

2017 BIENNIUM BUDGET STATUS REPORT

A Report Prepared for the
Legislative Finance Committee

By
Legislative Fiscal Division Staff

May 22, 2017



GENERAL FUND BALANCE SHEET

The general fund status sheet including the balance sheet is provided as a separate report to the LFC. The report may be found on the [LFC webpage](#). A final general fund status sheet that includes an update after the Governor completes the signing and veto process will be available in the 2019 biennium fiscal report in June 2017.

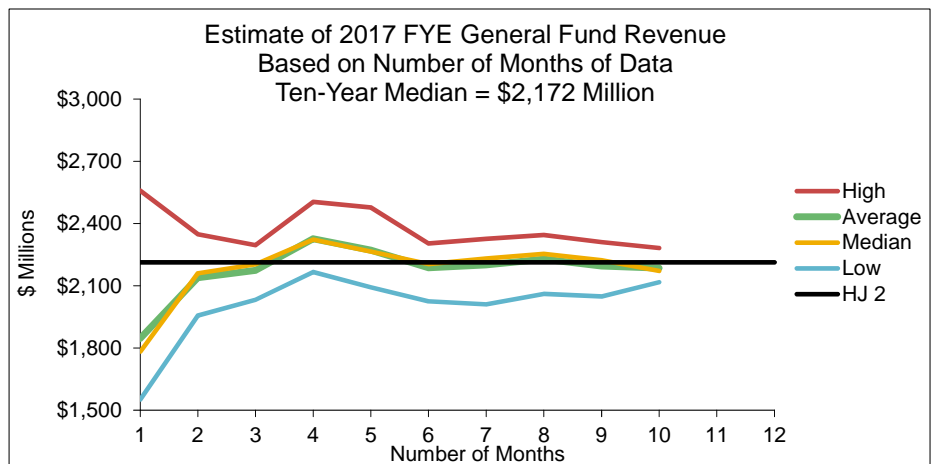
GENERAL FUND REVENUE SUMMARY

The revenue summary is designed to apprise the LFC on year-to-date general fund revenue collections, recent economic trends and the outlook for FY 2017 relative to the revenue estimate contained in HJ 2. Note that this report reflects the changes made to HJ 2 in House Tax Committee on April 6th.

FY 2017 general fund revenues through the end of April are \$9.0 million or 0.5% higher than FY 2016 revenues through the same period; this increase is below the anticipated growth of 4.3%. In excess of one-quarter of total general fund revenue is typically booked in the state accounting system (SABHRS) in the last two months of the fiscal year. Individual income current year payments (which reflect taxpayers' CY 2016 liability) came in lower than anticipated in April, but third quarter estimated payments (which reflect expected CY 2017 liability) were up and should continue into the final June payment. Corporation income and oil & natural gas taxes are anticipated to have strong fourth quarter collections relative to FY 2016. Including all other sources, total FY 2017 collections may end up somewhat below the estimate contained in HJ 2.

Year-to-Date Relative to Historical Collection Patterns

As the fiscal year progresses, the accruing data allows for a closer estimate of final collections based on historical collection patterns. Potential total general fund collections for FY 2017 are calculated using various year-to-date percentages—minimum, maximum, median and average—since FY 2007. The results are shown in the adjacent chart. Based on collections through the end of April, the difference between the high and low amounts is about \$165 million, with the median value about \$41 million below the HJ 2 estimate.



YEAR-TO-DATE GENERAL FUND REVENUE

FY 2017 general fund revenues through the end of April are \$9.0 million or 0.5% above FY 2016 revenues through the same period; this increase is below the HJ 2 estimated growth of 4.3%.

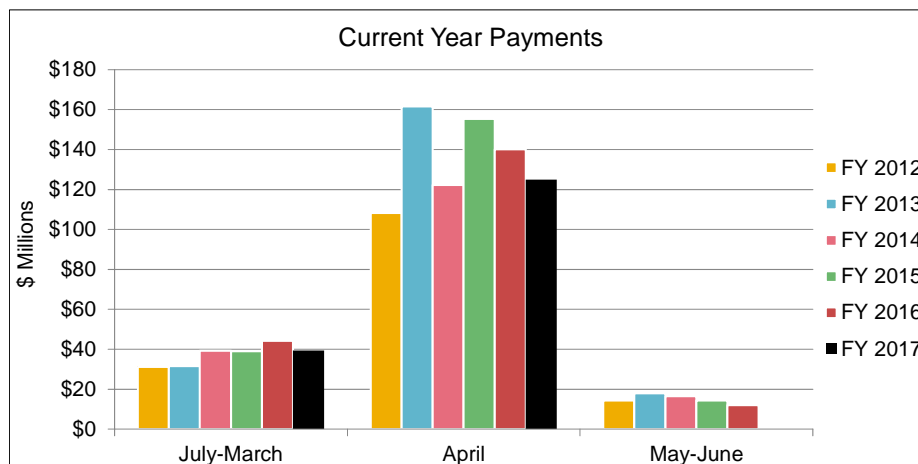
General Fund Revenue Monitoring Report (\$ Millions)							
Revenue Source	Actual FY 2016	HJ 2 Est. FY 2017	HJ 2 Est. % Change	YTD FY 2016	YTD FY 2017	YTD Difference	YTD % Change
Largest Seven Sources							
Individual Income Tax	\$1,184.828	\$1,238.516	4.5%	\$1,098.694	\$1,087.463	(\$11.230)	-1.0%
Property Tax	257.100	261.003	1.5%	149.180	148.557	(0.622)	-0.4%
Corporation Tax	118.387	139.952	18.2%	91.138	95.090	3.951	4.3%
Vehicle Taxes & Fees	108.480	110.844	2.2%	80.374	80.386	0.012	0.0%
Oil & Natural Gas Taxes	39.083	45.289	15.9%	21.571	22.490	0.919	4.3%
Insurance Tax	69.255	73.414	6.0%	52.042	59.186	7.143	13.7%
Video Gaming Tax	60.554	59.280	-2.1%	45.277	44.654	(0.623)	-1.4%
Other Business Taxes							
Drivers License Fee	4.345	4.938	13.7%	3.576	3.441	(0.135)	-3.8%
Investment Licenses	7.212	7.454	3.4%	6.927	6.981	0.055	0.8%
Lodging Facilities Sales Tax	21.493	22.196	3.3%	14.229	14.072	(0.156)	-1.1%
Public Contractor's Tax	2.397	2.552	6.5%	1.278	1.953	0.675	52.8%
Railroad Car Tax	3.594	3.387	-5.8%	3.111	3.530	0.419	13.5%
Rental Car Sales Tax	3.878	3.310	-14.6%	3.046	2.173	(0.873)	-28.7%
Retail Telecom Excise Tax	16.775	16.089	-4.1%	9.308	8.594	(0.714)	-7.7%
Other Natural Resource Taxes							
Coal Severance Tax	14.236	13.577	-4.6%	8.541	10.979	2.439	28.6%
Electrical Energy Tax	4.536	4.448	-1.9%	2.917	2.791	(0.126)	-4.3%
Metal Mines Tax	4.221	4.410	4.5%	2.009	2.346	0.337	16.8%
U.S. Mineral Leasing	16.759	19.249	14.9%	13.689	11.756	(1.933)	-14.1%
Wholesale Energy Trans Tax	3.516	3.539	0.6%	2.482	2.413	(0.068)	-2.7%
Other Interest Earnings							
Coal Trust Interest Earnings	20.722	19.963	-3.7%	13.276	14.770	1.494	11.3%
TCA Interest Earnings	3.961	4.274	7.9%	2.776	4.099	1.323	47.6%
Other Consumption Taxes							
Beer Tax	3.027	3.051	0.8%	2.199	2.168	(0.031)	-1.4%
Cigarette Tax	31.103	30.924	-0.6%	24.263	23.496	(0.768)	-3.2%
Liquor Excise Tax	19.776	21.359	8.0%	14.679	15.140	0.462	3.1%
Liquor Profits	11.000	11.500	4.5%	-	-	-	-
Lottery Profits	11.963	12.363	3.3%	5.471	6.472	1.001	18.3%
Tobacco Tax	6.184	6.623	7.1%	4.600	4.605	0.005	0.1%
Wine Tax	2.373	2.484	4.7%	1.791	1.820	0.030	1.7%
Other Sources							
All Other Revenue	41.420	40.650	-1.9%	23.004	25.783	2.779	12.1%
Highway Patrol Fines	4.040	4.101	1.5%	2.950	2.852	(0.097)	-3.3%
Nursing Facilities Fee	4.764	4.589	-3.7%	3.006	2.785	(0.222)	-7.4%
Public Institution Reimbursement	16.910	14.162	-16.3%	5.779	9.394	3.616	62.6%
Tobacco Settlement	3.394	3.101	-8.7%	3.371	3.343	(0.028)	-0.8%
Largest Seven Subtotal	1,837.687	1,928.299	4.9%	1,538.275	1,537.826	(0.449)	0.0%
Remaining Sources Subtotal	283.601	284.293	0.2%	178.277	187.759	9.482	5.3%
Grand Total	\$2,121.288	\$2,212.592	4.3%	\$1,716.552	\$1,725.585	\$9.033	0.5%

Individual Income Tax: Below HJ 2 due to Low Current Year Payments

Individual income tax collections through the end of April are \$11.2 million or 1.0% below the year-to-date collections in FY 2016. Withholding growth is primarily offset by lower estimated and current year payments, and audit revenue.

Individual Income Tax (\$ Millions)				
	YTD 2017	YTD 2016	\$ Difference	% Difference
Withholding	\$754.4	\$728.3	\$26.1	3.6%
Estimated Payments	219.6	228.3	(8.7)	-3.8%
Current Year Payments	164.2	184.2	(20.0)	-10.9%
Audit, P&I, Amended	29.5	38.7	(9.3)	-23.9%
Refunds	(253.5)	(246.8)	(6.7)	2.7%
Refund Accrual Reversal	143.0	140.0	2.9	2.1%
Partnership Income Tax	25.4	19.3	6.0	31.3%
Mineral Royalties	4.9	6.6	(1.7)	-25.4%
Total	\$1,087.5	\$1,098.7	(\$11.2)	-1.0%

Current year payments in April were lower than anticipated. The following chart shows recent years' current year payments, with FY 2017 collections depicted in black.



Property Tax: Slightly Below Estimate, Waiting for Second Payment

Property tax collections are below last year by \$0.6 million or -0.4%. This is less than the estimated increase of 1.5%. The second large property tax payment will occur in June, with final collections anticipated to come in close to the HJ 2 estimate.

Corporation Income Tax: Slightly Above Last Year

Corporation income tax collections through the end of April are 4.3% or \$4.0 million above this time in FY 2016. Lower estimated payments in FY 2017 have been offset by lower FY 2017 refunds, higher current year payments, and higher audit and penalty collections. In HJ 2 this source was estimated to grow by 18.2%. The YTD growth is expected to continue through the remainder of the fiscal year.

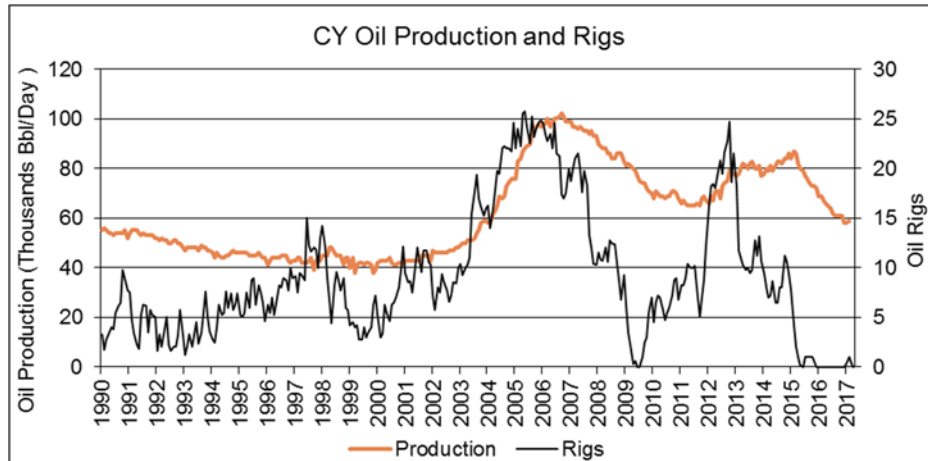
Corporation Income Tax (\$ Millions)				
Account	YTD 2017	YTD 2016	\$ Difference	% Difference
Corporation Tax	\$25.6	\$22.7	\$2.9	12.6%
Estimated Payments	79.3	87.7	(8.5)	-9.7%
Refunds	(25.3)	(29.8)	4.5	-15.1%
Refund Accrual Reversal	3.8	4.3	(0.5)	-12.1%
Audit, P&I, Amended	11.8	6.2	5.6	90.3%
Total	\$95.1	\$91.1	\$4.0	4.3%

Vehicle Fees & Taxes: YTD Equal to Last Year

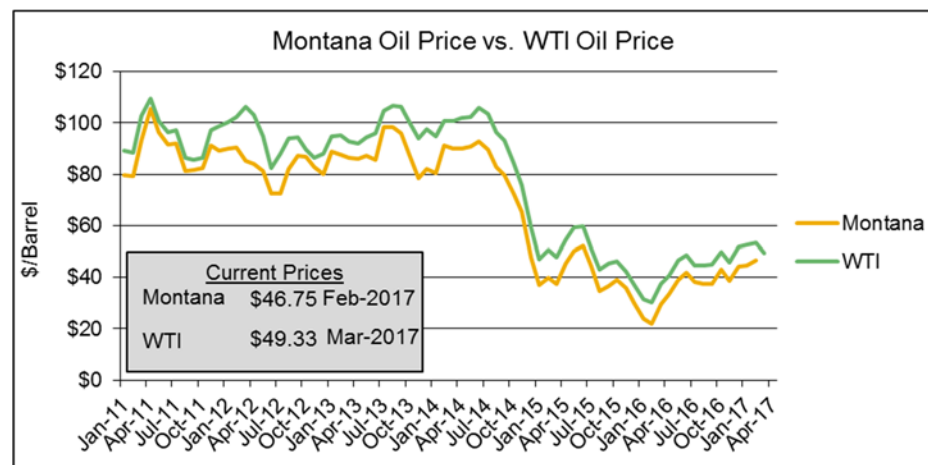
Ten months into FY 2017, vehicle taxes and fees are equal to collections from last year at this time. In HJ 2, this source is expected to grow by 2.2%. This source is expected to end up close to HJ 2.

Oil & Natural Gas Production Tax: Collections above Last Year & Expected to Continue to Increase

Through April, oil and gas production taxes are 4.3% or \$0.9 million above last year's collections at this time. This is below the projected growth in HJ 2 of 15.9%. However, moving forward tax collections are expected to further exceed FY 2016 collections as prices for the last two quarters of FY 2017 should be significantly above those in the last two quarters of FY 2016.



As the top right chart shows, oil production has been declining since the beginning of 2015, as there has been at most one rig operating in the state since early 2015. The adjacent figure shows Montana's historical oil price compared to West Texas Intermediate (WTI) oil price.



Insurance Tax: Currently above HJ 2

Current insurance tax collections are 13.7% or \$7.1 million above FY 2016 through April. Most of the increase is due to strong growth in collections of fire marshal taxes. There should be about \$2.2 million of additional fire marshal tax in FY 2017, with a portion of the increase likely to be ongoing new revenue.

Video Gaming Tax: Slightly below Last Year

Revenue from video gambling is currently \$0.6 million or 1.4% below collections from last year. The decline is right in line with the 2.1% decline anticipated in HJ 2.

OTHER KEY DIFFERENCES:

Coal Severance Tax: Strong Growth Due to Large Audit

Coal severance tax revenue is \$2.4 million or 28.6% above year-to-date collections in FY 2016. Large audit collections and increased coal prices are responsible for the year-over-year increase.

U.S. Mineral Royalties: Below Estimate Due to Timing & Lower Coal Production

U.S. mineral royalties are down 14.1% or \$1.9 million compared to FY 2016 levels at this time. This is a smaller year-to-date gap than the gap of \$2.7 million from two months ago, so some of the sporadic timing issues of the mineral royalty payments may have been resolved. While timing may still be a factor in the year-to-date comparison, it appears that decreased coal production on federal land in Montana is contributing to a real year-over-year decrease as price cannot be the culprit since both coal and oil have seen price rebounds compared to FY 2016.

Coal Trust Interest Earnings: Currently Above Estimate, Likely Due to Timing

To date, coal trust interest earnings are \$1.5 million or 11.3% above collections from one year ago, primarily due to timing.

Treasury Cash Account Interest Earnings: Strong YTD Growth

To date, TCA interest earnings are \$1.3 million or 47.6% above collections from one year ago. The year-over-year increase is due to increased short-term interest rates.

Lottery Profits: Back to Normal Following FY 2016 Drop

To date, lottery profits are \$1.0 million or 18.3% above collections from one year ago. Ticket sales dropped off in FY 2016 following a record Powerball jackpot, leaving the revenue last year at this time lower than the year before. Current revenue is back on track with the level seen in FY 2015.

All Other Revenue: YTD Growth Due to Help Act Premiums

To date, all other revenue collections are 12.1% or \$2.8 million above last year's collections. The increase is primarily driven by HELP Act premium collections that resulted from the passage of [SB 405 \(2015 Session\)](#). While this increase in HELP Act premium collections was expected, an offsetting decrease was anticipated for a large group of other small sources. These other sources are coming in similar to last year may result in all other revenue collections ending above the estimate contained in HJ 2.

Public Institution Reimbursements: Strong Growth Due to Early MDC Bond Payoff in FY 2016

Public institution reimbursements are currently 62.6% or \$3.6 million above last fiscal year; however, collections in FY 2016 were unusually low due to the early MDC bond payoff as a part of the [SB 411 \(2015 Session\)](#) closure of MDC.

BUDGET AND EXPENDITURES

FY 2017 APPROPRIATIONS AND EXPENDITURES

This portion of the report discusses the FY 2017 appropriations and related expenditures by budget section including:

- Modification to FY 2017 that have been made to the HB 2 FY 2017 budget between December 1, 2016 and April 30, 2017
- Expenditure and spending patterns relative to FY 2017 appropriations
- Non-budgeted proprietary funds
- Statutory appropriations
- Budget amendments
- Supplemental appropriations and appropriation authority reductions adopted by the 2017 Legislature
- Other appropriation authority granted to state agencies

As used in the report the following definitions apply:

Allocated Budget – HB 2 appropriations provided by the legislature including allocations of appropriation authority between state agencies made by the executive in accordance with legislative intent as directed in HB 2 and companion legislation. Allocated budgets included pay plan distributions and transfers of contingency funds to various state agencies. Changes do no modify the legislative budget by first level expenditure or funding category are also included.

Modified Budget – HB 2 allocated budget as modified by the Executive, Legislative, or Judicial Branch for transfer of authority between programs, changes between expenditure categories, or transfer of appropriation authority and FTE to restructure agency functions. Statute provides for the Executive, Legislative, and Judicial Branches to make these types of budget modifications when the legislature is not in session.

The LFD has developed a guide to the transactions included in each budget type. LFD staff included a detailed discussion on transfers of agency pay plan distributions and allocations of contingency funds in the 2017 Biennium Budget Status Report provided in December 2015 to the LFC.

Modifications for reorganizations, program transfers, and operating plan changes that occurred between December 1, 2016 and April 30, 2017 are included. These modifications establish the modified budget used to compare budgeted appropriations to actual fiscal year expenditures and to determine the remaining, unspent budget authority. Note that for the purposes of this report:

- Appropriations provided as one-time-only are included as part of total appropriations and expenditures
- Unspent authority from FY 2016 that was designated as biennial is included as part of the total FY 2017 budget

Typically, through May 18 of each year personal service costs for the first 23 pay periods and 10.5 months of other costs are normally what has been disbursed at this point in the fiscal year, leaving between 88.5% and 87.5% respectively in remaining authority.

To provide a more complete picture of agency resources, Appendix B summarizes appropriation authority provided through non-budgeted proprietary funds, statutory appropriations, budget amendments, carry-forward authority, and supplemental authority. It should be noted that budget amendments and carry-forward authority that have been “continued” from a previous fiscal year are included along with Long-Range Building and Information Technology Program projects approved by previous legislatures are summarized under continuing appropriations.

REQUIRED REPORTS AND BUDGET AMENDMENTS

The LFC receives a number of reports from various state agencies including:

- Budget amendments increasing agency appropriations for state or federal special revenues or proprietary funds between December 1, 2016 and April 30, 2017. Details on budget amendments and a summary of changes are provided in Appendix C.
- Operating plan changes and program transfers meeting requirements for LFC review received December 1, 2016 – April 30, 2017. A memorandum received from the Office of Budget and Program Planning (OBPP) outlining these changes is included in Appendix D
- Other agency reports statutorily required to be provided to the LFC. Included in the required reports section of the meeting materials on the LFC webpage

LFC Review

Staff reviewed budget amendments, operating plan changes, and program transfers and have raised no concerns with transactions meeting statutory requirements. The LFC may wish to comment on the transactions during its review and discussion of the FY 2017 Budget Status Report.

FY 2017 BUDGET CHANGES

Since the LFC met in December 2016, the 2017 Legislature approved changes to the FY 2017 HB 2 budget including supplemental appropriations and appropriation authority reductions.

FY 2017 Supplemental Appropriations

HB 3 and HB 2, as enacted by the 2017 Legislature, included supplemental appropriation authority for general fund and state special revenue for state agencies in FY 2017. Figure 1 provides the authorizing legislation, impacted agencies, conditions resulting in supplemental appropriations, funding source, and appropriation amount.

Figure 1

Supplemental Appropriations FY 2017				
Legislation	State Agency	Condition	Fund	Amount
HB 3	Office of Public Instruction	Higher ANB , lower guarantee account funding, lower tax base	General Fund	\$17,300,000
HB 3	Department of Corrections	Costs of housing state offenders in county jails	General Fund	3,148,125
HB 3	Commissioner of Higher Education	Revenue shortages for scholarships provided for STEM	General Fund	358,000
HB 3	Department of Commerce	Align appropriations with cash available for Coal Board grants	State Special	1,945,617
HB 3	Department of Fish, Wildlife, and Parks	Costs related to aquatic invasive species found in Montana	Federal Special	1,500,000
HB 3	Department of Fish, Wildlife, and Parks	Costs related to aquatic invasive species found in Montana	General Fund	200,000
HB 3	Department of Natural Resources & Conservation	Costs related to aquatic invasive species found in Montana	General Fund	200,000
HB 2	Office of the Public Defender	Caseload growth	General Fund	2,000,000

FY 2017 Appropriation Authority Reductions

Due to FY 2017 revenues coming in below projections, the 2017 Legislature requested that state agencies propose general fund reductions in FY 2017 appropriation authority for inclusion in HB 3. State agencies proposed general fund reductions for both HB 2 and a number of other appropriation bills. Additional reductions were included in HB 648, the Section C, Natural Resources and Transportation, companion bill to HB 2 for both the general fund and the state special revenue fund.

Figure 2 provides the general fund and state special revenue reductions included in HB 3 and HB 648. The figure provides the agency, legislation reducing the expenditures, the bill number containing the appropriation that was reduced, and amount of the reduction.

Figure 2

Appropriation Authority Reductions FY 2017				
State Agency	2017 Legislation	2015 Legislation	Fund	Reduction
Legislative Branch	HB 3	HB 2	General Fund	(\$1,106,655)
Department of Revenue	HB 3	HB 2	General Fund	(446,855)
Department of Public Health and Human Services	HB 3	HB 2	General Fund	(5,000,000)
Department of Livestock	HB 3	HB 2	General Fund	(47,003)
Department of Natural Resources & Conservation	HB 3	HB 2	General Fund	(1,000,000)
Judicial Branch	HB 3	HB 2	General Fund	(1,000,000)
Crime Control Division	HB 3	HB 2	General Fund	(100,000)
Department of Justice	HB 3	HB 2	General Fund	(724,302)
Office of Public Instruction	HB 3	HB 2	General Fund	(300,000)
Commissioner of Higher Education	HB 3	HB 2	General Fund	(100,000)
Office of Public Instruction	HB 648	HB 2	State Special	(8,586,000)
Department of Justice	HB 648	HB 2	General Fund	(125,000)
Legislative Branch	HB 3	HB 627	General Fund	(4,466)
Legislative Branch	HB 3	HB 230	General Fund	(14,748)
Legislative Branch	HB 3	SB 128	General Fund	(4,575)
Department of Revenue	HB 3	SB 405	General Fund	(95,157)
Judicial Branch	HB 3	HB 612	General Fund	(200,000)
Department of Justice	HB 3	HB 244	General Fund	(1,000,000)
Total FY 2017 Appropriation Reductions				(\$19,854,761)

Total general fund reductions included in the two bills were \$11,268,761 while state special revenues totaled \$8,586,000.

HB 2 GENERAL FUND BY AGENCY

Figure 3 illustrates the budgeted and actual expenditures of general fund for HB 2 through April 30, 2017. The budgeted number reflects the April modified budget, as previously discussed. A summary of budgetary changes by section, agency, and program can be found in Appendix A.

Figure 3

Comparison of Modified Budget to Year to Date Expenditures
 FY 2017
 HB 2 - General Fund Only

State Agency	Modified Budget	Actuals and Accruals	Budget Remaining	% Expended
General Government				
Legislative Branch	\$12,935,326	\$10,562,713	\$2,372,613	81.7%
Governor's Office	7,109,969	5,507,875	1,602,093	77.5%
Commissioner of Political Practices	693,636	565,871	127,764	81.6%
Department of Revenue	55,152,246	44,609,262	10,542,984	80.9%
Department of Administration	7,834,885	5,966,220	1,868,665	76.1%
Department of Commerce	7,478,738	4,817,730	2,661,008	64.4%
Department of Labor and Industry	1,938,755	1,617,835	320,920	83.4%
Department of Military Affairs	<u>6,659,790</u>	<u>5,228,808</u>	<u>1,430,982</u>	<u>78.5%</u>
Subtotal General Government	99,803,344	78,876,315	20,927,029	79.0%
Health and Human Services				
Department of Public Health and Human Services	<u>518,520,802</u>	<u>421,963,248</u>	<u>96,557,555</u>	<u>81.4%</u>
Subtotal Health and Human Services	518,520,802	421,963,248	96,557,555	81.4%
Natural Resources and Transportation				
Department of Fish, Wildlife, and Parks	1,174,000	724,648	449,352	61.7%
Department of Environmental Quality	5,540,643	3,806,056	1,734,588	68.7%
Department of Livestock	2,763,068	2,003,912	759,156	72.5%
Department of Natural Resources & Conservation	29,707,448	21,496,179	8,211,268	72.4%
Department of Agriculture	<u>977,548</u>	<u>763,262</u>	<u>214,286</u>	<u>78.1%</u>
Subtotal Natural Resources and Transportation	40,162,707	28,794,057	11,368,651	71.7%
Judicial Branch, Law Enforcement, and Justice				
Judicial Branch	49,343,514	37,095,703	12,247,811	75.2%
Crime Control Division	2,513,078	1,911,545	601,533	76.1%
Department of Justice	35,113,913	27,451,930	7,661,983	78.2%
Office of the Public Defender	37,010,161	29,968,224	7,041,937	81.0%
Department of Corrections	<u>203,924,578</u>	<u>164,895,796</u>	<u>39,028,782</u>	<u>80.9%</u>
Subtotal Judicial Branch, Law Enforcement, and Justice	327,905,245	261,323,199	66,582,046	79.7%
Education				
Office of Public Instruction	814,264,696	690,031,145	124,233,551	84.7%
Board of Public Education	187,121	151,303	35,819	80.9%
Office of the Commissioner of Higher Education	232,676,850	212,125,820	20,551,030	91.2%
School for the Deaf and Blind	7,259,038	5,563,093	1,695,945	76.6%
Montana Arts Council	542,020	447,417	94,603	82.5%
Montana State Library	3,111,173	2,337,239	773,934	75.1%
Montana Historical Society	<u>3,559,986</u>	<u>2,942,048</u>	<u>617,938</u>	<u>82.6%</u>
Subtotal Education	1,061,600,883	913,598,064	148,002,819	86.1%
Grand Total	\$2,047,992,981	\$1,704,554,882	\$343,438,099	83.2%

HB 2 STATE RESOURCES BY AGENCY

The following table illustrates the budgeted and actual FY 2017 expenditures for all state resources appropriated to state agencies through HB 2. This includes general fund, state and federal special revenue, and budgeted proprietary funds.

Figure 4 shows a comparison of the modified budget to year-to-date expenditures:

Figure 4
Comparison of Modified Budget to Year to Date Expenditures
FY 2017
HB 2 - State Resources

State Agency	Modified Budget	Actuals and Accruals	Budget Remaining	% Expended
General Government				
Legislative Branch	\$15,491,019	\$11,872,446	\$3,618,574	76.6%
Consumer Counsel	1,733,265	934,830	798,435	53.9%
Governor's Office	7,837,734	5,507,875	2,329,858	70.3%
Secretary of State	104,918	72,359	32,559	69.0%
Commissioner of Political Practices	693,636	565,871	127,764	81.6%
State Auditor's Office	8,644,036	6,536,801	2,107,235	75.6%
Department of Revenue	204,821,260	136,342,678	68,478,582	66.6%
Department of Administration	22,302,526	15,271,271	7,031,254	68.5%
Department of Commerce	35,811,709	9,076,001	26,735,708	25.3%
Department of Labor and Industry	87,091,295	62,084,947	25,006,347	71.3%
Department of Military Affairs	49,640,263	29,139,309	20,500,954	58.7%
Subtotal General Government	434,171,659	277,404,389	156,767,270	63.9%
Health and Human Services				
Department of Public Health and Human Services	2,177,771,813	1,621,516,545	556,255,268	74.5%
Subtotal Health and Human Services	2,177,771,813	1,621,516,545	556,255,268	74.5%
Natural Resources and Transportation				
Department of Fish, Wildlife, and Parks	86,994,590	64,275,201	22,719,388	73.9%
Department of Environmental Quality	69,159,008	43,901,109	25,257,899	63.5%
Department of Transportation	728,647,324	452,116,316	276,531,008	62.0%
Department of Livestock	13,394,403	9,917,696	3,476,706	74.0%
Department of Natural Resources & Conservation	71,752,158	46,860,891	24,891,268	65.3%
Department of Agriculture	18,118,331	12,987,829	5,130,503	71.7%
Subtotal Natural Resources and Transportation	988,065,814	630,059,042	358,006,772	63.8%
Judicial Branch, Law Enforcement, and Justice				
Judicial Branch	51,290,707	38,368,658	12,922,049	74.8%
Crime Control Division	12,020,121	6,287,661	5,732,460	52.3%
Department of Justice	100,660,197	75,867,460	24,792,737	75.4%
Public Service Regulation	4,116,522	3,083,505	1,033,017	74.9%
Office of the Public Defender	37,283,767	30,169,599	7,114,168	80.9%
Department of Corrections	208,865,617	168,575,127	40,290,491	80.7%
Subtotal Judicial Branch, Law Enforcement, and Justice	414,236,932	322,352,010	91,884,922	77.8%
Education				
Office of Public Instruction	1,002,800,396	817,295,060	185,505,336	81.5%
Board of Public Education	366,090	282,730	83,360	77.2%
Office of the Commissioner of Higher Education	348,193,831	258,093,271	90,100,560	74.1%
School for the Deaf and Blind	7,587,882	5,818,073	1,769,809	76.7%
Montana Arts Council	1,473,509	1,242,341	231,168	84.3%
Montana State Library	6,027,067	4,204,035	1,823,032	69.8%
Montana Historical Society	5,808,916	4,745,057	1,063,859	81.7%
Subtotal Education	1,372,257,690	1,091,680,566	280,577,124	79.6%
Grand Total	\$5,386,503,908	\$3,943,012,553	\$1,443,491,356	73.2%

STATUTORY APPROPRIATIONS

In addition to reducing FY 2017 HB 2 appropriations, the 2017 Legislature reduced the maximum expenditure from the general fund for emergencies from \$16.0 million to \$4.0 million for the 2017 biennium. Additional authority of \$5.0 million was provided from the fire fund for emergencies including invasive species in FY 2017.