds other than the general fund from the sale of fuel to other agencies participating in the Montana Public Vehicle Fueling Program
6. Revenue from the sale of goods produced or manufactured by the industries program of an institution within the Department of Corrections
7. Revenue from the State Grain Laboratory, Water Pollution Control State Revolving Fund Act, and Drinking Water State Revolving Fund Act
8. State special revenue adjustments for costs associated with leave or terminal leave in accordance with federal grant requirements
9. Revenue from fees collected by the Department of Justice for dissemination of criminal history record information
10. Additional state special revenue funds identified in Chapter 573, Laws of 2021 (only applies to budget amendments for FY 2022 and FY 2023)

However, it is important to note that a budget amendment may not be approved under the following circumstances:

1. If it will cause a significant increase in any present or future general fund support
2. To increase state special revenue fund unless:
  - a. In the case of an emergency
  - b. For a reason listed above
  - c. Money is from non-state/non-federal sources
3. If the requesting agency had knowledge at the time when a proposal could have been made to an appropriation subcommittee, House Appropriations Committee, or Senate Finance and Claims

A budget amendment may establish additional funding as well as authority for FTE, which will be reported under the budget amendment source of authority.

It should be noted that budget amendment authority is different than making a budget change to HB 2 authority. Budget amendment authority is its own source of authority and as such is presented separately from HB 2 authority. Changes made to HB 2 may come in the form of one of the following:

- Operating plan change – movement of funding between accounts or establishment of modified FTE
- Program transfer – movement of funding or FTE between programs within an agency
- Reorganization – transfer of function between programs or a transfer of 5.00 FTE or more
- House adjustments – movement between funds and/or subclasses, as well as between expenditure accounts