

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	17,999,829	19,404,860	1,405,031	7.81 %
Operating Expenses	11,521,099	13,184,719	1,663,620	14.44 %
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	\$76,415,799	\$2,818,613	3.83 %
State/Other Special Rev. Funds	17,115,600	18,045,988	930,388	5.44 %
Federal Spec. Rev. Funds	56,481,586	58,369,811	1,888,225	3.34 %
Total Funds	\$73,597,186	\$76,415,799	\$2,818,613	3.83 %
Total Ongoing	\$73,597,186	\$76,415,799	\$2,818,613	3.83 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The rail, transit, and planning program (RTP) 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.

Rail Transit & Planning Major Budget Highlights
<ul style="list-style-type: none"> • The RTP program budget request is \$2.8 million or 3.8%, higher than the 2021 biennium • Personal services cost increase \$1.4 million or 7.8% for the biennium. This includes a present law adjustment of \$596,934 and a request for 3.00 FTE in FY 2022 and an additional 2.00 FTE in FY 2023 • The executive requests an increase of \$246,323 in each year of the biennium to provide matching funds for the statutorily appropriated TransADE program that provides transportation assistance to the disabled and elderly

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	94.76	94.76	97.76	99.76
Personal Services	8,075,506	8,934,902	9,064,927	9,610,791	9,794,069
Operating Expenses	3,177,194	4,953,383	6,567,716	6,592,884	6,591,835
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	\$38,116,785	\$38,299,014
State/Other Special Rev. Funds	7,325,141	8,532,947	8,582,653	9,012,413	9,033,575
Federal Spec. Rev. Funds	20,898,122	27,764,809	28,716,777	29,104,372	29,265,439
Total Funds	\$28,223,263	\$36,297,756	\$37,299,430	\$38,116,785	\$38,299,014
Total Ongoing	\$28,223,263	\$36,297,756	\$37,299,430	\$38,116,785	\$38,299,014
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

In the FY 2020 budget the rail, transit and planning program expended a total of 77.8% of its \$36.3 million of appropriation authority. Operating expense authority was 64.1% expended due to lower than normal travel expenses, and savings on supplies and communications costs. Equipment and intangible assets authority was 27.7% expended. Equipment needs in this program vary from year-to-year based on needs or requests.

FY 2020 Appropriations compared to FY 2021 Appropriations

The FY 2021 appropriation of \$37.3 million is 2.8% above the FY 2020 appropriation level of \$36.3 million. The 1.5% increase in personal services authority is due to the annualization of the pay plan. The FY 2021 operating costs appropriation of \$6.6 million is 32.6% higher than the FY 2020 modified budget. Originally operating expense authority was not materially different between FY 2020 and FY 2021. However, during FY 2020 appropriations in the operations

budget were moved to areas of need when it became apparent that operating costs were lower than normal. The FY 2021 operations appropriation is close to the original legislative appropriation.

FY 2021 Legislative Appropriations - Department of Transportation - Rail, Transit & Planning				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
50 RAIL TRANSIT & PLANNING				
61000 Personal Services	9,064,927	-	9,064,927	0.0%
62000 Operating Expenses	6,603,505	(35,789)	6,567,716	-0.5%
63000 Equipment & Intangible Assets	673,669	-	673,669	0.0%
66000 Grants	19,250,692	70,000	19,320,692	0.4%
68000 Transfers-out	1,773,461	(101,035)	1,672,426	-5.7%
50 RAIL TRANSIT & PLANNING Total	37,366,254	(66,824)	37,299,430	-0.2%

FY 2021 Legislative Budget compared to FY 2021 base

The FY 2021 base budget of \$37.3 million is \$66,824 or 0.2% lower than the FY 2021 Legislative budget appropriation of \$37.4 million. This is a product of a combination of budgetary changes discussed in the *FY 2021 Legislative Budget compared to FY 2021 base* section in the Summary at the beginning of this report. The transfer of SITSD expenses in the amount of \$124,688 to the general operations program is one of the primary factors for the difference. This was offset by other transfers and does not stand out in the chart above.

Executive Request

The 2023 biennium budget for the RTP program includes a total increase of \$2.8 million or 3.8% from the 2021 biennium budget. Overall budget changes resulting from increases in personal services costs, operating expenses, and equipment costs are partially offset by reductions in grants and transfers. While grants and transfers show reductions in the biennial budget comparison, a decision package that reflects projected operating/matching funds for public transit providers would add \$492,646 to the budget. The executive request includes three new proposals totaling \$178,524 in state special funds and \$517,752 in federal special funds for the biennium. These new proposals include an adjustment resulting from the reauthorization of the federal transportation bill, the FAST ACT, and includes a request for 2.00 FTE in FY 2022 and an additional 2.00 FTE in FY 2023. An additional 2.00 FTE is requested to create an environmental science specialist position. Lastly a negative change package is requested to adjust for NRIS/GIS fixed costs. MDT has been one of 5 agencies paying the State Library for its GIS services. However, a new fixed cost structure requires more agencies to contribute, therefore decreasing MDT's share of the costs.

Program Personal Services

The RTP personal services budget is \$9.6 million in FY 2022 and \$9.8 million in FY 2023, a biennial increase of \$1.4 million or 7.8%.

Increases in personal services costs result primarily from the annualization of the 2021 pay plan, career ladder increases and a market adjustment in June of 2020 resulting from a market analysis.

Funding

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

Department of Transportation, 50-Rail Transit and Planning 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 %	
02282 FTA Local Match	1,708,512	0	0	0	1,708,512	9.45 %	
02349 Highway Non-Restricted Account	2,640,329	0	0	0	2,640,329	14.61 %	
02422 Highways Special Revenue	10,306,897	0	0	0	10,306,897	57.02 %	
02436 County DUI Prevention Programs	990,250	0	0	0	990,250	5.48 %	
02795 TransADE Special Revenue	2,400,000	0	0	0	2,400,000	13.28 %	
02827 Aeronautics Division	0	0	0	0	0	0.00 %	
02121 Shared-Use Path	0	0	0	28,516	28,516	0.16 %	
State Special Total	\$18,045,988	\$0	\$0	\$28,516	\$18,074,504	23.64 %	
03060 Aeronautics Division	0	0	0	0	0	0.00 %	
03147 FTA Grants	26,974,440	0	0	0	26,974,440	46.21 %	
03407 Highway Trust - Sp Rev	21,350,930	0	0	0	21,350,930	36.58 %	
03828 Traffic Safety	10,044,441	0	0	0	10,044,441	17.21 %	
03133 FTA COVID Grants	0	0	0	0	0	0.00 %	
03999 COVID General	0	0	0	0	0	0.00 %	
Federal Special Total	\$58,369,811	\$0	\$0	\$0	\$58,369,811	76.36 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$76,415,799	\$0	\$0	\$28,516	\$76,444,315		

The rail, transit, and planning division is funded with a combination of state and federal special revenue funds. Highway state special revenue from both the restricted and non-restricted 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 be also used to match federal transit funds)
- County DUI prevention funds, for providing assistance to county DUI task force activities
- Federal highway trust (03407), which provides for costs of highway program administration, activities, and projects

The RTP Program also has 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.

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 %	37,299,430	37,299,430	74,598,860	97.62 %
SWPL Adjustments	0	0	0	0.00 %	286,096	306,554	592,650	0.78 %
PL Adjustments	0	0	0	0.00 %	263,922	264,091	528,013	0.69 %
New Proposals	0	0	0	0.00 %	267,337	428,939	696,276	0.91 %
Total Budget	\$0	\$0	\$0		\$38,116,785	\$38,299,014	\$76,415,799	

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	98,168	190,561	288,729	0.00	0	104,790	203,415	308,205
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	3,703	13,896	17,599	0.00	0	3,738	14,030	17,768
Grand Total All Present Law Adjustments	0.00	\$0	\$347,649	\$202,369	\$550,018	0.00	\$0	\$354,509	\$216,136	\$570,645

**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 \$288,729 in FY 2022 and \$308,205 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 and per diem.

DP 3 - Inflation Deflation -

This change package includes a reduction of \$2,633 in FY 2022 and \$1,651 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 5008 - TransADE Program Increase -

The request includes \$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 request includes an increase of \$17,599 in FY 2022 and \$17,768 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.

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	34,140	136,557	170,697	4.00	0	50,008	285,422	335,430
DP 5002 - FTE Environmental Science Specialist	1.00	0	48,669	48,669	97,338	1.00	0	47,103	47,104	94,207
DP 5099 - NRIS/GIS Fixed Costs	0.00	0	(698)	0	(698)	0.00	0	(698)	0	(698)
Total	3.00	\$0	\$82,111	\$185,226	\$267,337	5.00	\$0	\$96,413	\$332,526	\$428,939

**"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 request includes \$170,697 in FY 2022 and \$335,430 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. The Senate Environment & Public Works Committee unanimously passed its reauthorization bill (ATIA) out of committee that includes increased funding and new planning and funding programs in the areas of vehicle and pedestrian safety, resiliency, congestion relief, alternative fueling infrastructure, transit, freight and wildlife. Additional planning requirements, program management, project solicitation and nomination, financial tracking, performance assessment, and reporting for each program is necessary to ensure Montana receives and benefits from these funding programs

DP 5002 - FTE Environmental Science Specialist -

The request includes \$97,338 in FY 2022 and \$94,207 in FY 2023 for 1.00 FTE to account for current and projected workload increases within the environmental services bureau of the rail, transit & planning division. Workload on current staff has increased and is expected to continue to increase at a higher rate due to changing environmental regulatory requirements under the US Threatened and Endangered Species Act, Clean Water Act including Municipal Separate Storm Sewer Systems (MS4), and the MT Greater Sage Grouse Stewardship Act. Other increasing demands include Rest Area advanced wastewater systems, environmental review of public submittals, wildlife and transportation issues and new project delivery mechanisms. The projected workload is expected to increase at a greater rate for the 2023 biennium. Use of consultants during the biennium will also be increased to address the additional workload.

DP 5099 - NRIS/GIS Fixed Costs -

This request reallocates costs associated with NRIS/GIS services provided by the Montana State Library.