

**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	5,138,926	4,864,449	(274,477)	(5.34)%
Operating Expenses	4,311,399	6,507,639	2,196,240	50.94 %
Grants	1,696,730	2,395,956	699,226	41.21 %
Debt Service	3,000	0	(3,000)	(100.00)%
<b>Total Expenditures</b>	<b>\$11,150,055</b>	<b>\$13,768,044</b>	<b>\$2,617,989</b>	<b>23.48 %</b>
General Fund	5,205,870	5,690,287	484,417	9.31 %
State/Other Special Rev. Funds	3,835,900	6,310,367	2,474,467	64.51 %
Federal Spec. Rev. Funds	2,108,285	1,767,390	(340,895)	(16.17)%
<b>Total Funds</b>	<b>\$11,150,055</b>	<b>\$13,768,044</b>	<b>\$2,617,989</b>	<b>23.48 %</b>
<b>Total Ongoing</b>	<b>\$10,900,055</b>	<b>\$12,891,302</b>	<b>\$1,991,247</b>	<b>18.27 %</b>
<b>Total OTO</b>	<b>\$250,000</b>	<b>\$876,742</b>	<b>\$626,742</b>	<b>250.70 %</b>

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**Agency Highlights**

<b>Montana State Library Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Montana State Library’s 2023 biennium appropriations are approximately \$2.6 million or 23.5% higher than the 2021 biennium. Significant biennial changes include:                             <ul style="list-style-type: none"> <li>◦ Increases in state special revenue appropriations of \$1.7 million for the Montana Land Information Act. This funding is contingent on the passage and approval of HB 49</li> <li>◦ Increases in state special revenue appropriations of \$925,000 for start-up costs to build out a statewide real-time network</li> <li>◦ Increases in state special revenue appropriations of \$234,000 for the natural resource information system (NRIS) and the geographic information system (GIS) fixed cost. The Office of Budget and Program Planning included an assessment for the NRIS/GIS fixed cost to agencies as requested by the Legislative Finance Committee</li> <li>◦ Decreases in coal severance tax state special revenue appropriations of \$113,000, which is a 10.0% reduction in appropriations from this fund</li> </ul> </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	29.46	29.46	30.46	30.46
Personal Services	2,781,491	2,827,132	2,311,794	2,403,502	2,460,947
Operating Expenses	2,138,576	2,337,057	1,974,342	3,266,904	3,240,735
Grants	468,618	542,052	1,154,678	1,197,978	1,197,978
Debt Service	2,282	3,000	0	0	0
<b>Total Expenditures</b>	<b>\$5,390,967</b>	<b>\$5,709,241</b>	<b>\$5,440,814</b>	<b>\$6,868,384</b>	<b>\$6,899,660</b>
General Fund	2,528,197	2,598,274	2,607,596	2,829,605	2,860,682
State/Other Special Rev. Funds	1,844,229	1,882,464	1,953,436	3,155,089	3,155,278
Federal Spec. Rev. Funds	1,018,541	1,228,503	879,782	883,690	883,700
<b>Total Funds</b>	<b>\$5,390,967</b>	<b>\$5,709,241</b>	<b>\$5,440,814</b>	<b>\$6,868,384</b>	<b>\$6,899,660</b>
<b>Total Ongoing</b>	<b>\$5,291,539</b>	<b>\$5,609,241</b>	<b>\$5,290,814</b>	<b>\$6,454,142</b>	<b>\$6,437,160</b>
<b>Total OTO</b>	<b>\$99,428</b>	<b>\$100,000</b>	<b>\$150,000</b>	<b>\$414,242</b>	<b>\$462,500</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	29.46	30.46	30.46	0.00	30.46	30.46	0.00	0.00
Personal Services	2,311,794	2,368,639	2,403,502	34,863	2,426,179	2,460,947	34,768	69,631
Operating Expenses	1,974,342	2,138,628	3,266,904	1,128,276	2,112,459	3,240,735	1,128,276	2,256,552
Grants	1,154,678	1,154,678	1,197,978	43,300	1,154,678	1,197,978	43,300	86,600
Transfers	0	(56,700)	0	56,700	(56,700)	0	56,700	113,400
Debt Service	0	0	0	0	0	0	0	0
<b>Total Costs</b>	<b>\$5,440,814</b>	<b>\$5,605,245</b>	<b>\$6,868,384</b>	<b>\$1,263,139</b>	<b>\$5,636,616</b>	<b>\$6,899,660</b>	<b>\$1,263,044</b>	<b>\$2,526,183</b>
General Fund	2,607,596	2,855,676	2,829,605	(26,071)	2,886,842	2,860,682	(26,160)	(52,231)
State/other Special Rev. Funds	1,953,436	1,865,743	3,155,089	1,289,346	1,865,938	3,155,278	1,289,340	2,578,686
Federal Spec. Rev. Funds	879,782	883,826	883,690	(136)	883,836	883,700	(136)	(272)
<b>Total Funds</b>	<b>\$5,440,814</b>	<b>\$5,605,245</b>	<b>\$6,868,384</b>	<b>\$1,263,139</b>	<b>\$5,636,616</b>	<b>\$6,899,660</b>	<b>\$1,263,044</b>	<b>\$2,526,183</b>
<b>Total Ongoing</b>	<b>\$5,290,814</b>	<b>\$5,653,503</b>	<b>\$6,454,142</b>	<b>\$800,639</b>	<b>\$5,636,616</b>	<b>\$6,437,160</b>	<b>\$800,544</b>	<b>\$1,601,183</b>
<b>Total OTO</b>	<b>\$150,000</b>	<b>(\$48,258)</b>	<b>\$414,242</b>	<b>\$462,500</b>	<b>\$0</b>	<b>\$462,500</b>	<b>\$462,500</b>	<b>\$925,000</b>

The legislature adopted ongoing appropriations that are approximately \$1.6 million higher than the proposed appropriations for the 2023 biennium. The legislature adopted one-time-only appropriations that are approximately \$900,000 higher than the proposed appropriations for the biennium. These differences are primarily in state special revenue appropriations.

The major differences in the legislative budget compared to the proposed budget include:

- The legislature adopted state special revenue appropriations of \$1.7 million over the biennium for activities associated with the Montana Land Information Act. HB 49 proposes an increase in the filing fee associated with the act, which would result in additional state special revenue funds. The increase in the state special revenue appropriations is contingent on the passage and approval of HB 49
- The legislature adopted restricted, biennial, one-time-only state special revenue appropriations of \$925,000 over the biennium for start-up costs to build out a statewide real-time network
- The legislature adopted an additional 1.0% vacancy savings, which reduced general fund, state special revenue, and federal special revenue appropriations for personal services. This reduction totaled approximately \$50,000 over the biennium
- The legislature adopted a reduction in general fund appropriations of approximately \$5,000 over the biennium for a reduction in fixed costs for information technology services

**Funding**

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

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	5,738,545	(48,258)	0	831,532	6,521,819	42.26 %
State Special Total	5,385,367	925,000	0	0	6,310,367	40.89 %
Federal Special Total	1,767,390	0	0	0	1,767,390	11.45 %
Proprietary Total	0	0	833,711	0	833,711	5.40 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$12,891,302</b>	<b>\$876,742</b>	<b>\$833,711</b>	<b>\$831,532</b>	<b>\$15,433,287</b>	
<b>Percent - Total All Sources</b>	<b>83.53 %</b>	<b>5.68 %</b>	<b>5.40 %</b>	<b>5.39 %</b>		

The Montana State Library is funded through a combination of general fund, state special revenue, federal special revenue and proprietary funds.

*HB 2 Authority*

General fund in the Montana State Library supports:

- The statewide interlibrary resource sharing program
- State aid to libraries throughout Montana
- The natural resource information system (NRIS)
- General agency operations

State special revenue in the 2023 biennium includes:

- The digital library services account, which receives assessments paid by certain state agencies that use the NRIS. In previous biennia, these agencies include the Departments of Fish, Wildlife, and Parks, Transportation, Environmental Quality, Natural Resources and Conservation, and the Montana University System. For the 2023 biennium, the legislature adopted a decision package to include additional agencies in this assessment
- The Montana land information account, which receives a portion of the document recording fees assessed at the local level
- The coal severance tax, which partially funds general operations, statewide technology contracts, and the library federation grants to assist local libraries in providing basic services

Federal special revenue is primarily comprised of Library Services and Technology Act (LSTA) grants administered by the Institute of Museum and Library Services (IMLS). These funds:

- Are formula grants from the IMLS rather than competitive grants
- Require a 2:1 federal/state match and a 5-year plan
- Are used for collection content and access, training and outreach to local libraries, and services to patrons with disabilities

*Proprietary Authority*

Approximately 5.3% of the Montana State Library functions are supported with a non-budgeted proprietary fund.

*Statutory Authority*

The Montana State Library is estimating approximately \$832,000 general fund statutory authority in the 2023 biennium. Statute (22-1-327, MCA) states that the commission shall distribute grants to public libraries and public library districts based on a per capita and per square mile basis. The base amount that can be allocated is \$0.40 multiplied by the total number of residents of the state as determined by the most recent decennial census.

**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	2,607,596	2,607,596	5,215,192	91.65 %	5,290,814	5,290,814	10,581,628	76.86 %
SWPL Adjustments	300,268	283,176	583,444	10.25 %	306,162	289,275	595,437	4.32 %
PL Adjustments	(6,546)	(6,546)	(13,092)	(0.23)%	(6,546)	(6,546)	(13,092)	(0.10)%
New Proposals	(71,713)	(23,544)	(95,257)	(1.67)%	1,277,954	1,326,117	2,604,071	18.91 %
<b>Total Budget</b>	<b>\$2,829,605</b>	<b>\$2,860,682</b>	<b>\$5,690,287</b>		<b>\$6,868,384</b>	<b>\$6,899,660</b>	<b>\$13,768,044</b>	

**Language and Statutory Authority**

All HB 2 federal funding appropriations for the Montana State Library are biennial appropriations.

If HB 49 is not passed and approved, the appropriation for Montana Land Information Act Funding is void.

The Statewide Library Resources includes a reduction in general fund of \$23,455 in fiscal year 2022 and \$23,544 in fiscal year 2023, state special revenue of \$1,546 in fiscal year 2022 and \$1,552 in fiscal year 2023, and federal special revenue of \$136 in fiscal year 2022 and \$136 in fiscal year 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.

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**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	16,506	1,850	4,044	22,400	0.00	24,345	2,045	4,054	30,444
DP 2 - Fixed Costs	0.00	285,000	0	0	285,000	0.00	259,607	0	0	259,607
DP 3 - Inflation Deflation	0.00	(1,238)	0	0	(1,238)	0.00	(776)	0	0	(776)
DP 11 - ServiceNow Reduction	0.00	(3,930)	0	0	(3,930)	0.00	(3,930)	0	0	(3,930)
DP 50 - SWPLA Fixed Cost Reductions	0.00	(2,616)	0	0	(2,616)	0.00	(2,616)	0	0	(2,616)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$293,722</b>	<b>\$1,850</b>	<b>\$4,044</b>	<b>\$299,616</b>	<b>0.00</b>	<b>\$276,630</b>	<b>\$2,045</b>	<b>\$4,054</b>	<b>\$282,729</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 adopted 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 11 - ServiceNow Reduction -

The legislature adopted a decrease in general fund appropriations because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The Montana State Library is anticipating operating efficiencies and other savings by using ServiceNow.

DP 50 - SWPLA Fixed Cost Reductions -

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

**New Proposals -**

The New Proposals table shows new changes to spending

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 13 - NRIS/GIS Fixed Costs	1.00	0	117,157	0	117,157	1.00	0	117,157	0	117,157
DP 18 - Real Time Network (RST/BIEN/OTO)	0.00	0	462,500	0	462,500	0.00	0	462,500	0	462,500
DP 19 - Montana Land Information Act Funding	0.00	0	828,392	0	828,392	0.00	0	828,392	0	828,392
DP 20 - Reduce Funding from Coal Severance Tax SSR Account	0.00	0	(56,700)	0	(56,700)	0.00	0	(56,700)	0	(56,700)
DP 51 - Additional 1.0% Vacancy Savings	0.00	(23,455)	(1,546)	(136)	(25,137)	0.00	(23,544)	(1,552)	(136)	(25,232)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(48,258)	0	0	(48,258)	0.00	0	0	0	0
<b>Total</b>	<b>1.00</b>	<b>(\$71,713)</b>	<b>\$1,349,803</b>	<b>(\$136)</b>	<b>\$1,277,954</b>	<b>1.00</b>	<b>(\$23,544)</b>	<b>\$1,349,797</b>	<b>(\$136)</b>	<b>\$1,326,117</b>

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

DP 13 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee to conduct a study of the funding of digital library services. The LFC recommended that the Office of Budget and Program Planning include an assessment for the natural resource information system and the geographic information system as a fixed cost to state agencies beginning in the 2023 biennium. The assessment is made to those agencies that utilize the NRIS/GIS.

The legislature adopted an increase in state special revenue appropriations and 1.00 FTE for the Montana State Library. These funds will be included with the current core funding for NRIS/GIS of \$282,000. Five state agencies have paid this core funding since 2005 without any inflationary increase. This new funding includes inflationary increases and redistributes the costs across all state agency that use NRIS/GIS.

DP 18 - Real Time Network (RST/BIEN/OTO) -

The legislature adopted restricted, biennial, one-time-only state special revenue appropriations for the start-up costs to build out a statewide real-time network (RTN). An RTN is a network of permanent continuously operating reference stations (CORS) spread throughout the state. The CORS are mounted with global navigation satellite system receivers and communication equipment to continuously receive and stream global navigation satellite system (GNSS) data. This precise location data supports a variety of needs including precision agriculture, surveying, infrastructure asset management, and autonomous navigation. The Montana State Library would serve as the central processing center to receive and manage the raw coordinate data and to connect network users. Authorized network users would access the network at any time to receive real-time geospatial location data from any location within the network that has communications with the Library. Start-up costs include costs for software and computer equipment, personal service costs for coordination and promotion, and funding for CORS stations.

DP 19 - Montana Land Information Act Funding -

The legislature adopted state special revenue appropriations contingent on the passage and approval of HB 49. The Montana land information state special revenue fund receives revenues from fees for filing documents such as land

titles with county clerks. If passed and approved, HB 49 would increase the fee from \$7.00 to \$8.00. Of this \$1.00 increase, \$0.75 would be deposited in the Montana land information state special revenue account, which is available for developing a standardized and sustainable way to collect, maintain, and disseminate information in digital form about the land characteristics of Montana.

DP 20 - Reduce Funding from Coal Severance Tax SSR Account -

The legislature adopted a reduction in the coal severance tax state special revenue fund. This is a 10.0% reduction to the appropriation from the state special revenue account for the Montana State Library. Revenue into the state special revenue fund has declined over time. In addition to the proposed reduction in appropriations, HB 374 proposes a general fund transfer to this state special revenue fund to cover any shortfall in revenue.

DP 51 - Additional 1.0% Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings, which reduces general fund, state special revenue, and federal special revenue appropriations for personal services.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature adopted a reduction in general fund appropriations for a two-month state share holiday for employer contributions into the state health insurance fund. This change removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of SB 110.