

**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	17,725,921	17,852,299	126,378	0.71 %
Operating Expenses	9,082,015	9,521,127	439,112	4.83 %
Equipment & Intangible Assets	827,028	1,257,778	430,750	52.08 %
Grants	9,845,484	9,862,734	17,250	0.18 %
Transfers	280,514	280,514	0	0.00 %
Debt Service	6,000	0	(6,000)	(100.00)%
<b>Total Expenditures</b>	<b>\$37,766,962</b>	<b>\$38,774,452</b>	<b>\$1,007,490</b>	<b>2.67 %</b>
General Fund	1,668,369	1,984,427	316,058	18.94 %
State/Other Special Rev. Funds	32,316,083	33,256,969	940,886	2.91 %
Federal Spec. Rev. Funds	2,652,185	2,556,655	(95,530)	(3.60)%
Proprietary Funds	1,130,325	976,401	(153,924)	(13.62)%
<b>Total Funds</b>	<b>\$37,766,962</b>	<b>\$38,774,452</b>	<b>\$1,007,490</b>	<b>2.67 %</b>
<b>Total Ongoing</b>	<b>\$37,766,962</b>	<b>\$38,300,150</b>	<b>\$533,188</b>	<b>1.41 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$474,302</b>	<b>\$474,302</b>	<b>100.00 %</b>

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**Agency Highlights**

<b>Department of Agriculture Major Budget Highlights</b>
<p>The legislature approved a budget of \$38.8 million, an increase of 2.7% or \$1.0 million when compared to the 2021 biennium appropriation. Legislative adjustments include:</p> <ul style="list-style-type: none"> <li>• One-Time-Only appropriation of \$350,000 from state special revenues and federal sources for the purchase of laboratory equipment at the Bozeman analytical laboratory</li> <li>• Statewide present law adjustments of \$193,500 for fixed costs, inflation, rent and personal services.</li> <li>• One-Time-Only appropriation of \$175,600 from the general fund for improvements at the state grain laboratory</li> <li>• Increase of 1.00 FTE for a grain sampler, funded with general fund: \$106,140</li> <li>• One-Time-Only reduction in general fund of \$21,600 for state share holiday</li> </ul>

**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	118.06	118.06	119.06	119.06
Personal Services	7,767,887	8,777,115	8,948,806	8,902,775	8,949,524
Operating Expenses	3,742,813	4,585,321	4,496,694	4,816,984	4,704,143
Equipment & Intangible Assets	17,556	403,139	423,889	483,889	773,889
Grants	5,151,135	4,914,117	4,931,367	4,931,367	4,931,367
Transfers	12,062	140,257	140,257	140,257	140,257
Debt Service	4,749	6,000	0	0	0
<b>Total Expenditures</b>	<b>\$16,696,202</b>	<b>\$18,825,949</b>	<b>\$18,941,013</b>	<b>\$19,275,272</b>	<b>\$19,499,180</b>
General Fund	838,579	852,852	815,517	1,065,949	918,478
State/Other Special Rev. Funds	14,305,011	16,093,133	16,222,950	16,464,273	16,792,696
Federal Spec. Rev. Funds	1,172,227	1,319,840	1,332,345	1,257,150	1,299,505
Proprietary Funds	380,385	560,124	570,201	487,900	488,501
<b>Total Funds</b>	<b>\$16,696,202</b>	<b>\$18,825,949</b>	<b>\$18,941,013</b>	<b>\$19,275,272</b>	<b>\$19,499,180</b>
<b>Total Ongoing</b>	<b>\$16,696,202</b>	<b>\$18,825,949</b>	<b>\$18,941,013</b>	<b>\$19,150,970</b>	<b>\$19,149,180</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$124,302</b>	<b>\$350,000</b>

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### 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	118.06	119.06	119.06	0.00	119.06	119.06	0.00	0.00
Personal Services	8,948,806	8,902,775	8,902,775	0	8,949,524	8,949,524	0	0
Operating Expenses	4,496,694	4,819,831	4,816,984	(2,847)	4,707,019	4,704,143	(2,876)	(5,723)
Equipment & Intangible Assets	423,889	483,889	483,889	0	773,889	773,889	0	0
Grants	4,931,367	4,931,367	4,931,367	0	4,931,367	4,931,367	0	0
Transfers	140,257	140,257	140,257	0	140,257	140,257	0	0
Debt Service	0	0	0	0	0	0	0	0
<b>Total Costs</b>	<b>\$18,941,013</b>	<b>\$19,278,119</b>	<b>\$19,275,272</b>	<b>(\$2,847)</b>	<b>\$19,502,056</b>	<b>\$19,499,180</b>	<b>(\$2,876)</b>	<b>(\$5,723)</b>
General Fund	815,517	1,066,761	1,065,949	(812)	918,503	918,478	(25)	(837)
State/other Special Rev. Funds	16,222,950	16,465,863	16,464,273	(1,590)	16,794,920	16,792,696	(2,224)	(3,814)
Federal Spec. Rev. Funds	1,332,345	1,257,532	1,257,150	(382)	1,300,042	1,299,505	(537)	(919)
Other	570,201	487,963	487,900	(63)	488,591	488,501	(90)	(153)
<b>Total Funds</b>	<b>\$18,941,013</b>	<b>\$19,278,119</b>	<b>\$19,275,272</b>	<b>(\$2,847)</b>	<b>\$19,502,056</b>	<b>\$19,499,180</b>	<b>(\$2,876)</b>	<b>(\$5,723)</b>
<b>Total Ongoing</b>	<b>\$18,941,013</b>	<b>\$19,299,717</b>	<b>\$19,150,970</b>	<b>(\$148,747)</b>	<b>\$19,152,056</b>	<b>\$19,149,180</b>	<b>(\$2,876)</b>	<b>(\$151,623)</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$21,598)</b>	<b>\$124,302</b>	<b>\$145,900</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$145,900</b>

The legislature approved total appropriations \$5,723 lower than the executive request, the legislature approved further reductions to fixed costs.

### Funding

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

Total Department of Agriculture Funding by Source of Authority 2023 Biennium Budget Request - Department of Agriculture						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,860,125	124,302	0	2,989,878	4,974,305	10.75 %
State Special Total	32,948,569	308,400	0	2,751,312	36,008,281	77.82 %
Federal Special Total	2,515,055	41,600	0	0	2,556,655	5.53 %
Proprietary Total	976,401	0	116,400	1,640,000	2,732,801	5.91 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$38,300,150</b>	<b>\$474,302</b>	<b>\$116,400</b>	<b>\$7,381,190</b>	<b>\$46,272,042</b>	
<b>Percent - Total All Sources</b>	<b>82.77 %</b>	<b>1.02 %</b>	<b>0.25 %</b>	<b>15.95 %</b>		

The Department of Agriculture is funded from general fund, state special revenue, federal special revenue, and proprietary funds. State special revenue is the predominant funding source. Major state special revenue funds include:

- Wheat and barley research and marketing account
- Noxious weed admin account
- Pesticide account

The HB 2 general fund appropriation supports personal services, operating expenses, and grants. Non-budgeted proprietary funds support the administration of the hail insurance program; the remaining proprietary funding is statutorily appropriated for hail insurance benefits and claims. General fund statutory appropriations support Growth Through Agriculture programs and the Montana Cooperative Development Center. State special revenue statutorily appropriated supports research and marketing programs for Montana grown potatoes, cherries, and pulse crops. Other state special statutory appropriations support agriculture development programs.

**Budget Summary by Category**

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

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	815,517	815,517	1,631,034	82.19 %	18,941,013	18,941,013	37,882,026	97.70 %
SWPL Adjustments	71,677	21,574	93,251	4.70 %	111,512	81,973	193,485	0.50 %
PL Adjustments	200,353	81,387	281,740	14.20 %	190,316	422,165	612,481	1.58 %
New Proposals	(21,598)	0	(21,598)	(1.09)%	32,431	54,029	86,460	0.22 %
<b>Total Budget</b>	<b>\$1,065,949</b>	<b>\$918,478</b>	<b>\$1,984,427</b>		<b>\$19,275,272</b>	<b>\$19,499,180</b>	<b>\$38,774,452</b>	

**Language and Statutory Authority**

There is no language for this department.

**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	3,142,830	3,492,437	349,607	11.12 %
Operating Expenses	472,669	485,328	12,659	2.68 %
Equipment & Intangible Assets	10,000	10,000	0	0.00 %
Transfers	1,000	1,000	0	0.00 %
Debt Service	1,500	0	(1,500)	(100.00)%
<b>Total Expenditures</b>	<b>\$3,627,999</b>	<b>\$3,988,765</b>	<b>\$360,766</b>	<b>9.94 %</b>
General Fund	465,814	554,654	88,840	19.07 %
State/Other Special Rev. Funds	2,728,979	2,873,577	144,598	5.30 %
Federal Spec. Rev. Funds	196,798	283,676	86,878	44.15 %
Proprietary Funds	236,408	276,858	40,450	17.11 %
<b>Total Funds</b>	<b>\$3,627,999</b>	<b>\$3,988,765</b>	<b>\$360,766</b>	<b>9.94 %</b>
<b>Total Ongoing</b>	<b>\$3,627,999</b>	<b>\$3,991,228</b>	<b>\$363,229</b>	<b>10.01 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$2,463)</b>	<b>(\$2,463)</b>	<b>100.00 %</b>

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**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	19.00	19.00	19.00	19.00
Personal Services	1,494,673	1,529,990	1,612,840	1,742,829	1,749,608
Operating Expenses	210,799	260,711	211,958	269,086	216,242
Equipment & Intangible Assets	0	5,000	5,000	5,000	5,000
Transfers	0	500	500	500	500
Debt Service	793	1,500	0	0	0
<b>Total Expenditures</b>	<b>\$1,706,265</b>	<b>\$1,797,701</b>	<b>\$1,830,298</b>	<b>\$2,017,415</b>	<b>\$1,971,350</b>
General Fund	229,506	236,004	229,810	301,693	252,961
State/Other Special Rev. Funds	1,256,915	1,341,153	1,387,826	1,435,162	1,438,415
Federal Spec. Rev. Funds	112,452	112,514	84,284	142,263	141,413
Proprietary Funds	107,392	108,030	128,378	138,297	138,561
<b>Total Funds</b>	<b>\$1,706,265</b>	<b>\$1,797,701</b>	<b>\$1,830,298</b>	<b>\$2,017,415</b>	<b>\$1,971,350</b>
<b>Total Ongoing</b>	<b>\$1,706,265</b>	<b>\$1,797,701</b>	<b>\$1,830,298</b>	<b>\$2,019,878</b>	<b>\$1,971,350</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,463)</b>	<b>\$0</b>

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**Funding**

The division is funded primarily with state special revenue generated from user fees. State special revenue funds are used to administer programs that promote Montana agriculture. General fund and federal revenue support personal services and associated operating expenses. Proprietary revenue is generated through premiums charged to participants in the hail insurance program. Proprietary funds support personal services for staff that administer the hail insurance program.

**Program Budget Summary by Category**

Budget 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	229,810	229,810	459,620	82.87 %	1,830,298	1,830,298	3,660,596	91.77 %
SWPL Adjustments	74,346	23,151	97,497	17.58 %	210,780	162,252	373,032	9.35 %
PL Adjustments	0	0	0	0.00 %	(21,200)	(21,200)	(42,400)	(1.06)%
New Proposals	(2,463)	0	(2,463)	(0.44)%	(2,463)	0	(2,463)	(0.06)%
<b>Total Budget</b>	<b>\$301,693</b>	<b>\$252,961</b>	<b>\$554,654</b>		<b>\$2,017,415</b>	<b>\$1,971,350</b>	<b>\$3,988,765</b>	

**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	21,617	51,657	49,259	132,452	0.00	22,983	55,210	48,392	136,768
DP 2 - Fixed Costs	0.00	53,533	17,134	8,852	79,519	0.00	177	16,936	8,925	26,038
DP 3 - Inflation Deflation	0.00	(8)	0	0	(8)	0.00	(5)	0	0	(5)
DP 50 - Fixed Cost Reductions	0.00	(796)	(255)	(132)	(1,183)	0.00	(4)	(357)	(188)	(549)
DP 1004 - Service Now Reduction	0.00	0	(21,200)	0	(21,200)	0.00	0	(21,200)	0	(21,200)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$74,346</b>	<b>\$47,336</b>	<b>\$57,979</b>	<b>\$189,580</b>	<b>0.00</b>	<b>\$23,151</b>	<b>\$50,589</b>	<b>\$57,129</b>	<b>\$141,052</b>

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Fixed Cost Reductions -

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

DP 1004 - Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The executive is anticipating operating efficiencies and other savings by using ServiceNow.

**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 5555 - Reduce GF Budget for State Share Holiday	0.00	(2,463)	0	0	(2,463)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>(\$2,463)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,463)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of Senate Bill 110.

**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	9,959,351	9,784,865	(174,486)	(1.75)%
Operating Expenses	3,736,143	3,975,879	239,736	6.42%
Equipment & Intangible Assets	657,274	1,028,024	370,750	56.41%
Grants	4,567,320	4,566,570	(750)	(0.02)%
Debt Service	3,000	0	(3,000)	(100.00)%
<b>Total Expenditures</b>	<b>\$18,923,088</b>	<b>\$19,355,338</b>	<b>\$432,250</b>	<b>2.28%</b>
General Fund	430,650	418,720	(11,930)	(2.77)%
State/Other Special Rev. Funds	16,260,344	16,945,244	684,900	4.21%
Federal Spec. Rev. Funds	2,232,094	1,991,374	(240,720)	(10.78)%
<b>Total Funds</b>	<b>\$18,923,088</b>	<b>\$19,355,338</b>	<b>\$432,250</b>	<b>2.28%</b>
<b>Total Ongoing</b>	<b>\$18,923,088</b>	<b>\$19,008,498</b>	<b>\$85,410</b>	<b>0.45%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$346,840</b>	<b>\$346,840</b>	<b>100.00%</b>

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**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	61.79	61.79	61.79	61.79
Personal Services	4,498,394	4,944,663	5,014,688	4,881,851	4,903,014
Operating Expenses	1,554,900	1,887,332	1,848,811	1,988,439	1,987,440
Equipment & Intangible Assets	17,556	318,262	339,012	339,012	689,012
Grants	2,352,303	2,284,035	2,283,285	2,283,285	2,283,285
Debt Service	2,814	3,000	0	0	0
<b>Total Expenditures</b>	<b>\$8,425,967</b>	<b>\$9,437,292</b>	<b>\$9,485,796</b>	<b>\$9,492,587</b>	<b>\$9,862,751</b>
General Fund	207,095	214,670	215,980	207,504	211,216
State/Other Special Rev. Funds	7,253,685	8,110,774	8,149,570	8,310,969	8,634,275
Federal Spec. Rev. Funds	965,187	1,111,848	1,120,246	974,114	1,017,260
<b>Total Funds</b>	<b>\$8,425,967</b>	<b>\$9,437,292</b>	<b>\$9,485,796</b>	<b>\$9,492,587</b>	<b>\$9,862,751</b>
<b>Total Ongoing</b>	<b>\$8,425,967</b>	<b>\$9,437,292</b>	<b>\$9,485,796</b>	<b>\$9,495,747</b>	<b>\$9,512,751</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,160)</b>	<b>\$350,000</b>

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**Funding**

The division is funded with general fund, state special revenue, and federal funds. State special revenue is the largest source of funding for the division. State special revenue is derived primarily from fees assessed for regulatory activities, product registration, and technical services. Federal funds come from the U.S. Department of Agriculture and support noxious weed mitigation. Federal funds also support portions of the Bovine Spongiform Encephalopathy (BSE), commonly known as "mad cow disease," feed sampling program. General fund supports inspection and testing for prohibited materials in feed related to BSE and noxious weed control grants.

**Program Budget Summary by Category**

Budget 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	215,980	215,980	431,960	103.16 %	9,485,796	9,485,796	18,971,592	98.02 %
SWPL Adjustments	(5,316)	(4,764)	(10,080)	(2.41)%	(44,873)	(28,684)	(73,557)	(0.38)%
PL Adjustments	0	0	0	0.00 %	795	351,610	352,405	1.82 %
New Proposals	(3,160)	0	(3,160)	(0.75)%	50,869	54,029	104,898	0.54 %
<b>Total Budget</b>	<b>\$207,504</b>	<b>\$211,216</b>	<b>\$418,720</b>		<b>\$9,492,587</b>	<b>\$9,862,751</b>	<b>\$19,355,338</b>	

**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	(7,870)	39,421	(161,228)	(129,677)	0.00	(7,262)	54,938	(159,350)	(111,674)
DP 2 - Fixed Costs	0.00	2,592	68,170	15,417	86,179	0.00	2,552	67,143	15,142	84,837
DP 3 - Inflation Deflation	0.00	0	0	(92)	(92)	0.00	0	0	(58)	(58)
DP 50 - Fixed Cost Reductions	0.00	(38)	(1,016)	(229)	(1,283)	0.00	(54)	(1,415)	(320)	(1,789)
DP 3004 - Analytical Lab System Replacement (OTO)	0.00	0	0	0	0	0.00	0	308,400	41,600	350,000
DP 3006 - MT Plants Acclaim Contract Increase	0.00	0	795	0	795	0.00	0	1,610	0	1,610
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$5,316)</b>	<b>\$107,370</b>	<b>(\$146,132)</b>	<b>(\$44,078)</b>	<b>0.00</b>	<b>(\$4,764)</b>	<b>\$430,676</b>	<b>(\$102,986)</b>	<b>\$322,926</b>

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

DP 1 - Personal Services -

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -



The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Fixed Cost Reductions -

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

DP 3004 - Analytical Lab System Replacement (OTO) -

The legislature approved a one-time-only appropriation of \$350,000 from state and federal sources to replace laboratory equipment at the Bozeman analytical laboratory.

DP 3006 - MT Plants Acclaim Contract Increase -

The legislature approved an increase in state special revenue to support the MT Plants system which provides online licensing, registration, e-payments and other ag-related services.

**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 99 - NRIS/GIS Fixed Costs	0.00	0	4,029	0	4,029	0.00	0	4,029	0	4,029
DP 3005 - Organic Certification Services	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(3,160)	0	0	(3,160)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>(\$3,160)</b>	<b>\$54,029</b>	<b>\$0</b>	<b>\$50,869</b>	<b>0.00</b>	<b>\$0</b>	<b>\$54,029</b>	<b>\$0</b>	<b>\$54,029</b>

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

DP 99 - NRIS/GIS Fixed Costs -

The legislature approved an increase in state special revenue to pay for Natural Resource Information (NRIS) and Geographic Information Services (GIS) provided by the Montana State Library.

DP 3005 - Organic Certification Services -

The legislature approved an increase in funding for operating costs related to increased demand for organic certification services for Montana agriculture. Fees from organic certification services have increased at an annual rate of 16.5% over the previous five years.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of Senate Bill 110.

**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	4,623,740	4,574,997	(48,743)	(1.05)%
Operating Expenses	4,873,203	5,059,920	186,717	3.83 %
Equipment & Intangible Assets	159,754	219,754	60,000	37.56 %
Grants	5,278,164	5,296,164	18,000	0.34 %
Transfers	279,514	279,514	0	0.00 %
Debt Service	1,500	0	(1,500)	(100.00)%
<b>Total Expenditures</b>	<b>\$15,215,875</b>	<b>\$15,430,349</b>	<b>\$214,474</b>	<b>1.41 %</b>
General Fund	771,905	1,011,053	239,148	30.98 %
State/Other Special Rev. Funds	13,326,760	13,438,148	111,388	0.84 %
Federal Spec. Rev. Funds	223,293	281,605	58,312	26.11 %
Proprietary Funds	893,917	699,543	(194,374)	(21.74)%
<b>Total Funds</b>	<b>\$15,215,875</b>	<b>\$15,430,349</b>	<b>\$214,474</b>	<b>1.41 %</b>
<b>Total Ongoing</b>	<b>\$15,215,875</b>	<b>\$15,300,424</b>	<b>\$84,549</b>	<b>0.56 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$129,925</b>	<b>\$129,925</b>	<b>100.00 %</b>

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**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	37.27	37.27	38.27	38.27
Personal Services	1,774,820	2,302,462	2,321,278	2,278,095	2,296,902
Operating Expenses	1,977,114	2,437,278	2,435,925	2,559,459	2,500,461
Equipment & Intangible Assets	0	79,877	79,877	139,877	79,877
Grants	2,798,832	2,630,082	2,648,082	2,648,082	2,648,082
Transfers	12,062	139,757	139,757	139,757	139,757
Debt Service	1,142	1,500	0	0	0
<b>Total Expenditures</b>	<b>\$6,563,970</b>	<b>\$7,590,956</b>	<b>\$7,624,919</b>	<b>\$7,765,270</b>	<b>\$7,665,079</b>
General Fund	401,978	402,178	369,727	556,752	454,301
State/Other Special Rev. Funds	5,794,411	6,641,206	6,685,554	6,718,142	6,720,006
Federal Spec. Rev. Funds	94,588	95,478	127,815	140,773	140,832
Proprietary Funds	272,993	452,094	441,823	349,603	349,940
<b>Total Funds</b>	<b>\$6,563,970</b>	<b>\$7,590,956</b>	<b>\$7,624,919</b>	<b>\$7,765,270</b>	<b>\$7,665,079</b>
<b>Total Ongoing</b>	<b>\$6,563,970</b>	<b>\$7,590,956</b>	<b>\$7,624,919</b>	<b>\$7,635,345</b>	<b>\$7,665,079</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,925</b>	<b>\$0</b>

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**Funding**

The division is funded with general fund, state special revenue, federal special revenue, and proprietary funds. General fund supports division administration personal services and associated operating expense. State special revenue, the primary source of funding, is mainly comprised of the wheat & barley research & marketing account which is supported by levies on each bushel of wheat and barley produced in the state. Other sources of revenue include grain testing fees and alfalfa seed assessments. Levies on the net revenue of pulse crops produced in the state are statutorily appropriated to the pulse crop research & marketing fund. Federal special revenue is from federal grants and is used to develop agriculture markets, marketing projects, and for related operating costs. Proprietary funding supports beginning farm loans and expenditures from the hail insurance program.

**Program Budget Summary by Category**

Budget 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	369,727	369,727	739,454	73.14 %	7,624,919	7,624,919	15,249,838	98.83 %
SWPL Adjustments	2,647	3,187	5,834	0.58 %	(54,395)	(51,595)	(105,990)	(0.69)%
PL Adjustments	200,353	81,387	281,740	27.87 %	210,721	91,755	302,476	1.96 %
New Proposals	(15,975)	0	(15,975)	(1.58)%	(15,975)	0	(15,975)	(0.10)%
<b>Total Budget</b>	<b>\$556,752</b>	<b>\$454,301</b>	<b>\$1,011,053</b>		<b>\$7,765,270</b>	<b>\$7,665,079</b>	<b>\$15,430,349</b>	

**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	4,722	1,247	11,594	(78,861)	0.00	5,078	3,252	11,672	(76,063)
DP 2 - Fixed Costs	0.00	(1,562)	21,556	1,385	25,646	0.00	(1,588)	21,449	1,374	25,507
DP 3 - Inflation Deflation	0.00	(535)	(264)	0	(799)	0.00	(336)	(165)	0	(501)
DP 50 - Fixed Cost Reductions	0.00	22	(319)	(21)	(381)	0.00	33	(452)	(29)	(538)
DP 5003 - Efficiency Improvements State Grain Lab Ongoing	0.00	0	0	0	0	0.00	29,700	0	0	29,700
DP 5004 - Efficiency Improvements State Grain Lab (OTO)	0.00	145,900	0	0	145,900	0.00	0	0	0	0
DP 5005 - State Grain Lab Sampler	1.00	54,453	0	0	54,453	1.00	51,687	0	0	51,687
DP 5007 - Rent Increase for Wheat & Barley	0.00	0	10,368	0	10,368	0.00	0	10,368	0	10,368
<b>Grand Total All Present Law Adjustments</b>	<b>1.00</b>	<b>\$203,000</b>	<b>\$32,588</b>	<b>\$12,958</b>	<b>\$156,326</b>	<b>1.00</b>	<b>\$84,574</b>	<b>\$34,452</b>	<b>\$13,017</b>	<b>\$40,160</b>

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

**DP 1 - Personal Services -**

The legislature made adjustments to the present law personal services budget for expected changes, management decisions, and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Fixed Cost Reductions -

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

DP 5003 - Efficiency Improvements State Grain Lab Ongoing -

The legislature approved a general fund appropriation of \$29,700 for ongoing expense for the license of the inventory management system.

DP 5004 - Efficiency Improvements State Grain Lab (OTO) -

The legislature approved a one-time-only appropriation of \$145,900 from the general fund to purchase a laboratory inventory management system and one-time-only maintenance/safety improvements.

DP 5005 - State Grain Lab Sampler -

The legislature approved an increase of 1.00 FTE and general fund appropriation to add an additional grain sampler at the state grain lab.

DP 5007 - Rent Increase for Wheat & Barley -

The legislature approved an increase of state special revenue for the current lease on office space for the Wheat & Barley Committee in Great Falls.

**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 5555 - Reduce GF Budget for State Share Holiday	0.00	(15,975)	0	0	(15,975)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>(\$15,975)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$15,975)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of Senate Bill 110.