

Agency Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	344,877,463	346,676,990	1,799,527	0.52 %
Operating Expenses	937,575,583	1,122,070,690	184,495,107	19.68 %
Equipment & Intangible Assets	8,822,750	9,587,116	764,366	8.66 %
Capital Outlay	29,413,730	25,913,730	(3,500,000)	(11.90)%
Grants	47,848,259	47,553,286	(294,973)	(0.62)%
Transfers	3,675,812	3,452,312	(223,500)	(6.08)%
Total Expenditures	\$1,372,213,597	\$1,555,254,124	\$183,040,527	13.34 %
State/Other Special Rev. Funds	543,274,830	544,043,344	768,514	0.14 %
Federal Spec. Rev. Funds	828,938,767	1,011,210,780	182,272,013	21.99 %
Total Funds	\$1,372,213,597	\$1,555,254,124	\$183,040,527	13.34 %
Total Ongoing	\$1,371,308,597	\$1,534,654,124	\$163,345,527	11.91 %
Total OTO	\$905,000	\$20,600,000	\$19,695,000	2,176.24 %

Agency Description

Agency Mission: To serve the public by providing a transportation system and services that emphasize quality, safety, cost effectiveness, economic vitality, and sensitivity to the environment.

The Department of Transportation is the agency responsible for administering the multimodal transportation network in Montana. The department plans, designs, builds, and maintains the statewide network of highways. It is responsible for collecting and distributing highway user fees and fuel taxes. The department enforces state and federal laws for commercial motor carriers and registers interstate fleet vehicles. The department also facilitates the operation and infrastructure of airports and airways in Montana, registers aircraft and pilots, and maintains several state-owned airports. The department represents Montana interests in railroad planning issues and supports local entities in overall transportation planning and transit assistance.

The Department of Transportation constructs and maintains the state highway infrastructure. The department also provides for the other aspects of a statewide multimodal transportation system through:

- o Aeronautics safety protection and promotion
- o General aviation airport planning, promotion, and maintenance facilitation
- o Rail infrastructure coordination, monitoring, and planning
- o Highway traffic safety promotion, planning, and administration
- o Vehicle weight and dimension permitting and law enforcement
- o Transit assistance

The five-member transportation commission, whose members are appointed by the Governor, establishes department priorities and apportions funding among the five state financial districts according to statutory guidelines, department recommendations, and community input. The nine-member Board of Aeronautics, whose members are appointed by the Governor, establishes priorities for department aeronautics activities.

The department provides the above services through the following programs:

- o General Operations Program
- o Construction Program
- o Maintenance Program
- o State Motor Pool (entirely funded with non-budgeted proprietary funds)
- o Equipment Program (entirely funded with non-budgeted proprietary funds)
- o Motor Carrier Services Division
- o Aeronautics Program (a portion of this program is funded with non-budgeted proprietary funds)

- o Rail, Transit, and Planning Division

Agency Highlights

Department of Transportation Major Budget Highlights
<p>The legislature adopted \$1.6 billion for the 2023 biennium Department of Transportation (MDT) budget, an increase of \$183.0 million or 13.3% from the 2021 biennium budget.</p> <ul style="list-style-type: none"> • The increase is comprised of 99.6% federal special funds and 0.4% state special funds • The increase in ongoing appropriations is \$163.3 million • The one-time-only (OTO) increase of \$19.7 million is comprised of \$9.2 million federal special and \$1.0 million in state special for each year of the biennium to support consultant design in the construction program • Federal billing funding was made contingent on the project being included and funded in HB 10 • The majority of the ongoing increases fund operating expenses in the construction program and support contractor payments • The legislature approved the executive requests to add 26.00 FTE to support bridge inspection, utilities permitting, broadband infrastructure deployment, unmanned aerial systems, maintenance, and transportation planning • The legislature adopted an additional 1.0% vacancy savings beyond that proposed by the executive • MDT received additional funding through the American Rescue Plan Act (ARPA) in the amount of \$102.7 million, which is included in HB 632 and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), often referred to as CARES Act II in the amount of \$3.4 million, which is included in HB 630

Agency Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	1,992.27	1,992.27	2,016.27	2,018.27
Personal Services	160,176,125	170,810,110	174,067,353	173,006,562	173,670,428
Operating Expenses	441,677,236	465,875,712	471,699,871	567,773,681	554,297,009
Equipment & Intangible Assets	2,862,946	4,790,092	4,032,658	5,554,458	4,032,658
Capital Outlay	14,381,252	16,456,865	12,956,865	12,956,865	12,956,865
Grants	17,224,161	24,317,939	23,530,320	23,776,643	23,776,643
Transfers	1,607,167	1,949,656	1,726,156	1,726,156	1,726,156
Total Expenditures	\$637,928,887	\$684,200,374	\$688,013,223	\$784,794,365	\$770,459,759
State/Other Special Rev. Funds	257,290,976	284,223,166	259,051,664	272,553,756	271,489,588
Federal Spec. Rev. Funds	380,637,911	399,977,208	428,961,559	512,240,609	498,970,171
Total Funds	\$637,928,887	\$684,200,374	\$688,013,223	\$784,794,365	\$770,459,759
Total Ongoing	\$637,796,048	\$683,740,374	\$687,568,223	\$774,494,365	\$760,159,759
Total OTO	\$132,839	\$460,000	\$445,000	\$10,300,000	\$10,300,000

Summary of Legislative Action

The major changes to the MDT budget as passed by the legislature include the addition of 26.00 FTE consisting of 20.00 FTE for the construction program, 1.00 FTE to the maintenance program and 5.00 FTE for the rail, transit, and planning program. MDT received CRRSAA funding in the amount of \$102.7 million through HB 630, with \$50.0 million being restricted to the maintenance program for contractor payments. An additional \$3.4 million was included in HB 632 through ARPA including \$600,000 for state-owned airports and \$2.8 million for rural transit grants.

Other legislation that will or may impact the Department of Transportation Budget include:

HB 20 - Revise MDT laws for grants for courtesy cars at certain airports - no fiscal impact expected

HB 55 - Revise light requirements for snow removal equipment - requires MDT to install additional rear-facing lighting on snowplows, fiscal note estimates one-time-only costs at \$111,780 in FY 2022. No appropriation is included in the bill.

HB 75 - Allow MDT to conduct online sales of real property - allows MDT to advertise and conduct auctions online

HB 130 - Generally revise laws related to alternative project delivery contracts - allows MDT to approve the use of alternative project delivery contracts. MDT has been developing the process and the cost is expected to be minimal. The fiscal note does not include an estimate.

HB 133 - An act for anti-littering signs paid for by donations - creates a state special revenue account for antilittering signs paid for by donated money. The department does not expect a fiscal impact.

HB 494 - Revise transportation construction law - requires MDT to coordinate with entities working on broadband deployment when planning highway construction projects suitable for broadband installation. The department will be able to absorb this within existing authority.

HB 610 - Establish the Terry Spotted Wolf Sr. memorial highway - establishes the Terry Spotted Wolf Sr. memorial highway on US Highway 212 from mile marker 26 to 27. Sign production and installation as well as addition of the designation in Maps is expected to total \$3,998. The bill did not include an appropriation and the department will perform the service with current resources.

SB 5 - Establish a memorial highway designation - establishes a portion of US highway 2 from mile marker 329 to the Hill County line as the Otto Fossen memorial highway. All costs will be absorbed within existing authority.

SB 96 - Establish Helen Clarke memorial highway - establishes a portion of US highway 2 from the limits of East Glacier to the Limits of Browning as the Helen Clarke memorial highway. All costs will be absorbed within existing authority.

SB 392 - Providing for energy and fiber right-of-way along interstate highways - allows the department to grant a right-of-way use agreement for eligible projects. Applicants will be required to pay certain fees. The department does not expect a fiscal impact.

Funding

The following table shows adopted agency funding by source of authority.

Total Department of Transportation Funding by Source of Authority 2023 Biennium Budget Request - Department of Transportation							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
State Special Total	541,983,344	2,060,000	0	82,224,262	626,267,606	36.31 %	
Federal Special Total	992,670,780	18,540,000	0	7,848,500	1,019,059,280	59.09 %	
Proprietary Total	0	0	79,384,488	0	79,384,488	4.60 %	
Other Total	0	0	0	0	0	0.00 %	
Total All Funds	\$1,534,654,124	\$20,600,000	\$79,384,488	\$90,072,762	\$1,724,711,374		
Percent - Total All Sources	88.98 %	1.19 %	4.60 %	5.22 %			

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 most 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.

MDT Major State Special Revenue Accounts Working Capital Analysis

The figure below provides the working capital balance for the two-restricted highway state special revenue accounts (HSSRA and BaRSAA) and the highway state special revenue non-restricted account (HSSRA-NR). This analysis differs from a regular fund balance analysis because it includes only those actual expenditures in the year when they occur. It does not include amounts that are encumbered for projects started in the current year but completed in the next. In such a case, the continued project costs would be included in the following year. As such, the analysis provides a more accurate assessment of funding availability.

2023 Biennium Projected Working Capital Balances				
	HSSRA - Non-Rest.	HSSRA - Restricted	BaRSAA - Restricted	All Major Funds
Beginning Balance	\$1,180,326	\$83,121,215	\$5,891,757	\$90,193,298
Revenues ¹				
Gasoline Tax	0	195,562,047	0	195,562,047
Diesel Tax	0	125,723,684	0	125,723,684
BaRSAA Fuel Tax		0	24,036,568	24,036,568
Gross Vehicle Weight Fees (GVW)	17,564,228	54,628,136	0	72,192,364
Federal Cost Recovery	0	100,000,000	0	100,000,000
Other Revenues	463,180	13,415,924	0	13,879,104
Total Revenue	18,027,408	489,329,791	24,036,568	531,393,767
Expenditures				
HB 2				
Department of Transportation (MDT)				
General Operations Program	0	66,645,446	0	66,645,446
Construction Program	290,008	143,592,675	25,600,000	169,482,683
Maintenance Program	15,204,326	251,868,747	0	267,073,073
Motor Carrier Services	110,056	16,159,750	0	16,269,806
Rail, Transit, & Planning Program	2,636,526	10,172,526	0	12,809,052
Non-Budgeted Authority	200,000	0	0	200,000
Total MDT HB 2 Expenditures	18,440,916	488,439,144	25,600,000	532,480,060
Total Department of Justice HB 2	7,423	0	0	7,423
Total MDT Other Leg. (HB5, HB 10, HB 393)	0	10,065,000	0	10,065,000
Total Expenditures / Appropriations	18,448,339	498,504,144	25,600,000	542,552,483
Revenue less Expenditures/Appropriations	(420,931)	(9,174,353)	(1,563,432)	(11,158,716)
Actual / Projected Ending Balance	\$759,394	\$73,946,862	\$4,328,325	\$79,034,582
¹ Revenues based on HJ 2 projections. Other revenues and federal indirect cost recovery are projected by MDT.				

To some degree, the MDT major accounts are managed in tandem. When revenues are not sufficient in one of the accounts, authority may be moved to another, while considering the constraints of the restricted nature of the two accounts. As such, a combined balance is included for informational purposes. The combined balance of the MDT major accounts is projected to be \$90.2 million at the beginning of the 2023 biennium. If the agencies fully expend appropriations as currently planned in the 2023 budgets and the anticipated revenues are realized as projected, the combined balance would be \$79.0 million at the end of the 2023 biennium.

Constitutionally Restricted HSSRA

As shown in the figure, HSSRA is expected to start the 2021 biennium with a positive working capital balance of \$83.1 million. The revenue estimates included in HJ 2 would provide \$489.3 million in the biennium. The budget includes \$488.4 million of appropriations. The difference between anticipated revenues and requested appropriations would amount to \$9.2 million, decreasing the projected working capital balance to \$73.9 million at the end of the 2023 biennium.

Constitutionally Restricted BaRSAA

The BaRSAA account was established in HB 473 from the 2017 Session (fuel tax legislation). When the legislature increased fuel taxes, 35% of the new revenues were directed to MDT. The new revenue was designated to a separate account and are to be expended only as a match to federal-aid highway funding. BaRSAA is expected to start the 2023 biennium with a balance of \$5.9 million. The revenue estimates included in HJ 2 would provide \$24.0 million in the biennium.

Non-restricted HSSRA-NR

HSSRA-NR supports the operations of four programs in MDT with a small portion going to the forensic science division of

the Department of Justice. As shown in the figure, the account is expected to start the 2023 biennium with a balance of \$1.2 million. Total revenue in the biennium is projected to be \$18.0 million and total appropriations requested are \$18.4 million, decreasing the fund balance by \$420,931 over the biennium and providing a projected balance of \$759,394 by the end of the 2023 biennium.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	0	0	0	0.00 %	687,568,223	687,568,223	1,375,136,446	88.42 %	
SWPL Adjustments	0	0	0	0.00 %	727,957	1,087,400	1,815,357	0.12 %	
PL Adjustments	0	0	0	0.00 %	82,721,594	68,592,942	151,314,536	9.73 %	
New Proposals	0	0	0	0.00 %	13,776,591	13,211,194	26,987,785	1.74 %	
Total Budget	\$0	\$0	\$0		\$784,794,365	\$770,459,759	\$1,555,254,124		

Executive Budget Comparison

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2021	Executive Budget Fiscal 2022	Legislative Budget Fiscal 2022	Leg — Exec. Difference Fiscal 2022	Executive Budget Fiscal 2023	Legislative Budget Fiscal 2023	Leg — Exec. Difference Fiscal 2023	Biennium Difference Fiscal 22-23
FTE	1,992.27	2,016.27	2,016.27	0.00	2,018.27	2,018.27	0.00	0.00
Personal Services	174,067,353	175,604,155	173,006,562	(2,597,593)	176,275,006	173,670,428	(2,604,578)	(5,202,171)
Operating Expenses	471,699,871	568,605,717	567,773,681	(832,036)	555,076,283	554,297,009	(779,274)	(1,611,310)
Equipment & Intangible Assets	4,032,658	5,554,458	5,554,458	0	4,032,658	4,032,658	0	0
Capital Outlay	12,956,865	12,956,865	12,956,865	0	12,956,865	12,956,865	0	0
Grants	23,530,320	23,776,643	23,776,643	0	23,776,643	23,776,643	0	0
Transfers	1,726,156	1,726,156	1,726,156	0	1,726,156	1,726,156	0	0
Total Costs	\$688,013,223	\$788,223,994	\$784,794,365	(\$3,429,629)	\$773,843,611	\$770,459,759	(\$3,383,852)	(\$6,813,481)
State/other Special Rev. Funds	259,051,664	274,509,474	272,553,756	(1,955,718)	273,396,657	271,489,588	(1,907,069)	(3,862,787)
Federal Spec. Rev. Funds	428,961,559	513,714,520	512,240,609	(1,473,911)	500,446,954	498,970,171	(1,476,783)	(2,950,694)
Other	0	0	0	0	0	0	0	0
Total Funds	\$688,013,223	\$788,223,994	\$784,794,365	(\$3,429,629)	\$773,843,611	\$770,459,759	(\$3,383,852)	(\$6,813,481)
Total Ongoing	\$687,568,223	\$788,223,994	\$774,494,365	(\$13,729,629)	\$773,843,611	\$760,159,759	(\$13,683,852)	(\$27,413,481)
Total OTO	\$445,000	\$0	\$10,300,000	\$10,300,000	\$0	\$10,300,000	\$10,300,000	\$20,600,000

The legislature adopted a budget for MDT which is \$6.8 million or 0.4% lower than the executive recommendation for the 2023 biennium.

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.

Federal Billing is contingent on the passage and approval of House Bill 10 having the federal billing system included as a project within the bill.

The maintenance program includes a reduction in state special revenue of \$1,709,314 in FY 2022 and \$1,713,456 in FY 2023 and federal special revenue of \$888,279 in FY 2022 and \$891,122 in FY 2023. The reduction is the equivalent of an additional 1% vacancy savings. The agency may allocate this reduction in funding among programs when developing 2023 biennium operating plans.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	34,551,972	34,766,302	214,330	0.62 %
Operating Expenses	33,000,774	35,190,079	2,189,305	6.63 %
Equipment & Intangible Assets	91,606	91,606	0	0.00 %
Grants	150,000	150,000	0	0.00 %
Transfers	4,500	0	(4,500)	(100.00)%
Total Expenditures	\$67,798,852	\$70,197,987	\$2,399,135	3.54 %
State/Other Special Rev. Funds	64,421,884	66,645,446	2,223,562	3.45 %
Federal Spec. Rev. Funds	3,376,968	3,552,541	175,573	5.20 %
Total Funds	\$67,798,852	\$70,197,987	\$2,399,135	3.54 %
Total Ongoing	\$67,798,852	\$70,197,987	\$2,399,135	3.54 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The general operations Program provides overall policy direction and management to the agency, administers motor fuel taxes, and provides administrative support services for the department, including general administration and management, accounting and budgeting, ensuring civil rights and equal opportunity, legal services, public affairs, information technology services, human resources activities, compliance review, and goods and services procurement.

Program Highlights

General Operations Program Major Budget Highlights
<ul style="list-style-type: none"> • The total general operations program budget is \$70.2 million which is 3.5% or \$2.4 million higher than the 2021 biennium • Approximately \$2.2 million in operating costs make up the majority of the increase and consists mostly of fixed cost increases <ul style="list-style-type: none"> ◦ Most fixed costs for the department were transferred to this program partway through the previous biennium so the increase is not as large as it seems ◦ Other increases to operating costs include \$300,000 for federal billing and \$280,000 for software licensing and maintenance ◦ Decreases to operating costs included approximately \$800,000 in costs for the Service Now license which is now administered by SITSD in the Department of Administration, as well as small decreases in inflation/deflation that are a result of lower rates in the motor pool • The increase to personal services totals \$214,330 which is 0.6% greater than the 2021 biennium, however this is a slight decrease from the base budget due to vacancy savings

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	178.80	178.80	178.80	178.80
Personal Services	16,205,307	17,160,348	17,391,624	17,356,400	17,409,902
Operating Expenses	15,578,695	16,546,793	16,453,981	17,621,471	17,568,608
Equipment & Intangible Assets	0	45,803	45,803	45,803	45,803
Grants	75,000	75,000	75,000	75,000	75,000
Transfers	1,386	4,500	0	0	0
Total Expenditures	\$31,860,388	\$33,832,444	\$33,966,408	\$35,098,674	\$35,099,313
State/Other Special Rev. Funds	31,192,214	32,151,718	32,270,166	33,318,868	33,326,578
Federal Spec. Rev. Funds	668,174	1,680,726	1,696,242	1,779,806	1,772,735
Total Funds	\$31,860,388	\$33,832,444	\$33,966,408	\$35,098,674	\$35,099,313
Total Ongoing	\$31,860,388	\$33,832,444	\$33,966,408	\$35,098,674	\$35,099,313
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 01-General Operations Program Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
02301 Tribal Motor Fuels Admin.	0	0	0	0	0.00 %	
02303 Tribal Motor Fuels Tax Acct	0	0	12,262,202	12,262,202	8.28 %	
02349 Highway Non-Restricted Account	0	0	0	0	0.00 %	
02422 Highways Special Revenue	66,645,446	0	0	66,645,446	45.01 %	
02440 Refunds/IFTA Suspense	0	0	0	0	0.00 %	
02439 BaRSAA Local Fuel Tax	0	0	35,813,286	35,813,286	24.19 %	
02437 Local Govt/LTAP	0	0	33,332,000	33,332,000	22.51 %	
State Special Total	\$66,645,446	\$0	\$81,407,488	\$148,052,934	97.66 %	
03407 Highway Trust - Sp Rev	3,552,541	0	0	3,552,541	100.00 %	
03999 COVID General	0	0	0	0	0.00 %	
Federal Special Total	\$3,552,541	\$0	\$0	\$3,552,541	2.34 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$70,197,987	\$0	\$81,407,488	\$151,605,475		

The general operations program is primarily funded from the restricted highway state special revenue account (HSSRA) 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 \$81.4 million of statutory appropriations. Most, \$69.1 million, are the distributions of fuel taxes to cities, towns, counties, and consolidated city-county governments. The \$12.3 million of statutory distributions through the tribal motor fuels accounts are a function of the revenue sharing agreements between the tribes and the state.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	0	0	0	0.00 %	33,966,408	33,966,408	67,932,816	96.77 %	
SWPL Adjustments	0	0	0	0.00 %	1,284,207	1,184,846	2,469,053	3.52 %	
PL Adjustments	0	0	0	0.00 %	(151,941)	(51,941)	(203,882)	(0.29)%	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$35,098,674	\$35,099,313	\$70,197,987		

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	(33,815)	(1,409)	(35,224)	0.00	0	17,547	731	18,278
DP 2 - Fixed Costs	0.00	0	1,309,581	90,107	1,399,688	0.00	0	1,163,096	80,756	1,243,852
DP 3 - Inflation Deflation	0.00	0	(7,075)	(452)	(7,527)	0.00	0	(4,438)	(283)	(4,721)
DP 50 - SWPLA Fixed Cost Reductions	0.00	0	(68,048)	(4,682)	(72,730)	0.00	0	(67,852)	(4,711)	(72,563)
DP 106 - Federal Billing	0.00	0	100,000	0	100,000	0.00	0	200,000	0	200,000
DP 107 - Service Now license	0.00	0	(391,941)	0	(391,941)	0.00	0	(391,941)	0	(391,941)
DP 108 - Software licensing and maintenance	0.00	0	140,000	0	140,000	0.00	0	140,000	0	140,000
Grand Total All Present Law Adjustments	0.00	\$0	\$1,048,702	\$83,564	\$1,132,266	0.00	\$0	\$1,056,412	\$76,493	\$1,132,905

**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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 2 - Fixed Costs -

The legislature adopted an increase of \$1,399,688 in FY 2022 and \$1,243,852 in FY 2023 to provide the funding to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, SITSD charges, and others. The rates charged for these services are approved in a separate portion of the budget.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of \$7,527 in FY 2022 and \$4,721 in FY 2023 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 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms and information technology.

DP 106 - Federal Billing -

The legislature approved an appropriation of \$100,000 in FY 2022 and \$200,000 in FY 2023 for training and software maintenance related to the federal billing project, contingent on the project being included in and funded in HB 10.

DP 107 - Service Now license -

The legislature adopted a reduction of \$391,941 state special revenue funds in both FY2022 and FY 2023 associated with efficiencies gained by using Service Now applications.

DP 108 - Software licensing and maintenance -

The legislature adopted an appropriation of \$140,000 in state special revenue funds for both FY 2022 and FY 2023 for additional licensing for the API Hub and I-Broker projects and to support the data governance program.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	153,987,050	157,598,592	3,611,542	2.35 %
Operating Expenses	720,424,626	890,842,981	170,418,355	23.66 %
Equipment & Intangible Assets	5,330,524	5,330,524	0	0.00 %
Capital Outlay	29,413,730	25,913,730	(3,500,000)	(11.90)%
Grants	8,261,256	8,261,256	0	0.00 %
Transfers	150,000	0	(150,000)	(100.00)%
Total Expenditures	\$917,567,186	\$1,087,947,083	\$170,379,897	18.57 %
State/Other Special Rev. Funds	173,728,948	169,482,683	(4,246,265)	(2.44)%
Federal Spec. Rev. Funds	743,838,238	918,464,400	174,626,162	23.48 %
Total Funds	\$917,567,186	\$1,087,947,083	\$170,379,897	18.57 %
Total Ongoing	\$917,567,186	\$1,067,347,083	\$149,779,897	16.32 %
Total OTO	\$0	\$20,600,000	\$20,600,000	100.00 %

Program Description

The construction program is responsible for construction project planning and development from the time a project is included in the long-range work plan through the actual construction of the project. Program responsibilities include such tasks as project designs, right-of-way acquisitions, issuing contract bids, awarding contracts, and administering construction contracts. Contract administration is responsible for the documentation, inspection, and testing of highway construction projects from the time the contract is awarded to a private contractor until the project is completed and the work is approved. The program also provides traffic improvement and educational programs to promote public safety, health, and welfare.

Program Highlights

**Construction Program
Major Budget Highlights**

- The construction program budget for the 2023 biennium is \$1.1 billion. The program budget increased by \$170.4 million or 18.57% over the 2021 biennium
 - The increase is comprised of \$174.6 million in federal funds and a decrease of \$4.2 million in state special funds
- The construction program budget is supplemented with an additional \$52.7 million in American Rescue Plan Act (ARPA) funds from HB 630. This appropriation may be used into the next biennium
- Most of the increase to the construction program is operating expenses, which total \$170.4 million or 23.7%
 - A majority of the operating expenses increase is \$143.6 million for contractor payments in the 2nd budget submission as a result of the most recent tentative construction plan (TCP)
 - Consultant design increases in the amount of \$20.6 million for the biennium are restricted and one-time-only
 - The remainder of increases in operating costs include \$1.7 million in software licensing, maintenance and implementation, as well as equipment rental and various other appropriations
- Personal services increased by \$3.6 million over the previous biennium, while the statewide present law (SWPL) adjustment was negative, the department added FTE to the construction program primarily for bridge inspection and utility management. The new FTE are as follows:
 - 7.00 FTE for the National Bridge Inventory (NBI) bridge inspection program
 - 3.00 FTE for bridge load rating and overweight permit analysis
 - 2.00 FTE for bridge construction reviewers
 - 2.00 FTE for the partnering program
 - 2.00 FTE for the Utility Permitting Administration System (UPAS), a new electronic permitting system
 - 3.00 FTE for the MDT's new unmanned aerial system program
 - 1.00 FTE for a broadband utility coordinator for right-of-way (ROW) utility coordination

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	846.72	846.72	866.72	866.72
Personal Services	71,218,395	76,424,950	77,562,100	78,685,825	78,912,767
Operating Expenses	339,726,616	358,371,339	362,053,287	449,244,973	441,598,008
Equipment & Intangible Assets	2,014,084	2,665,262	2,665,262	2,665,262	2,665,262
Capital Outlay	14,381,252	16,456,865	12,956,865	12,956,865	12,956,865
Grants	1,848,834	4,130,628	4,130,628	4,130,628	4,130,628
Transfers	0	150,000	0	0	0
Total Expenditures	\$429,189,181	\$458,199,044	\$459,368,142	\$547,683,553	\$540,263,530
State/Other Special Rev. Funds	80,468,824	100,184,374	73,544,574	85,426,734	84,055,949
Federal Spec. Rev. Funds	348,720,357	358,014,670	385,823,568	462,256,819	456,207,581
Total Funds	\$429,189,181	\$458,199,044	\$459,368,142	\$547,683,553	\$540,263,530
Total Ongoing	\$429,189,181	\$458,199,044	\$459,368,142	\$537,383,553	\$529,963,530
Total OTO	\$0	\$0	\$0	\$10,300,000	\$10,300,000

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 02-Construction Program Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0.00 %
02058 Petroleum Storage Tank Cleanup	0	0	0	0	0.00 %
02349 Highway Non-Restricted Account	290,008	0	0	290,008	0.17 %
02422 Highways Special Revenue	143,592,675	0	0	143,592,675	84.57 %
02447 BaRSAA MDT Fuel Tax	25,600,000	0	0	25,600,000	15.08 %
02437 Local Govt/LTAP	0	0	300,000	300,000	0.18 %
State Special Total	\$169,482,683	\$0	\$300,000	\$169,782,683	15.49 %
03407 Highway Trust - Sp Rev	918,464,400	0	7,848,500	926,312,900	100.00 %
03999 COVID General	0	0	0	0	0.00 %
Federal Special Total	\$918,464,400	\$0	\$7,848,500	\$926,312,900	84.51 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$1,087,947,083	\$0	\$8,148,500	\$1,096,095,583	

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 \$8.1 million of statutory appropriations. Statutory appropriations include \$300,000 in state special funds to be distributed for the purposes and functions of the Montana Local Technical Assistance Transportation Program at Montana State University and \$7.8 million in federal special funds, for the debt service costs associated with previous work on Highway 93. The federal debt service obligation will reach maturity in FY 2023.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	0	0	0	0.00 %	459,368,142	459,368,142	918,736,284	84.45 %	
SWPL Adjustments	0	0	0	0.00 %	(688,096)	(458,816)	(1,146,912)	(0.11)%	
PL Adjustments	0	0	0	0.00 %	75,586,840	68,661,242	144,248,082	13.26 %	
New Proposals	0	0	0	0.00 %	13,416,667	12,692,962	26,109,629	2.40 %	
Total Budget	\$0	\$0	\$0		\$547,683,553	\$540,263,530	\$1,087,947,083		

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	(243,944)	(433,678)	(677,622)	0.00	0	(162,809)	(289,438)	(452,247)
DP 3 - Inflation Deflation	0.00	0	(3,346)	(7,128)	(10,474)	0.00	0	(2,099)	(4,470)	(6,569)
DP 211 - Equipment Rental	0.00	0	204,548	114,311	318,859	0.00	0	206,684	115,504	322,188
DP 213 - Construction Program Contractor Payment 2nd Submission	0.00	0	9,754,730	65,513,251	75,267,981	0.00	0	8,856,741	59,482,313	68,339,054
Grand Total All Present Law Adjustments	0.00	\$0	\$9,711,988	\$65,186,756	\$74,898,744	0.00	\$0	\$8,898,517	\$59,303,909	\$68,202,426

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

DP 1 - Personal Services -

The legislature adopted an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of \$10,474 in FY 2022 and \$6,569 in FY 2023 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 211 - Equipment Rental -

The legislature adopted an increase of \$318,859 in FY 2022 and \$322,188 FY 2023 to operational expenses for equipment usage and associated rate changes from MDT's equipment program.

DP 213 - Construction Program Contractor Payment 2nd Submission -

The legislature adopted an increase of \$75,267,981 in FY2022 and \$68,339,054 in FY2023 of combined state special and federal special revenue for contractor payments based on the second budget submission of the Montana Department of Transportation as recommended by most recent update of Tentative Construction Plan (TCP).

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 201 - Software Licensing, Maintenance, & Implementation	0.00	0	764,051	412,469	1,176,520	0.00	0	221,048	304,500	525,548
DP 202 - NBI Bridge Inspection Program	7.00	0	82,631	563,565	646,196	7.00	0	79,229	540,804	620,033
DP 203 - Bridge Load Rating & Overweight Permit Analysis	3.00	0	41,493	277,689	319,182	3.00	0	40,059	268,088	308,147
DP 204 - Construction Bridge Reviewer FTEs	2.00	0	27,047	179,919	206,966	2.00	0	26,071	173,433	199,504
DP 205 - Partnering Program	2.00	0	26,833	179,567	206,400	2.00	0	25,864	173,080	198,944
DP 206 - Utility Permitting Administration System (UPAS)	2.00	0	147,314	0	147,314	2.00	0	141,611	0	141,611
DP 207 - Unmanned Aerial System (UAS) Program	3.00	0	40,704	272,400	313,104	3.00	0	39,250	262,670	301,920
DP 208 - Consultant Design (RST/OTO)	0.00	0	1,030,000	9,270,000	10,300,000	0.00	0	1,030,000	9,270,000	10,300,000
DP 210 - Broadband Infrastructure Deployment	1.00	0	10,099	90,886	100,985	1.00	0	9,726	87,529	97,255
Total	20.00	\$0	\$2,170,172	\$11,246,495	\$13,416,667	20.00	\$0	\$1,612,858	\$11,080,104	\$12,692,962

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

DP 201 - Software Licensing, Maintenance, & Implementation -

The legislature adopted an adjustment of \$1,176,520 in FY 2022 and \$525,548 in FY 2023 of state and federal special revenue funds to fund multiple software implementations in the engineering division.

DP 202 - NBI Bridge Inspection Program -

The legislature adopted an increase of \$646,196 in FY 2022 and \$620,033 in FY 2023 in state and federal special revenue funds and 7.00 FTE for the bridge inspection program in order to meet National Bridge Inspection (NBI) Standards.

DP 203 - Bridge Load Rating & Overweight Permit Analysis -

The legislature adopted an increase of \$319,182 in FY 2022 and \$308,147 in FY 2023 in state and federal special revenue funds and 3.00 FTE to enable the department to maintain compliance with NBI performance metrics and respond to the commercial vehicle permit demands by adding adequate staff to complete load rating and overweight vehicle analysis for more than 4,500 publicly owned bridges statewide.

DP 204 - Construction Bridge Reviewer FTEs -

The legislature adopted an increase of \$206,966 in FY 2022 and \$199,504 in FY 2023 in state and federal special revenue funds and 2.00 FTE to provide construction oversight, direct training, and support of MDT's bridge construction program.

DP 205 - Partnering Program -

The legislature adopted an appropriation of \$206,400 in FY 2022 and \$198,944 in FY 2023 in state and federal special revenue and 2.00 FTE to develop and support MDT's future partnering program. There are about 150 projects let a year that will have either Level 1 partnering facilitation or Level 2 partnering facilitation.

DP 206 - Utility Permitting Administration System (UPAS) -

The legislature adopted an appropriation of \$147,314 in FY 2022 and \$141,611 in FY 2023 in state special revenue and 2.00 FTE. This will support a new electronic permitting system. The electronic permitting module will allow utility owners to apply for and receive approval within three days, compared to two to four weeks with the paper process. This as-built requirement will allow MDT to manage which utilities are located where within the state's rights-of-way.

DP 207 - Unmanned Aerial System (UAS) Program -

The legislature adopted an appropriation of \$313,104 in FY 2022 and \$301,920 in FY 2023 in state and federal special revenue funds to provide 3.00 FTE and funding for MDT's future UAS Program.

DP 208 - Consultant Design (RST/OTO) -

The legislature adopted a one-time-only and restricted increase of \$10.3 million in FY 2022 and in FY 2023 in state and federal special revenue funds to the construction program to support consultant design. Due to increasing use of consultants used for design related issues due to loss of FTE, or specialization of contracts/work additional funding is needed. This budget category has experienced shortfalls in recent fiscal years and may continue to do so without an ongoing funding solution.

DP 210 - Broadband Infrastructure Deployment -

The legislature adopted an appropriation of \$100,985 in FY 2022 and \$97,255 in FY 2023 in state and federal special revenue funds and 1.00 FTE to support compliance with the federal MOBILE NOW Act. This requires State DOT's to have a broadband utility coordinator responsible for facilitating infrastructure right-of-way (ROW) efforts within the state. This FTE will assist with establishing a registration process for broadband infrastructure, and work with broadband infrastructure entities regarding installation of broadband utilities in the right-of-way applicable federal-aid highway projects.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	117,704,638	114,633,231	(3,071,407)	(2.61)%
Operating Expenses	163,553,772	167,863,328	4,309,556	2.63%
Equipment & Intangible Assets	1,297,416	740,416	(557,000)	(42.93)%
Total Expenditures	\$282,555,826	\$283,236,975	\$681,149	0.24%
State/Other Special Rev. Funds	264,892,796	267,073,073	2,180,277	0.82%
Federal Spec. Rev. Funds	17,663,030	16,163,902	(1,499,128)	(8.49)%
Total Funds	\$282,555,826	\$283,236,975	\$681,149	0.24%
Total Ongoing	\$282,555,826	\$283,236,975	\$681,149	0.24%
Total OTO	\$0	\$0	\$0	0.00%

Program Description

The maintenance program is responsible for the repair, maintenance, and preservation of approximately 25,000 lane miles of roadways. Activities include but are not limited to: winter maintenance, reactive and preventive pavement preservation, pavement marking, signing, roadway striping, noxious weed control, traveler information, disaster and emergency services coordination, MDT's long-range building program and state funded construction program, communications program, quality control, and any other necessary roadway and roadside repairs and maintenance. The maintenance program is authorized by 2-15-2501(1), MCA; Title 60, MCA, and 23 USC 116.

Program Highlights

Maintenance Program Major Budget Highlights
<ul style="list-style-type: none"> • The maintenance program budget for the 2023 biennium is \$283.2 million or 0.2% higher than the 2021 biennium • The legislature adopted an additional 1.0% vacancy savings, which is entirely in the maintenance division. However, language allows the department to reallocate this reduction to different programs and accounts as needed during the creation of operating plans. Currently this makes the maintenance budget appear artificially low • The maintenance program budget is supplemented with an additional \$50.0 million from the CARES Act II that is restricted to use for contractor payments. This appropriation from HB 630 may be used beyond the 2023 biennium • A biennial increase of \$2.6 million in operation expenses for equipment rental rate increases, comprised of approximately 90.0% state special revenue and 10.0% federal special revenue • An appropriation of \$475,000 of state special revenue in each year of the biennium for repair of damaged infrastructure • 1.00 FTE for the Wolf Point maintenance division

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	739.55	739.55	740.55	740.55
Personal Services	55,053,730	58,057,492	59,647,146	57,227,185	57,406,046
Operating Expenses	80,800,638	81,613,207	81,940,565	83,878,598	83,984,730
Equipment & Intangible Assets	287,914	927,208	370,208	370,208	370,208
Total Expenditures	\$136,142,282	\$140,597,907	\$141,957,919	\$141,475,991	\$141,760,984
State/Other Special Rev. Funds	128,494,856	131,776,525	133,116,271	133,394,730	133,678,343
Federal Spec. Rev. Funds	7,647,426	8,821,382	8,841,648	8,081,261	8,082,641
Total Funds	\$136,142,282	\$140,597,907	\$141,957,919	\$141,475,991	\$141,760,984
Total Ongoing	\$136,142,282	\$140,597,907	\$141,957,919	\$141,475,991	\$141,760,984
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 03-Maintenance Program Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0.00 %
02349 Highway Non-Restricted Account	15,204,326	0	0	15,204,326	5.69 %
02422 Highways Special Revenue	251,868,747	0	0	251,868,747	94.27 %
02121 Shared-Use Path	0	0	114,062	114,062	0.04 %
State Special Total	\$267,073,073	\$0	\$114,062	\$267,187,135	94.30 %
03407 Highway Trust - Sp Rev	16,163,902	0	0	16,163,902	100.00 %
03999 COVID General	0	0	0	0	0.00 %
Federal Special Total	\$16,163,902	\$0	\$0	\$16,163,902	5.70 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$283,236,975	\$0	\$114,062	\$283,351,037	

The state special revenue funding of the maintenance program is derived from highway state special revenue accounts. The funding 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.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	141,957,919	141,957,919	283,915,838	100.24 %
SWPL Adjustments	0	0	0	0.00 %	117,294	303,601	420,895	0.15 %
PL Adjustments	0	0	0	0.00 %	(692,187)	(593,538)	(1,285,725)	(0.45)%
New Proposals	0	0	0	0.00 %	92,965	93,002	185,967	0.07 %
Total Budget	\$0	\$0	\$0		\$141,475,991	\$141,760,984	\$283,236,975	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	117,443	1,186	118,629	0.00	0	301,394	3,044	304,438
DP 3 - Inflation Deflation	0.00	0	(1,201)	(134)	(1,335)	0.00	0	(753)	(84)	(837)
DP 51 - Additional 1% Vacancy Savings	0.00	0	(1,709,314)	(888,279)	(2,597,593)	0.00	0	(1,713,456)	(891,122)	(2,604,578)
DP 301 - City Maintenance Contract Increases	0.00	0	62,007	0	62,007	0.00	0	81,488	0	81,488
DP 302 - Increase for Rest Area Caretaker Maintenance	0.00	0	100,000	0	100,000	0.00	0	163,000	0	163,000
DP 310 - Increase for infrastructure repairs	0.00	0	475,000	0	475,000	0.00	0	475,000	0	475,000
DP 311 - Equipment Rental	0.00	0	1,141,559	126,840	1,268,399	0.00	0	1,162,397	129,155	1,291,552
Grand Total All Present Law Adjustments	0.00	\$0	\$185,494	(\$760,387)	(\$574,893)	0.00	\$0	\$469,070	(\$759,007)	(\$289,937)

**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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of inflation/deflation rates 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 51 - Additional 1% Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings reducing personal services by \$5.2 million, consisting of \$3.4 million in state special revenue, and \$1.8 million in federal special revenue.

DP 301 - City Maintenance Contract Increases -

The legislature adopted an increase of \$62,007 in FY 2022 and \$81,488 in FY 2023 in state special revenue funds for the agreements with the City of Missoula and Butte Silver Bow for the maintenance of routes within the cities.

DP 302 - Increase for Rest Area Caretaker Maintenance -

The legislature adopted an increase of \$100,000 in FY 2022 and \$163,000 in FY 2023 in state special revenue to fund increased rest area caretaker contracts.

DP 310 - Increase for infrastructure repairs -

The legislature adopted an increase of \$475,000 of state special revenue funds in both FY 2022 and FY 2023 for operating budget authority which will be used when repairing damaged infrastructure such as guardrail, signs, impact attenuators, etc.

DP 311 - Equipment Rental -

The legislature adopted an increase of \$1,268,399 in FY 2022 and \$1,291,552 FY 2023 in operational expenses for equipment usage and associated rate changes from MDT's Equipment Program.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 303 - Wolf Point Maintenance Division FTE	1.00	0	59,003	0	59,003	1.00	0	59,040	0	59,040
DP 18001 - O&M for new facilities	0.00	0	33,962	0	33,962	0.00	0	33,962	0	33,962
Total	1.00	\$0	\$92,965	\$0	\$92,965	1.00	\$0	\$93,002	\$0	\$93,002

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

DP 303 - Wolf Point Maintenance Division FTE -

The legislature adopted an increase of \$59,003 in FY 2022 and \$59,040 in FY 2023 in state special revenue to fund a permanent 1.00 FTE in the Culbertson section to help maintain additional secondary roads that were reconstructed.

DP 18001 - O&M for new facilities -

The legislature adopted an appropriation for operations and maintenance costs for the Terry 3-Bay (No Office), White Sulphur 8-Bay, Phillipsburg 5-Bay, Custer 5-Bay (with office), Havre Welding Shop, Billings Welding Shop/Tow Plow Storage, and Harlem 6-Bay projects. The total operations and maintenance costs are \$33,962 for FY 2022 and FY 2023. This proposal is contingent on passage and approval of HB 5 and if an appropriation for construction of these projects is included in HB 5.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	874,019	879,571	5,552	0.64 %
Operating Expenses	4,453,660	4,390,505	(63,155)	(1.42)%
Equipment & Intangible Assets	7,487,506	7,603,506	116,000	1.55 %
Debt Service	154,898	38,898	(116,000)	(74.89)%
Total Expenditures	\$12,970,083	\$12,912,480	(\$57,603)	(0.44)%
Proprietary Funds	12,970,083	12,912,480	(57,603)	(0.44)%
Total Funds	\$12,970,083	\$12,912,480	(\$57,603)	(0.44)%

Program Description

Motor Pool Program-06506

The state motor pool operates and maintains a fleet of vehicles available to all state offices and employees who conduct official state business. The state motor pool has two basic components: 1) the daily rental fleet and 2) the out-stationed lease fleet. The daily rental program operates out of the Helena headquarters facility and provides vehicles for short-term use. The leasing program provides vehicles for extended assignment to agencies statewide.

The Motor Pool supports 6.00 FTE.

MCA 2-17-411 establishes that the Department of Transportation’s motor pool is responsible for the acquisition, operations, maintenance, repair, and administration of all motor vehicles in the custody of the motor pool (this does not apply to motor vehicles used in the service of the governor, attorney general or the highway patrol).

Use of the program is optional to agencies when personnel are required to travel by vehicle for official state business, but is encouraged in the Montana Operations Manual (MOM). Other options to use by state employees are: 1) other state-owned vehicles not part of the State Motor Pool fleet; 2) personal vehicles, with authorization provided by the agency director; or 3) vehicles from a private rental agency contract. The rate for the use of personal vehicles, for state business travel, are set at \$0.575 per mile by the Internal Revenue Service for the current year if the state employee qualifies according to the conditions as discussed in the employee travel policy of the MOM manual.

The program does not expect any major changes to the customer base.

Program Highlights

Motor Pool Program Major Budget Highlights
<ul style="list-style-type: none"> • The biennial budget for the program decreased by \$57,603 due to decreases in operating expenses • The legislature adopted rate decreases which were primarily driven by low gas prices • The legislature adopted rates for the King Air Beechcraft

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	6.00	6.00	6.00	6.00
Personal Services	425,753	432,828	441,191	439,377	440,194
Operating Expenses	2,161,039	2,226,911	2,226,749	2,197,214	2,193,291
Equipment & Intangible Assets	3,069,108	3,685,753	3,801,753	3,801,753	3,801,753
Debt Service	135,101	135,449	19,449	19,449	19,449
Total Expenditures	\$5,791,001	\$6,480,941	\$6,489,142	\$6,457,793	\$6,454,687
Proprietary Funds	5,791,001	6,480,941	6,489,142	6,457,793	6,454,687
Total Funds	\$5,791,001	\$6,480,941	\$6,489,142	\$6,457,793	\$6,454,687

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 07-Motor Pool Program Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
State Special Total	\$0	\$0	\$0	\$0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	0.00 %	
06007 Yellowstone Airport	0	0	0	0	0.00 %	
06506 Motor Pool - Int Svc	0	12,912,480	0	12,912,480	100.00 %	
Proprietary Total	\$0	\$12,912,480	\$0	\$12,912,480	100.00 %	
Total All Funds	\$0	\$12,912,480	\$0	\$12,912,480		

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.

The following sources of funding were used to pay for the services provided by this program in FY 2020:

- General fund (58.3%)
- State special revenue (19.5%)
- Federal special revenue (19.9%)
- Proprietary (1.7%)
- Other (0.6%)

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	6,489,142	6,489,142	12,978,284	100.51 %
SWPL Adjustments	0	0	0	0.00 %	(31,349)	(34,455)	(65,804)	(0.51)%
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		\$6,457,793	\$6,454,687	\$12,912,480	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	(1,814)	0.00	0	0	0	(997)
DP 2 - Fixed Costs	0.00	0	0	0	(29,535)	0.00	0	0	0	(33,458)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$31,349)	0.00	\$0	\$0	\$0	(\$34,455)

***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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 2 - Fixed Costs -

The legislature adopted a reduction of fixed costs in the motor pool program. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, SITSD charges, and others. The rates charged for these services are approved in a separate portion of the budget.

Other Issues

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. For automobiles 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. For the aircraft the rates are based on estimated annual flight hours and would be adjusted downward if the number of estimated annual flight hours is exceeded. The aircraft rate schedule is included in section R of HB 2.

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.

Approved Motor Pool Rates								
Class	FY 2022				FY 2023			
	Assigned Rate	Usage Rate			Assigned Rate	Usage Rate		
		2.26/gal	2.76/gal	3.26/gal		2.26/gal	2.76/gal	3.26/gal
02	1.408	0.113	0.132	0.152	1.522	0.113	0.133	0.153
04	1.688	0.163	0.192	0.221	1.812	0.164	0.193	0.221
05	1.005	0.103	0.116	0.130	1.074	0.104	0.117	0.130
06	1.161	0.113	0.131	0.149	1.244	0.114	0.132	0.149
07	0.496	0.162	0.190	0.218	0.514	0.163	0.191	0.219
11	1.314	0.177	0.209	0.242	1.428	0.178	0.210	0.242
12	1.453	0.139	0.165	0.190	1.571	0.140	0.165	0.191

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	19,265,371	19,476,128	210,757	1.09 %
Operating Expenses	28,503,856	27,904,407	(599,449)	(2.10)%
Equipment & Intangible Assets	13,780,256	18,230,256	4,450,000	32.29 %
Total Expenditures	\$61,549,483	\$65,610,791	\$4,061,308	6.60 %
Proprietary Funds	61,549,483	65,610,791	4,061,308	6.60 %
Total Funds	\$61,549,483	\$65,610,791	\$4,061,308	6.60 %

Program Description

Equipment Program-06508

The equipment program is responsible for the acquisition, disposal, repair and maintenance of a fleet of approximately 4,700 individual units. The fleet is comprised of light duty vehicles, single and tandem axle dump trucks, specialized snow removal units, roadway maintenance units and other specialized equipment. Exclusively the various programs within the Montana Department of Transportation (MDT) such as construction, motor carrier services, maintenance, and right-of-way use the fleet. All units are assigned to the various user programs and are charged rental on a bi-weekly basis. The equipment program supports 123.00 FTE. Alternate sources for vehicles and equipment include renting heavy equipment from a rental company and renting or leasing light duty vehicles from a private rental agency contract.

The equipment program is funded under the rules and guidelines of HB 576. No specific statutory authority is established for the program as the program is strictly internal to the Department of Transportation and is not used by any outside entity.

Program Highlights

Equipment Program Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted 60-day working capital reserve for the proprietary equipment program • The legislature approved an additional \$2.0 million in equipment purchase funding to replace aging equipment

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	123.00	123.00	123.00	123.00
Personal Services	9,465,947	9,604,145	9,661,226	9,722,271	9,753,857
Operating Expenses	14,387,417	14,488,687	14,015,169	13,954,960	13,949,447
Equipment & Intangible Assets	6,552,738	6,665,128	7,115,128	9,115,128	9,115,128
Total Expenditures	\$30,406,102	\$30,757,960	\$30,791,523	\$32,792,359	\$32,818,432
Proprietary Funds	30,406,102	30,757,960	30,791,523	32,792,359	32,818,432
Total Funds	\$30,406,102	\$30,757,960	\$30,791,523	\$32,792,359	\$32,818,432

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 08-Equipment Program Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
02422 Highways Special Revenue	0	0	0	0	0.00 %	
State Special Total	\$0	\$0	\$0	\$0	0.00 %	
03999 COVID General	0	0	0	0	0.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	0.00 %	
06506 Motor Pool - Int Svc	0	0	0	0	0.00 %	
06508 Highway Equipment - Int Svc.	0	65,610,791	0	65,610,791	100.00 %	
Proprietary Total	\$0	\$65,610,791	\$0	\$65,610,791	100.00 %	
Total All Funds	\$0	\$65,610,791	\$0	\$65,610,791		

Funding for the equipment program is generated through user fees charged to programs and divisions in MDT, which are deposited in a proprietary fund. The sources of the majority of funding in this program are state special funds. This is because the maintenance program is the primary customer of the equipment 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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	30,791,523	30,791,523	61,583,046	93.86 %
SWPL Adjustments	0	0	0	0.00 %	836	26,909	27,745	0.04 %
PL Adjustments	0	0	0	0.00 %	2,000,000	2,000,000	4,000,000	6.10 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$32,792,359	\$32,818,432	\$65,610,791	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	61,045	0.00	0	0	0	92,631
DP 2 - Fixed Costs	0.00	0	0	0	(60,084)	0.00	0	0	0	(65,644)
DP 3 - Inflation Deflation	0.00	0	0	0	(125)	0.00	0	0	0	(78)
DP 801 - Equipment Purchase Funding	0.00	0	0	0	2,000,000	0.00	0	0	0	2,000,000
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$2,000,836	0.00	\$0	\$0	\$0	\$2,026,909

**"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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 2 - Fixed Costs -

The legislature adopted a reduction to fixed costs in the equipment program. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, SITSD charges, and others. The rates charged for these services are approved in a separate portion of the budget.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of inflation/deflation rates 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 801 - Equipment Purchase Funding -

The legislature adopted an adjustment of \$2.0 million in both FY 2022 and FY 2023 to fund purchases to replace aging equipment.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	18,992,486	18,968,779	(23,707)	(0.12)%
Operating Expenses	5,716,611	5,917,388	200,777	3.51 %
Equipment & Intangible Assets	708,423	555,432	(152,991)	(21.60)%
Transfers	141,960	93,460	(48,500)	(34.16)%
Total Expenditures	\$25,559,480	\$25,535,059	(\$24,421)	(0.10)%
State/Other Special Rev. Funds	19,115,310	19,017,640	(97,670)	(0.51)%
Federal Spec. Rev. Funds	6,444,170	6,517,419	73,249	1.14 %
Total Funds	\$25,559,480	\$25,535,059	(\$24,421)	(0.10)%
Total Ongoing	\$25,559,480	\$25,535,059	(\$24,421)	(0.10)%
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The motor carrier services program enforces state and federal commercial motor carrier laws including laws on vehicle size and weight, insurance, licensing, dyed fuel, and vehicle and driver safety. The commercial motor vehicle bureau registers interstate fleet vehicles, issues commercial vehicle licenses and oversize/overweight permits, and collects and distributes fees and taxes. The enforcement bureau operates a statewide weigh station and mobile enforcement program and assigns uniformed officers to inspect commercial vehicles for compliance with state and federal safety, registration, fuel, insurance, and size/weight laws. The motor carrier safety assistance program (MCSAP) conducts commercial motor carrier safety compliance reviews and safety audits to ensure commercial vehicles, drivers, and motor carriers are compliant with state safety laws and federal regulations by conducting vehicle and driver inspections and motor carrier compliance reviews and safety audits.

Program Highlights

Motor Carrier Services Major Budget Highlights
<ul style="list-style-type: none"> • The budget for the 2023 biennium is \$24,421 lower than the 2021 biennium or 0.1% lower than the 2021 biennium <ul style="list-style-type: none"> ◦ The decrease primarily reflects a reduction to equipment and intangible assets. In the previous biennium a program transfer from general operations to purchase equipment such as video monitoring systems and body cameras. This increased the base appropriation which is why the account appears to decrease ◦ Personal services decreased by 0.1% due to vacancy savings

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	123.44	123.44	123.44	123.44
Personal Services	8,902,334	9,417,258	9,575,228	9,472,835	9,495,944
Operating Expenses	2,349,724	2,760,282	2,956,329	2,958,528	2,958,860
Equipment & Intangible Assets	391,880	430,707	277,716	277,716	277,716
Transfers	92,975	95,230	46,730	46,730	46,730
Total Expenditures	\$11,736,913	\$12,703,477	\$12,856,003	\$12,755,809	\$12,779,250
State/Other Special Rev. Funds	8,794,780	9,537,506	9,577,804	9,499,740	9,517,900
Federal Spec. Rev. Funds	2,942,133	3,165,971	3,278,199	3,256,069	3,261,350
Total Funds	\$11,736,913	\$12,703,477	\$12,856,003	\$12,755,809	\$12,779,250
Total Ongoing	\$11,736,913	\$12,703,477	\$12,856,003	\$12,755,809	\$12,779,250
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 22-Motor Carrier Services Program Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
02294 Unified Carrier Registration	2,747,834	0	0	2,747,834	14.45 %	
02349 Highway Non-Restricted Account	110,056	0	0	110,056	0.58 %	
02422 Highways Special Revenue	16,159,750	0	0	16,159,750	84.97 %	
State Special Total	\$19,017,640	\$0	\$0	\$19,017,640	74.48 %	
03292 MCS Federal Grants	6,094,659	0	0	6,094,659	93.51 %	
03407 Highway Trust - Sp Rev	422,760	0	0	422,760	6.49 %	
03999 COVID General	0	0	0	0	0.00 %	
Federal Special Total	\$6,517,419	\$0	\$0	\$6,517,419	25.52 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$25,535,059	\$0	\$0	\$25,535,059		

The motor carrier services program (MCS) is funded by the highway state special revenue accounts and federal special revenue. Most of the funding in the 2023 biennium is provided in the constitutionally restricted highway state special revenue account (HSSRA). 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.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	0	0	0	0.00 %	12,856,003	12,856,003	25,712,006	100.69 %	
SWPL Adjustments	0	0	0	0.00 %	(103,073)	(79,710)	(182,783)	(0.72)%	
PL Adjustments	0	0	0	0.00 %	2,879	2,957	5,836	0.02 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
Total Budget	\$0	\$0	\$0		\$12,755,809	\$12,779,250	\$25,535,059		

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	(79,369)	(23,024)	(102,393)	0.00	0	(61,456)	(17,828)	(79,284)
DP 3 - Inflation Deflation	0.00	0	(529)	(151)	(680)	0.00	0	(332)	(94)	(426)
DP 2211 - Equipment Rental	0.00	0	1,834	1,045	2,879	0.00	0	1,884	1,073	2,957
Grand Total All Present Law Adjustments	0.00	\$0	(\$78,064)	(\$22,130)	(\$100,194)	0.00	\$0	(\$59,904)	(\$16,849)	(\$76,753)

**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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of inflation/deflation rates 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 2211 - Equipment Rental -

The legislature adopted an increase of operational expenses for equipment usage and associated rate changes from MDT's equipment program.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	1,641,488	1,699,626	58,138	3.54 %
Operating Expenses	3,358,701	9,095,093	5,736,392	170.79 %
Equipment & Intangible Assets	110,000	1,521,800	1,411,800	1,283.45 %
Grants	8,378	8,000	(378)	(4.51)%
Transfers	16,500	14,000	(2,500)	(15.15)%
Total Expenditures	\$5,135,067	\$12,338,519	\$7,203,452	140.28 %
State/Other Special Rev. Funds	4,000,292	3,916,688	(83,604)	(2.09)%
Federal Spec. Rev. Funds	1,134,775	8,421,831	7,287,056	642.16 %
Total Funds	\$5,135,067	\$12,338,519	\$7,203,452	140.28 %
Total Ongoing	\$4,230,067	\$12,338,519	\$8,108,452	191.69 %
Total OTO	\$905,000	\$0	(\$905,000)	(100.00)%

Program Description

The aeronautics program: 1) facilitates the operation and infrastructure of airports and airways, both public and private, throughout Montana; 2) provides mechanisms for funding airport and aviation related projects throughout the state; 3) registers aircraft and pilots in accordance with Montana laws and regulations; 4) fosters, promotes, and supervises aviation and aviation safety through educational efforts and programs; and 5) coordinates and supervises aerial search and rescue operations. The program administers a loan and grant program to airport sponsors to fund airport improvement projects. The aeronautics board approves loan and grant requests.

The program serves as a liaison between the State of Montana and various other entities including the U.S. Department of Transportation, the Federal Aviation Administration (FAA), US Forest Service, other federal and state entities, and commercial airlines in order to assure the retention and continuation of airline service to Montana's rural communities. The program is also responsible for operation of the commercial service airport just north of West Yellowstone, MT and for 15 other state-owned or operated airports.

Program Highlights

Aeronautics Program Major Budget Highlights
<ul style="list-style-type: none"> • The 2023 biennium aeronautics program budget is \$7.2 million higher or 140.3% of the 2021 biennium <ul style="list-style-type: none"> ◦ This change consists of an increase of \$7.3 million in federal special funds and a decrease of \$83,604 in state special revenue • The legislature adopted funding a master plan study as well as several maintenance projects at Yellowstone airport including: <ul style="list-style-type: none"> ◦ pavement maintenance ◦ runway reconstruction ◦ purchase of snow removal equipment • The legislature approved federal aid projects for the Lincoln airport as well as operating and maintenance costs (O & M) for the Lincoln airport snow removal equipment storage building that is included in HB 5 • The legislature adopted funding for the pavement condition index (PCI) program that occurs at federally funded airports every three years

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	9.00	9.00	9.00	9.00
Personal Services	720,853	815,160	826,328	848,862	850,764
Operating Expenses	44,369	1,630,708	1,727,993	7,488,676	1,606,417
Equipment & Intangible Assets	0	110,000	0	1,521,800	0
Grants	2,378	4,378	4,000	4,000	4,000
Transfers	9,260	9,500	7,000	7,000	7,000
Total Expenditures	\$776,860	\$2,569,746	\$2,565,321	\$9,870,338	\$2,468,181
State/Other Special Rev. Funds	1,015,161	2,040,096	1,960,196	1,969,957	1,946,731
Federal Spec. Rev. Funds	(238,301)	529,650	605,125	7,900,381	521,450
Total Funds	\$776,860	\$2,569,746	\$2,565,321	\$9,870,338	\$2,468,181
Total Ongoing	\$644,021	\$2,109,746	\$2,120,321	\$9,870,338	\$2,468,181
Total OTO	\$132,839	\$460,000	\$445,000	\$0	\$0

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 40-Aeronautics Program Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0.00 %
02286 Aeronautical Loan Account	700,000	0	0	700,000	16.31 %
02287 Aeronautical Grant Account	0	0	374,196	374,196	8.72 %
02827 Aeronautics Division	3,216,688	0	0	3,216,688	74.97 %
02962 Airport Pvm. Preservation	0	0	0	0	0.00 %
State Special Total	\$3,916,688	\$0	\$374,196	\$4,290,884	31.61 %
03060 Aeronautics Division	8,421,831	0	0	8,421,831	100.00 %
03714 FAA COVID O&M	0	0	0	0	0.00 %
Federal Special Total	\$8,421,831	\$0	\$0	\$8,421,831	62.04 %
06007 Yellowstone Airport	0	861,217	0	861,217	100.00 %
Proprietary Total	\$0	\$861,217	\$0	\$861,217	6.34 %
Total All Funds	\$12,338,519	\$861,217	\$374,196	\$13,573,932	

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 (FAA) grants. In FY 2021 the department was awarded Coronavirus Aid, Relief and Economic Security (CARES) act grants for the Yellowstone and Lincoln airports. Proprietary funding supports the Yellowstone Airport enterprise program, a non-HB 2 budget.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	2,120,321	2,120,321	4,240,642	34.37 %
SWPL Adjustments	0	0	0	0.00 %	21,487	21,280	42,767	0.35 %
PL Adjustments	0	0	0	0.00 %	7,723,530	321,580	8,045,110	65.20 %
New Proposals	0	0	0	0.00 %	5,000	5,000	10,000	0.08 %
Total Budget	\$0	\$0	\$0		\$9,870,338	\$2,468,181	\$12,338,519	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022					Fiscal 2023				
	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	22,308	226	22,534	0.00	0	24,191	245	24,436
DP 2 - Fixed Costs	0.00	0	(993)	0	(993)	0.00	0	(3,122)	0	(3,122)
DP 3 - Inflation Deflation	0.00	0	(54)	0	(54)	0.00	0	(34)	0	(34)
DP 4001 - Taxiway & Apron Pavement Maintenance	0.00	0	0	0	0	0.00	0	0	321,580	321,580
DP 4002 - WYS Runway Reconstruction	0.00	0	0	5,512,800	5,512,800	0.00	0	0	0	0
DP 4003 - Pavement Condition Index	0.00	0	23,000	207,000	230,000	0.00	0	0	0	0
DP 4005 - Snow Removal Equipment - Yellowstone Airport	0.00	0	0	918,800	918,800	0.00	0	0	0	0
DP 4006 - Federal Aid Projects at Lincoln Airport	0.00	0	0	625,500	625,500	0.00	0	0	0	0
DP 4008 - West Yellowstone Airport Master Plan Study	0.00	0	0	436,430	436,430	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$0	\$44,261	\$7,700,756	\$7,745,017	0.00	\$0	\$21,035	\$321,825	\$342,860

***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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 2 - Fixed Costs -

The legislature adopted a reduction of funding to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, SITSD charges, and others. The rates charged for these services are approved in a separate portion of the budget.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of inflation/deflation rates 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 4001 - Taxiway & Apron Pavement Maintenance -

The legislature adopted an adjustment of \$321,580 for federal funds in FY 2023 for pavement maintenance of the apron and taxiway at the Yellowstone Airport to assist the airport in maintaining compliance with FAA mandated requirements. The project will consist of the pavement maintenance to include filling of cracked asphalt (as necessary), sealing the asphalt surfaces, repainting the asphalt surfaces, and incidentals associated with this work.

DP 4002 - WYS Runway Reconstruction -

The legislature adopted an appropriation of \$5.5 million in federal funds in FY 2022 to provide for the design and construction associated with runway rehabilitation and associated improvements at the Yellowstone Airport to assist the airport in maintaining compliance with FAA mandated requirements.

DP 4003 - Pavement Condition Index -

The legislature adopted an appropriation of \$23,000 in aeronautic state special revenue and \$207,000 federal funds in FY 2022 for the pavement condition index (PCI) program which is an asphalt study done every three years at federally funded airports to get a snapshot of the current asphalt conditions. This snapshot is used by the airport sponsor for long-term capital improvement planning.

DP 4005 - Snow Removal Equipment - Yellowstone Airport -

The legislature adopted an appropriation of \$918,800 in federal funds in FY 2022 to provide design/acquisition of snow removal equipment (SRE) for the Yellowstone Airport. Federal law, 14 CFR Part 139 requires commercial service airports to comply with snow removal operations.

DP 4006 - Federal Aid Projects at Lincoln Airport -

The legislature appropriated \$625,500 of federal funds in FY 2022 for the installation of an instrument approach procedure (IAP).

DP 4008 - West Yellowstone Airport Master Plan Study -

The legislature adopted an appropriation of \$436,430 of federal funds in FY 2022 to provide an airport master plan at Yellowstone Airport. The 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act has allocated funds to the Yellowstone Airport which may be used to fund the airport master plan already identified in the airport's capital improvement plan (CIP). This project will consist of an overall evaluation of the current state of the airport as well as identifying future forecasted needs. The FAA requires a master plan in order to receive future federal funding.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 18002 - O&M for Lincoln Airport Storage Building	0.00	0	500	4,500	5,000	0.00	0	500	4,500	5,000
Total	0.00	\$0	\$500	\$4,500	\$5,000	0.00	\$0	\$500	\$4,500	\$5,000

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

DP 18002 - O&M for Lincoln Airport Storage Building -

The legislature adopted an appropriation for operations and maintenance costs for the Lincoln Airport snow removal equipment storage building of \$500 state special funding and \$4,500 federal special funding in FY 2022 and FY 2023, Pursuant to 17-7-210, MCA. This new proposal is contingent on passage and approval of HB 5, which includes an appropriation for construction of the Lincoln Airport snow removal equipment storage building.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	17,999,829	19,010,460	1,010,631	5.61 %
Operating Expenses	11,521,099	13,161,821	1,640,722	14.24 %
Equipment & Intangible Assets	1,284,781	1,347,338	62,557	4.87 %
Grants	39,428,625	39,134,030	(294,595)	(0.75)%
Transfers	3,362,852	3,344,852	(18,000)	(0.54)%
Total Expenditures	\$73,597,186	\$75,998,501	\$2,401,315	3.26 %
State/Other Special Rev. Funds	17,115,600	17,907,814	792,214	4.63 %
Federal Spec. Rev. Funds	56,481,586	58,090,687	1,609,101	2.85 %
Total Funds	\$73,597,186	\$75,998,501	\$2,401,315	3.26 %
Total Ongoing	\$73,597,186	\$75,998,501	\$2,401,315	3.26 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The rail, transit, and planning program provides: 1) a continuous statewide multimodal transportation planning process used to allocate highway program resources to ensure highway system performance goals are maintained and federal-aid highway and transit grant eligibility is maintained within the federal surface transportation programs; 2) an inventory of transportation infrastructure for the allocation of state fuel taxes to local governments; 3) support for the state’s comprehensive statewide highway safety plan including technical analysis, performance tracking, and coordination with multiple administrative agencies and jurisdictions; 4) the point of contact for MDT for major developers seeking access onto the state’s highway system; 5) mapping functions to aid in the publication of the state tourist map and geo-spatial infrastructure inventories; 6) transportation planning and programming assistance to metropolitan and urban areas; 7) administration and implementation of safety programs that help reduce traffic deaths, injuries, and property losses resulting from traffic crashes; 8) administration and implementation of environmental services that assure environmental compliance with all applicable laws, rules, regulations, policies, orders, and agreements; and 9) responses to legislative or regulatory actions necessitating representation before courts, congressional hearings, the US Department of Transportation, the Surface Transportation Board, and others. The planning function addresses system areas that include buses for transit systems, street and highway improvements, railroad track rehabilitation, and considerations for non-motorized improvements.

Program Highlights

Rail Transit & Planning Major Budget Highlights
<ul style="list-style-type: none"> • The 2023 biennium budget is \$2.4 million or 3.3% higher than the 2021 biennium. State special revenue makes up 33.0% of the increase, while federal special revenue makes up 67.0% • The TransADE program increased by roughly \$500,000 over the biennium due to an increase in the revenue source for the program • The legislature approved an additional 5.00 FTE for one environmental science specialist and four positions to navigate statutory requirements of federal surface transportation law

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	94.76	94.76	97.76	99.76
Personal Services	8,075,506	8,934,902	9,064,927	9,415,455	9,595,005
Operating Expenses	3,177,194	4,953,383	6,567,716	6,581,435	6,580,386
Equipment & Intangible Assets	169,068	611,112	673,669	673,669	673,669
Grants	15,297,949	20,107,933	19,320,692	19,567,015	19,567,015
Transfers	1,503,546	1,690,426	1,672,426	1,672,426	1,672,426
Total Expenditures	\$28,223,263	\$36,297,756	\$37,299,430	\$37,910,000	\$38,088,501
State/Other Special Rev. Funds	7,325,141	8,532,947	8,582,653	8,943,727	8,964,087
Federal Spec. Rev. Funds	20,898,122	27,764,809	28,716,777	28,966,273	29,124,414
Total Funds	\$28,223,263	\$36,297,756	\$37,299,430	\$37,910,000	\$38,088,501
Total Ongoing	\$28,223,263	\$36,297,756	\$37,299,430	\$37,910,000	\$38,088,501
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows adopted program funding by source of authority.

Department of Transportation, 50-Rail Transit and Planning Program Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0.00 %
02282 FTA Local Match	1,708,512	0	0	1,708,512	9.53 %
02349 Highway Non-Restricted Account	2,636,526	0	0	2,636,526	14.70 %
02422 Highways Special Revenue	10,172,526	0	0	10,172,526	56.71 %
02436 County DUI Prevention Programs	990,250	0	0	990,250	5.52 %
02795 TransADE Special Revenue	2,400,000	0	0	2,400,000	13.38 %
02827 Aeronautics Division	0	0	0	0	0.00 %
02121 Shared-Use Path	0	0	28,516	28,516	0.16 %
State Special Total	\$17,907,814	\$0	\$28,516	\$17,936,330	23.59 %
03060 Aeronautics Division	0	0	0	0	0.00 %
03147 FTA Grants	26,947,818	0	0	26,947,818	46.39 %
03407 Highway Trust - Sp Rev	21,121,528	0	0	21,121,528	36.36 %
03828 Traffic Safety	10,021,341	0	0	10,021,341	17.25 %
03133 FTA COVID Grants	0	0	0	0	0.00 %
03999 COVID General	0	0	0	0	0.00 %
Federal Special Total	\$58,090,687	\$0	\$0	\$58,090,687	76.41 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$75,998,501	\$0	\$28,516	\$76,027,017	

The rail, transit, and planning (RTP) 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. Other funding includes:

- Federal transit authority (FTA) local match funds provided from local transit providers to match their FTA grants
- TransADE special revenue, which in large part provides funding for transit services that serve the elderly and

- disabled (and can also be used to match federal transit funds)
- County DUI prevention funds, for providing assistance to county DUI task force activities
- Federal highway trust which provides for costs of highway program administration, activities, and projects

The RTP division 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.

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 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	37,299,430	37,299,430	74,598,860	98.16 %
SWPL Adjustments	0	0	0	0.00 %	96,138	116,199	212,337	0.28 %
PL Adjustments	0	0	0	0.00 %	252,473	252,642	505,115	0.66 %
New Proposals	0	0	0	0.00 %	261,959	420,230	682,189	0.90 %
Total Budget	\$0	\$0	\$0		\$37,910,000	\$38,088,501	\$75,998,501	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted 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 2022-----					-----Fiscal 2023-----				
	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	33,583	65,188	98,771	0.00	0	40,069	77,781	117,850
DP 3 - Inflation Deflation	0.00	0	(545)	(2,088)	(2,633)	0.00	0	(342)	(1,309)	(1,651)
DP 5008 - TransADE Program Increase	0.00	0	246,323	0	246,323	0.00	0	246,323	0	246,323
DP 5011 - Equipment Rental	0.00	0	1,294	4,856	6,150	0.00	0	1,329	4,990	6,319
Grand Total All Present Law Adjustments	0.00	\$0	\$280,655	\$67,956	\$348,611	0.00	\$0	\$287,379	\$81,462	\$368,841

**"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 an adjustment to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include overtime, differential and per diem.

DP 3 - Inflation Deflation -

The legislature adopted a reduction of inflation/deflation rates 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 5008 - TransADE Program Increase -

The legislature adopted an increase of \$246,323 in FY 2022 and FY 2023 for Transportation Assistance for the Disabled and Elderly (TransADE) program (MCA 7-14-112) which provides operating/matching funds to local transit providers throughout Montana for the purpose of providing public transportation to the elderly and disabled. Montana currently has 39 transit systems that receive this funding to provide expanded services to the elderly and disabled. An increase in the 2023 biennium is due to increased allocation as the revenue source for this program comes from a statutory appropriation.

DP 5011 - Equipment Rental -

The legislature adopted an increase for operational expenses for equipment usage and associated rate changes from MDT's equipment program.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5001 - FAST Act Reauthorization Adjustment	2.00	0	33,475	133,897	167,372	4.00	0	48,677	280,098	328,775
DP 5002 - Environmental Science Specialist FTE	1.00	0	47,642	47,643	95,285	1.00	0	46,076	46,077	92,153
DP 5099 - NRIS/GIS Fixed Costs	0.00	0	(698)	0	(698)	0.00	0	(698)	0	(698)
Total	3.00	\$0	\$80,419	\$181,540	\$261,959	5.00	\$0	\$94,055	\$326,175	\$420,230

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

DP 5001 - FAST Act Reauthorization Adjustment -

The legislature adopted an adjustment of \$167,372 in FY 2022 and \$328,775 in FY 2023 for an increase to federal and state special revenue to fund personal services, operating costs, and equipment costs for 2.00 FTE in FY 2022 and 4.00 FTE in FY 2023 due to more extensive statutory requirements for transportation planning and programming under the next federal surface transportation law.

DP 5002 - Environmental Science Specialist FTE -

The legislature adopted an increase of \$95,285 in FY 2022 and \$92,153 in FY 2023 for 1.00 FTE for environmental services bureau of the rail, transit & planning division.

DP 5099 - NRIS/GIS Fixed Costs -

The legislature adopted a reallocation of costs associated with Natural Resource Information Service/Geographic Information System (NRIS/GIS) services provided by the Montana State Library.