

## APPENDIX

### GENERAL FUND REVENUE ESTIMATES

The table below shows the general fund estimates contained in [HJ 2](#) by revenue category. Actual FY 2014 collections are shown, along with projections for FY 2015 through 2017.

General Fund Revenue Estimates by Source as Contained in HJ 2 (\$ Millions)						
Source of Revenue	Actual FY 2014	Estimated FY 2015	Estimated FY 2016	Estimated FY 2017	Estimated 2015 Bien	Estimated 2017 Bien
<b>Largest Seven Sources</b>						
Individual Income Tax	\$1,063.284	\$1,142.481	\$1,229.127	\$1,311.185	\$2,205.765	\$2,540.312
Property Tax	250.344	250.239	242.929	252.480	500.582	495.409
Corporation Income Tax	147.548	154.272	179.829	156.851	301.820	336.680
Vehicle Taxes & Fees	101.088	103.500	106.200	108.600	204.588	214.800
Oil & Natural Gas Production Tax	109.606	78.811	59.250	68.589	188.417	127.839
Insurance Tax & License Fees	60.873	67.787	72.325	74.877	128.660	147.202
Video Gambling Tax	57.147	60.029	62.007	64.966	117.175	126.973
<b>Other Business Taxes</b>						
Driver's License Fee	4.051	4.395	4.081	4.465	8.446	8.547
Investment License Fee	7.115	7.257	7.412	7.567	14.372	14.978
Lodging Taxes	17.725	20.079	21.872	23.835	37.804	45.707
Public Contractors Tax	0.887	2.817	3.560	3.476	3.704	7.036
Railroad Car Tax	2.418	3.641	3.741	3.883	6.059	7.624
Rental Car Sales Tax	3.521	3.714	3.818	4.012	7.235	7.830
Telecommunications Excise Tax	19.657	19.239	18.999	18.842	38.896	37.841
<b>Other Natural Resource Taxes</b>						
Coal Severance Tax	14.745	15.629	16.164	16.642	30.374	32.806
Electrical Energy Tax	4.280	4.738	4.580	4.553	9.018	9.132
Metalliferous Mines Tax	7.948	8.238	8.311	7.918	16.185	16.228
US Mineral Royalty	27.744	26.109	24.069	24.675	53.852	48.744
Wholesale Energy Tax	3.112	3.623	3.595	3.565	6.735	7.160
<b>Other Interest Earnings</b>						
Coal Trust Interest	21.996	20.470	19.842	22.485	42.465	42.326
Treasury Cash Account Interest	1.756	1.605	8.527	20.786	3.361	29.312
<b>Other Consumption Taxes</b>						
Beer Tax	3.023	3.095	3.129	3.189	6.118	6.318
Cigarette Tax	30.623	30.713	31.036	30.453	61.336	61.490
Liquor Excise & License Tax	18.418	18.950	19.472	20.300	37.368	39.771
Liquor Profits	10.500	10.663	11.035	11.530	21.163	22.565
Lottery Profits	12.091	12.177	11.631	13.439	24.268	25.070
Tobacco Tax	5.929	6.233	6.396	6.559	12.163	12.954
Wine Tax	2.250	2.298	2.363	2.434	4.548	4.797
<b>Other Sources</b>						
All Other Revenue	37.320	40.096	37.119	37.133	77.416	74.252
Highway Patrol Fines	4.142	4.224	4.255	4.251	8.366	8.506
Nursing Facilities Fee	4.961	4.859	4.756	4.654	9.820	9.410
Public Institution Reimbursements	17.298	16.630	16.606	16.570	33.928	33.176
Tobacco Settlement	3.646	3.176	3.145	3.115	6.822	6.260
<b>Total General Fund</b>	<b>\$2,077.044</b>	<b>\$2,151.786</b>	<b>\$2,251.181</b>	<b>\$2,357.877</b>	<b>\$4,228.830</b>	<b>\$4,609.057</b>

## LEGISLATIVELY AUTHORIZED POSITIONS

The table on the following page summarizes the actions related to legislatively authorized positions or full-time-equivalent (FTE) adjustments included in HB 2. The computer system began with positions authorized before the reduction in FTE established by the 2013 session was implemented. The 2015 biennium 4% FTE reductions are shown in the second column labeled "4 % FTE". The net remaining FTE for the starting point are in the third column, which was adjusted with legislative action as either ongoing or one-time-only. The legislature adjusted FTE from this starting point as either ongoing FTE or one-time-only FTE.

After the establishing the starting point of 11,796.6 FTE the legislature added a net increase of 97.8 ongoing FTE over the biennium or less than a 1% increase. In addition the legislature added 184.6 one-time-only FTE of which 138.7 are associated with the one-time-only decisions in the Department of Livestock. From the FTE starting point the legislature added in total 282.4 FTE or a 2.4% increase for the 2017 biennium.

The largest increases from the starting point were the following:

- Department of Health and Human Services for increased services in adult mental health facilities: 82.7 FTE
- Office of Public Defender to address caseload increases: 27.4 FTE
- Judicial Branch for information technology, the court help program and the movement of juvenile delinquency intervention program from Corrections: 16.5 FTE
- Corrections to address workload issues in probation and parole, health services and correctional officers: 13.5 FTE

There was one large decrease of 28.5 FTE from the starting point in the Department of Labor and Industries. This included:

- 33.0 FTE transferred out of HB 2 to a proprietary function within the Technology Services Division
- 2.0 FTE eliminated due to long-term vacancy
- 6.50 FTE eliminated due to lack of federal funding

These reductions were offset by the addition of 13.0 FTE to implement the workforce development provisions of SB 405 (HELP Act).

**Full Time Equivalent (FTE) Positions, 2017 Biennium Budget**

	2015 Biennium			2017 Biennium					Net Change from Starting Point
	FY 2015	4% FTE	FTE Starting Point	Ongoing FTE Changes	FTE Total	Change from budget starting point	OTO FTE Changes	Total Biennial FTE	
<b>Section A</b>									
11040 LEGISLATIVE BRANCH	134.2	-	134.2	(1.0)	133.2	(1.0)	-	133.2	(1.0)
11120 CONSUMER COUNSEL	5.5	-	5.5	-	5.5	-	-	5.5	-
31010 GOVERNOR'S OFFICE	58.1	-	58.1	-	58.1	-	-	58.1	-
32010 SECRETARY OF STATE	-	-	-	-	-	-	-	-	-
32020 COMMISSIONER OF POLITICAL PRACTICES	6.0	-	6.0	-	6.0	-	-	6.0	-
34010 STATE AUDITOR'S OFFICE	87.8	(3.3)	84.5	1.5	86.0	1.5	(5.0)	81.0	(3.5)
58010 DEPARTMENT OF REVENUE	670.3	(24.7)	645.6	3.0	648.6	3.0	-	648.6	3.0
61010 DEPARTMENT OF ADMINISTRATION	149.1	(6.2)	142.9	1.1	144.1	1.1	-	144.1	1.1
65010 DEPARTMENT OF COMMERCE	49.3	(2.2)	47.0	-	47.0	-	3.0	50.0	3.0
66020 DEPARTMENT OF LABOR AND INDUSTRY	751.6	(30.0)	721.6	(28.5)	693.1	(28.5)	-	693.1	(28.5)
67010 DEPARTMENT OF MILITARY AFFAIRS	199.2	(4.5)	194.7	5.5	200.2	5.5	-	200.2	5.5
<b>Section B</b>									
69020 ECONOMIC SECURITY SERVICES BRANCH	1,179.5	(38.2)	1,141.3	-	1,141.3	-	8.0	1,149.3	8.0
69040 DIRECTOR'S OFFICE	46.3	(0.8)	45.5	-	45.5	-	-	45.5	-
69060 OPERATIONS SERVICES BRANCH	257.3	(10.5)	246.8	-	246.8	-	-	246.8	-
69070 PUBLIC HEALTH AND SAFETY	192.0	(7.4)	184.5	(3.5)	181.0	(3.5)	-	181.0	(3.5)
69110 MEDICAID AND HEALTH SERV BRANCH	1,248.6	(11.9)	1,236.7	82.7	1,319.4	82.7	-	1,319.4	82.7
<b>Section C</b>									
52010 DEPT OF FISH, WILDLIFE, & PARKS	701.3	(20.5)	680.8	5.9	686.6	5.9	-	686.6	5.9
53010 DEPT OF ENVIRONMENTAL QUALITY	383.5	(17.9)	365.6	-	365.6	-	-	365.6	-
54010 DEPARTMENT OF TRANSPORTATION	2,129.3	(79.0)	2,050.3	5.1	2,055.3	5.1	-	2,055.3	5.1
56030 DEPARTMENT OF LIVESTOCK*	138.5	-	-	2.0	2.0	2.0	138.7	140.7	140.7
57060 NAT RESOURCES AND CONSERVATION	542.8	(18.9)	523.9	1.5	525.4	1.5	-	525.4	1.5
62010 DEPARTMENT OF AGRICULTURE	118.5	(3.8)	114.7	-	114.7	-	1.0	115.7	1.0
<b>Section D</b>									
21100 JUDICIAL BRANCH	422.6	-	422.6	13.5	436.1	13.5	3.0	439.1	16.5
41070 CRIME CONTROL DIVISION	17.5	-	17.5	-	17.5	-	-	17.5	-
41100 DEPARTMENT OF JUSTICE	771.9	(18.4)	753.4	3.0	756.4	3.0	1.0	757.4	4.0
42010 PUBLIC SERVICE COMMISSION	40.0	(1.6)	38.4	-	38.4	-	-	38.4	-
61080 OFFICE OF STATE PUBLIC DEFENDER*	217.5	(9.0)	208.5	-	208.5	-	27.4	235.9	27.4
64010 DEPARTMENT OF CORRECTIONS	1,281.9	(16.9)	1,265.0	2.0	1,267.0	2.0	7.5	1,274.5	9.5
<b>Section E</b>									
35010 OFFICE OF PUBLIC INSTRUCTION	163.4	(6.8)	156.5	3.0	159.5	3.0	-	159.5	3.0
51010 BOARD OF PUBLIC EDUCATION	4.0	-	4.0	(1.0)	3.0	(1.0)	-	3.0	(1.0)
51020 COMMISSIONER OF HIGHER EDUCATION	93.9	(4.0)	89.9	-	89.9	-	-	89.9	-
51130 SCHOOL FOR THE DEAF & BLIND	88.6	-	88.6	-	88.6	-	-	88.6	-
51140 MONTANA ARTS COUNCIL	7.0	-	7.0	-	7.0	-	-	7.0	-
51150 MONTANA STATE LIBRARY	30.8	(1.3)	29.5	1.0	30.5	1.0	-	30.5	1.0
51170 MONTANA HISTORICAL SOCIETY	60.8	(2.4)	58.4	1.0	59.4	1.0	-	59.4	1.0
<b>Grand Total</b>	<b>12,248.2</b>	<b>(340.2)</b>	<b>11,769.6</b>	<b>97.8</b>	<b>11,867.3</b>	<b>97.8</b>	<b>184.6</b>	<b>12,051.9</b>	<b>282.4</b>

\*The legislature set the Department of Livestock's base budget, including FTE at zero and designated most additional FTE as one-time-only. 4% reduction.

\*The legislature designated the Office of State Public Defender budget as one-time-only. The FTE are counted as on-going, except those specifically appropriated as OTO.

## VACANCY SAVINGS

The legislature has historically used vacancy savings as a budgeting tool to capture savings from personal services expenses. From the 2005 biennium to the 2013 biennium, the rate was consistent and thus budgets remained funded at the same 96% of full funding of all “authorized positions”.

In the 2013 session the legislature removed the “authorized positions” associated with the standard 4% vacancy savings and then took an additional 2% vacancy savings. Thus the net impact to the personal services budgets in the 2015 biennium was to be funded 2% less than prior biennia with “authorized positions” 4% lower.

In the 2015 session the legislature funded the same positions approved in the 2013 session at the current salary amount, plus any additional positions authorized and maintained vacancy savings at 2%. This maintained consistency with the previous biennia and the relative funding of authorized positions remained the same.

It should be noted that while the final outcome of the session is as stated above, the budgets after subcommittee action were very different. The subcommittee action adopted no vacancy savings for authorized positions, but adopted salary levels consistent with prior biennia pay plan funding levels. This resulted in personal services costs approximately 2% lower than the executive current salaries with no vacancy savings. As part of the final negotiations the legislative and executive branches agreed on two items to achieve the final results discussed above: 1) an additional \$11.4 million appropriation on page A-2 item 4.b. of HB 2 in total funds (\$4.0 million general fund) to the executive to cover any areas of shortfall in detailed budgets and 2) Section 3 of HB 2 that the current executive salaries were budgeted with an imposed 2% vacancy savings.

## ONE-TIME-ONLY APPROPRIATIONS

The legislature appropriated \$158.6 million from the all funds budget for HB 2 on a one-time-only (OTO) basis in the 2017 biennium. Additional discussion of each can be found in the narratives for the individual agencies listed. The legislature also appropriated \$166.1 million all funds in other legislation.

### HB 2

One-Time-Only Appropriations in HB 2 2017 Biennium (\$ Millions)			
HB 2	Present Law Adjustments	New Proposals	Total
<u>Section A</u>			
11040 LEGISLATIVE BRANCH			
ETIC/EQC Carbon Dioxide Study (Restricted/Biennial/OTO)	-	\$0.010	\$0.010
32010 SECRETARY OF STATE			
HAVA Interest (Restricted/OTO)	-	0.210	0.210
34010 STATE AUDITOR'S OFFICE			
Equipment (OTO)	\$0.040	-	0.040
Insure Montana (OTO)	-	4.500	4.500
58010 DEPARTMENT OF REVENUE			
Fiscal Note Overtime (Restricted/OTO)	0.070	-	0.070
Liquor Division Overtime (Restricted/Biennial/OTO)	0.150	-	0.150
Liquor Division Termination Payouts (Restricted/Biennial/OTO)	0.060	-	0.060
Operating Cost Adjustments/Life Cycle (OTO)	0.101	-	0.101
Server Replacements (Restricted/OTO)	0.754	-	0.754
61010 DEPARTMENT OF ADMINISTRATION			
Governor-Elect Program ( Restricted/OTO)	0.050	-	0.050
Lottery Conversion to New Gaming System (Restricted/OTO)	0.200	-	0.200
Lottery Coronis Terminals (Restricted/OTO)	0.336	-	0.336
New Tickets (Restricted/OTO)	0.703	-	0.703
Rent for the Common Areas (Restricted/OTO)	3.260	-	3.260
65010 DEPARTMENT OF COMMERCE			
Capital Improvement Grants (Restricted/Biennial/OTO)	-	1.500	1.500
Enhance Economic Development in Montana (Restricted/Biennial/OTO)	-	0.275	0.275
Indian Country Economic Development (Restricted/OTO)	-	1.600	1.600
Native Language Preservation (Restricted/OTO)	-	1.500	1.500
Primary Business Sector Training (Restricted/OTO)	-	1.200	1.200
66020 DEPARTMENT OF LABOR AND INDUSTRY			
Legal Cost Adjustment (Restricted/Biennial/OTO)	0.681	-	0.681
Overtime (Restricted/OTO)	0.100	-	0.100
67010 DEPARTMENT OF MILITARY AFFAIRS			
Funding Switch for Veterans' Affairs (OTO)	0.100	-	0.100
Subtotal	6.604	10.795	17.398
<u>Section B</u>			
69020 ECONOMIC SECURITY SERVICES BRANCH			
Child Care STARS to Quality (OTO)	-	2.400	2.400
Offices of Public Assistance (OTO)	-	0.862	0.862
69110 MEDICAID AND HEALTH SERVICES BRANCH			
Suicide Mortality Review Team (OTO)	0.067	-	0.067
Suicide Prevention Grants (OTO)	-	0.250	0.250
Subtotal	0.067	3.512	3.579

One-Time-Only Appropriations in HB 2 2017 Biennium (\$ Millions)			
HB 2	Present Law Adjustments	New Proposals	Total
<b>Section C</b>			
52010 DEPARTMENT OF FISH, WILDLIFE, AND PARKS			
Aquatic Invasive Species (OTO)	\$1.948	-	\$1.948
Hunting Access Program Administration (Restricted/OTO)	2.038	-	2.038
53010 DEPARTMENT OF ENVIRONMENTAL QUALITY			
Orphan Share Expanded Usage (Restricted/Biennial/OTO)	-	\$7.000	7.000
Zortman/Landusky Additional (Restricted/OTO)	-	0.500	0.500
54010 DEPARTMENT OF TRANSPORTATION			
Aeronautic Charts (OTO)	0.020	-	0.020
56030 DEPARTMENT OF LIVESTOCK			
Establish Budget (OTO)	24.319	-	24.319
57060 NATURAL RESOURCES AND CONSERVATION			
Drinking Water Loan Forgiveness (Restricted/OTO)	0.400	-	0.400
Montana Rural Water (OTO)	-	0.480	0.480
Sage Grouse Conservation Fund (Restricted/Biennial/OTO)	-	10.000	10.000
TLMD MSU-Morrill Trust (Restricted/OTO)	0.160	-	0.160
62010 DEPARTMENT OF AGRICULTURE			
Food and Ag Development Centers (Restricted/OTO)	-	0.210	0.210
Statewide Noxious Weed Control Coordination (Restricted/OTO)	-	0.255	0.255
Subtotal	28.886	18.445	47.331
<b>Section D</b>			
21100 JUDICIAL BRANCH			
Information Technology Staff (OTO)	-	0.412	0.412
41100 DEPARTMENT OF JUSTICE			
Montana Developmental Center Investigator (Restricted/OTO)	-	0.200	0.200
42010 PUBLIC SERVICE COMMISSION			
Retirement Payouts (Restricted/Biennial/OTO)	0.100	-	0.100
61080 OFFICE OF STATE PUBLIC DEFENDER			
Legislative Audit (Restricted/Biennial/OTO)	0.056	-	0.056
Office of State Public Defender (Biennial/OTO)	65.206	-	65.206
Public Defender Commission Discretionary Funding (OTO)	-	0.500	0.500
64010 DEPARTMENT OF CORRECTIONS			
American Correctional Association Certification (OTO)	0.010	-	0.010
Infirmiry Medical Equipment (OTO)	0.040	-	0.040
Lewistown Infirmiry Security (OTO)	0.547	-	0.547
Women's Prison Infirmiry FTE (OTO)	0.549	-	0.549
Subtotal	66.508	1.112	67.620

One-Time-Only Appropriations in HB 2 2017 Biennium (\$ Millions)			
HB 2	Present Law Adjustments	New Proposals	Total
<b>Section E</b>			
35010 OFFICE OF PUBLIC INSTRUCTION			
Audiological Services (Restricted/Biennial/OTO)	\$0.188	-	\$0.188
Montana Digital Academy (Restricted/Biennial/OTO)	1.665	-	1.665
51010 BOARD OF PUBLIC EDUCATION			
Legal Expenses (Restricted/OTO)	-	\$0.060	0.060
51020 COMMISSIONER OF HIGHER EDUCATION			
AES Wool Lab MSU-Bozeman (Restricted/Biennial/OTO)	-	0.120	0.120
Classroom and Technology Collaboration (OTO)	-	1.600	1.600
Coal and Mine Data Records (Restricted/OTO)	-	0.600	0.600
Governor's Best and Brightest Scholarship (OTO)	-	2.000	2.000
Quality Educator Loan Forgiveness Program (OTO)	-	0.990	0.990
Research Initiative (Restricted/Biennial/OTO)	-	15.000	15.000
Tribal Increase (Restricted/OTO)	-	0.323	0.323
51130 SCHOOL FOR THE DEAF & BLIND			
Extracurricular Compensation (Restricted/Biennial/OTO)	0.054	-	0.054
Software Lending Library (Restricted/Biennial/OTO)	0.025	-	0.025
Student Travel (Restricted/OTO)	-	0.060	0.060
51140 MONTANA ARTS COUNCIL			
Arts in Education - Glass Blowing (Restricted/Biennial/OTO)	-	0.025	0.025
Subtotal	1.932	20.778	22.710
Grand Total	\$103.996	\$54.641	\$158.638

### Other Legislation

The majority of one-time-only appropriations contained in other bills are for long range building projects. Those infrastructure bills are [HB 6](#), [HB 7](#), [HB 8](#), [HB 9](#), [HB 10](#), [HB 11](#) and [HB 403](#).

One-Time-Only Appropriations in Other Legislation All Funds (\$ Millions)	
	2017 Biennium
Infrastructure Bills (Appropriated Only)	\$161.200
HB 244	1.000
HB 356	2.000
HB 430	0.020
HB 512	1.510
HB 612	0.300
HB 627	0.024
HB 629	0.002
SB 224	0.028
SB 272	0.045
Grand Total	\$166.129