

**Program Biennium Comparison**

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

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	18,992,486	19,356,865	364,379	1.92 %
Operating Expenses	5,716,611	5,928,104	211,493	3.70 %
Equipment & Intangible Assets	708,423	555,432	(152,991)	(21.60)%
Transfers	141,960	93,460	(48,500)	(34.16)%
<b>Total Expenditures</b>	<b>\$25,559,480</b>	<b>\$25,933,861</b>	<b>\$374,381</b>	<b>1.46 %</b>
State/Other Special Rev. Funds	19,115,310	19,325,288	209,978	1.10 %
Federal Spec. Rev. Funds	6,444,170	6,608,573	164,403	2.55 %
<b>Total Funds</b>	<b>\$25,559,480</b>	<b>\$25,933,861</b>	<b>\$374,381</b>	<b>1.46 %</b>
<b>Total Ongoing</b>	<b>\$25,559,480</b>	<b>\$25,933,861</b>	<b>\$374,381</b>	<b>1.46 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The motor carrier services program (MCS) 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**

<b>Motor Carrier Services Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The MCS Program budget request is \$374,381 or 1.5%, higher than the 2021 biennium</li> <li>• Personal services cost would increase \$364,379                             <ul style="list-style-type: none"> <li>◦ Increases primarily result from the annualization of the 2021 biennium pay plan</li> </ul> </li> </ul>

**Program Actuals and Budget Comparison**

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	123.44	123.44	123.44	123.44
Personal Services	8,902,334	9,417,258	9,575,228	9,666,638	9,690,227
Operating Expenses	2,349,724	2,760,282	2,956,329	2,963,885	2,964,219
Equipment & Intangible Assets	391,880	430,707	277,716	277,716	277,716
Transfers	92,975	95,230	46,730	46,730	46,730
<b>Total Expenditures</b>	<b>\$11,736,913</b>	<b>\$12,703,477</b>	<b>\$12,856,003</b>	<b>\$12,954,969</b>	<b>\$12,978,892</b>
State/Other Special Rev. Funds	8,794,780	9,537,506	9,577,804	9,653,377	9,671,911
Federal Spec. Rev. Funds	2,942,133	3,165,971	3,278,199	3,301,592	3,306,981
<b>Total Funds</b>	<b>\$11,736,913</b>	<b>\$12,703,477</b>	<b>\$12,856,003</b>	<b>\$12,954,969</b>	<b>\$12,978,892</b>
<b>Total Ongoing</b>	<b>\$11,736,913</b>	<b>\$12,703,477</b>	<b>\$12,856,003</b>	<b>\$12,954,969</b>	<b>\$12,978,892</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

In the FY 2020 budget the motor carrier services program expended a total of 92.4% or \$11.7 million of its \$12.7 million in appropriation authority. The personal services budget was 94.5% expended at \$8.9 million, and operating expenses were 85.1% expended at \$2.4 million. Equipment and intangible assets was 91.0% expended and the transfers appropriation was 97.6% expended.

*FY 2020 Appropriations compared to FY 2021 Appropriations*

The FY 2021 appropriation of \$12.9 million is 1.2% above the FY 2020 appropriation of \$12.7 million. Equipment appears to have decreased but programs transfers from the general operations program allowed for an appropriation increase to support purchases of equipment for monitoring activities.

*FY 2021 Legislative Budget compared to FY 2021 base*

FY 2021 Legislative Appropriations - Motor Carrier Services				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
<b>22 MOTOR CARRIER SERVICES</b>				
61000 Personal Services	9,575,228	-	9,575,228	0.0%
62000 Operating Expenses	2,983,560	(27,231)	2,956,329	-0.9%
63000 Equipment & Intangible Assets	197,716	80,000	277,716	40.5%
68000 Transfers-out	49,716	(2,986)	46,730	-6.0%
<b>22 MOTOR CARRIER SERVICES Total</b>	<b>12,806,220</b>	<b>49,783</b>	<b>12,856,003</b>	<b>0.4%</b>
<b>54010 DEPARTMENT OF TRANSPORTATION Total</b>	<b>12,806,220</b>	<b>49,783</b>	<b>12,856,003</b>	<b>0.4%</b>

The FY 2021 base budget of \$12.9 million is 0.4% higher than the FY 2021 Legislative budget appropriation of \$12.8 million. A program transfer from the general operations program increased the base for equipment and intangible assets by \$80,000, the two programs share a grant for fuel tax evasion prevention. Operating expenses were reduced by \$27,231 due to centralization of department wide SITSD and DOA expenses to the general operations program. A small amount of budget authority originally budgeted for transfers-out was transferred to operating expenses as it was no longer needed for Department of Justice IT maintenance.

*Executive Requests*

The 2023 biennium budget is an increase of \$374,381 over the 2021 biennium. The greatest area of increase is in the personal services budget, which is described in greater detail below. An increase of \$211,493 in operating expenses includes increases in equipment rental expenses and is largely offset by reductions in equipment and transfers.

**Program Personal Services**

The MCS personal services budget is \$9.7 million each year of the biennium, and includes a biennial increase of \$364,379 or 1.9%. Increases in personal services costs result primarily from the annualization of the 2021 pay plan adjustment.

Attributes of the MCS Program personal services include:

- Total FTE budgeted in the program are 123.44
- 94.00 FTE or 73.2% of the workforce were employed as motor vehicle safety inspectors in FY 2020
- \$170,413 requested per FY in overtime, an amount equal to the 2021 biennium budget authority

**Funding**

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

Department of Transportation, 22-Motor Carrier Services Program Funding by Source of Authority							
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 %	
02294 Unified Carrier Registration	2,773,759	0	0	0	2,773,759	14.35 %	
02349 Highway Non-Restricted Account	110,056	0	0	0	110,056	0.57 %	
02422 Highways Special Revenue	16,441,473	0	0	0	16,441,473	85.08 %	
<b>State Special Total</b>	<b>\$19,325,288</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,325,288</b>	<b>74.52 %</b>	
03292 MCS Federal Grants	6,184,636	0	0	0	6,184,636	93.58 %	
03407 Highway Trust - Sp Rev	423,937	0	0	0	423,937	6.42 %	
03999 COVID General	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$6,608,573</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,608,573</b>	<b>25.48 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$25,933,861</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,933,861</b>		

MCS is funded by the highway state special revenue accounts and federal special revenue. Most of the funding in the 2021 biennium is through the constitutionally restricted HSSRA (02422). 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.

**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 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	99.14 %	
SWPL Adjustments	0	0	0	0.00 %	90,730	114,573	205,303	0.79 %	
PL Adjustments	0	0	0	0.00 %	8,236	8,316	16,552	0.06 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$12,954,969</b>	<b>\$12,978,892</b>	<b>\$25,933,861</b>		

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed 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	70,856	20,554	91,410	0.00	0	89,142	25,857	114,999
DP 3 - Inflation Deflation	0.00	0	(529)	(151)	(680)	0.00	0	(332)	(94)	(426)
DP 2211 - Equipment Rental	0.00	0	5,246	2,990	8,236	0.00	0	5,297	3,019	8,316
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$75,573</b>	<b>\$23,393</b>	<b>\$98,966</b>	<b>0.00</b>	<b>\$0</b>	<b>\$94,107</b>	<b>\$28,782</b>	<b>\$122,889</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 budget includes an increase of \$91,410 in FY 2022 and \$114,999 in FY 2023 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.

DP 3 - Inflation Deflation -

This change package includes a reduction of \$680 in FY 2022 and \$426 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 2211 - Equipment Rental -

The request includes an increase of \$8,236 in FY 2022 and \$8,316 FY 2023 for an increase of operational expenses for equipment usage and associated rate changes from MDT's equipment program. This request would impact a combination of state special and federal special revenues.