

FY 2022 Financial Summary Report (July 1-Nov 30)

THE BUDGET IN REVIEW
BY LEGISLATIVE FISCAL DIVISION STAFF

DECEMBER 16, 2021

OVERVIEW

GENERAL FUND BALANCE ESTIMATE REVISION

The revised, estimated, unassigned general fund balance for FY 2023 is \$723.4 million. The following changes or additions have been included on the balance sheet since last reported:

- The Department of Revenue notified the Legislative Fiscal Division of expected Comprehensive Annual Financial Report (CAFR) accrual adjustments for FY 2021 general fund revenues. The additional adjusted refund accrual was \$18.9 million
- Continued COVID-enhanced Federal Medical Assistance Percentage (FMAP) through the end of FY 2022, saving \$50.1 million
- Standard assumptions updated

The following table shows the detailed estimated general fund balance sheet.

	Actual FY 2020	Actual FY 2021	Estimated w/HJ 2 Revs FY 2022	Estimated w/HJ 2 Revs FY 2023
Beginning Fund Balance	\$361.3	\$452.5	\$701.1	\$664.3
Revenues				
Actuals & HJ 2 Revenues	2,529.2	2,959.8	2,644.0	2,748.9
New Revenue Legislation			(1.9)	(11.6)
One-Time-Only (OTO) Revenue	4.1	4.0	1.1	1.1
Adjustments	(3.5)	(12.2)		
Expected CAFR Adjustment		(19.0)		
Total Revenue Funds Available	2,891.2	3,385.1	3,344.3	3,402.7
Expenditures - Ongoing				
Statutory Appropriations	282.8	290.9	308.6	317.6
General Fund Transfers	35.2	23.3	25.7	23.3
HB 2 Agency Budgets (pay plan included in FY2020-FY2022)	2,014.5	2,038.4	2,241.6	2,316.9
HB 1 (includes continuing and 2023 session estimates)	2.4	9.7	5.3	10.6
Other Appropriations	29.6	44.4	11.2	21.1
Reversions			(7.8)	(8.1)
Ongoing Expenditures	2,364.4	2,406.8	2,584.7	2,681.4
One-Time-Only (OTO)				
HB 2 Agency Budgets		5.7	(15.5)	(2.9)
HB 2 Language Appropriations			2.0	
Other appropriation bills, carryforward & continuing authority	0.4	10.3	3.7	0.8
Estimated Impacts from COVID enhanced Federal Medical Assistance Program			(50.1)	
BSRF Transfers	57.1	1.1	4.7	
Fire Fund Transfers	30.3	46.8	35.4	
Capital Development Fund transfers		228.3	115.1	
Total Expenditures	2,452.2	2,699.0	2,680.0	2,679.3
Accounting Adjustments	(13.5)	(15.0)		
Ending Fund Balance	\$452.5	\$701.1	\$664.3	\$723.4
Structural Balance	\$164.4	\$553.0	\$57.4	\$55.9

BSRF means budget stabilization reserve fund.

FIRE FUND UPDATE

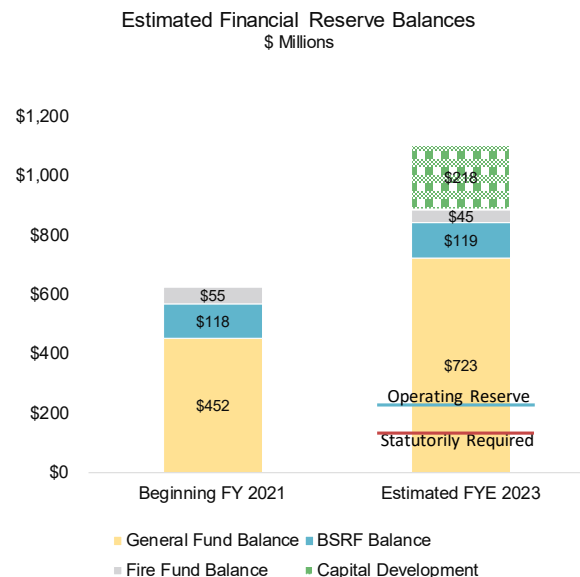
The wildfire suppression state special revenue fund pays for the state share of wildfire suppression activities. The fund receives revenue from the unspent amount of the Governor’s emergency general fund statutory appropriation and from general fund reversions in excess of 0.5% of the state general fund budget. The fire fund ended FY 2021 with a balance \$70.3 million. Fire costs during the first quarter of FY 2022 were nearly double the average fire costs. The estimated fire fund balance for FYE 2022 is \$58.0 million.

TRANSFERS TO RESERVE BALANCES

Robust FY 2021 revenues and higher than anticipated unspent general fund appropriations allowed for transfers to the following reserve funds: 1) budget stabilization reserve fund; 2) capital development fund; and 3) fire fund. These reserves provide the State of Montana with financial tools in times of economic volatility. While some reserves may be used exclusively for economic volatility, others like the fire fund and the capital development fund have limitations to consider.

1. General Fund Balance, \$723.4 million estimated ending fund balance for FY 2023. The statutorily required ending fund balance is 4% of second year general fund appropriations, about \$107.1 million and the recommended operating reserve is 8.3% or \$222.2 million. The projected ending fund balance is \$501.7 million above operating reserve;
2. Budget Stabilization Reserve Fund (BSRF) –The BSRF is currently at the maximum level of \$118.9 million;
3. Fire Fund - The estimated FYE 2023 fund balance is \$45.2 million, assuming an average fire year in FY 2023; and
4. Capital Development Fund (CD) - The BSRF balance is limited by a calculation provided in statute, which directs 50% of the excess be transferred to the capital development fund. The BSRF balance reached its allowable maximum in August 2021 and a transfer was made to the capital development fund. A projected amount for HB 14 projects thought to be an appropriate use of federal American Recovery Plan Act (ARPA) in HB 632 (2021 session) but that have since been determined to be ineligible under federal treasury guidance, total \$11.3 million. HB 632 requires those projects deemed ineligible for ARPA Section 604 funds to be funded from the CD fund. Therefore, the adjusted FYE 2023 estimated fund balance in this fund is \$218.4 million.

The graphic illustrates the estimated total financial reserve funds by FYE 2023 at \$1.0 billion above the statutorily required level.



INFLATION

While the financial reserves are solid and the structural balance for FY 2023 is projected at \$55.9 million, this balance will likely be eroded by inflation. IHS Markit, the firm that provides econometric data to the LFD, forecasts the consumer price index for inflation at 4.5% in 2021 and 3.3% in 2022. This is above the targeted 2% threshold that the U.S. Federal Reserve Bank tries to maintain. Agency budgets may be impacted by inflation particularly in the areas of personal services and construction costs.

Personal Services - Recruitment and Retention

Agencies proactively manage personal services costs to stay within budget. Wage inflation impacts recruitment and retention. Agency management may decide to keep positions vacant or increase salaries as needed when inflation impacts wage growth. The legislature adopted 4% vacancy savings as a budgeting tool for most agencies.¹ However, as of October 31, 2021, the statewide vacancy rate was 11.6%, or 1,437.97 FTE. For more information on the reasons for those vacancies, please refer to the [FY 2022 Quarterly Financial Reports by Agency](#).

Construction Project Costs

The Department of Transportation, Department of Natural Resources and Conservation, and the Long-Range Building Program of the Department of Administration budgets may be impacted by inflated construction costs. For example, the Montana Department of Transportation has a \$2.3 million appropriation in HB 5 (2021), and \$1.2 million in remaining authority from HB 5 (2019). Original estimates for projects planned under HB 5 were based on similar past projects. However, the contractor bids came in considerably higher than the costs from previous projects, so the bids were not awarded. MDT is currently working with an outside engineering consultant to develop new designs to reduce costs and plans on re-bidding once this is complete.

GENERAL FUND REVENUES

The following is an analysis of year-to-date general fund revenue collections, recent economic trends, and the outlook for FY 2022 relative to the revenue estimate contained in HJ 2.

FY 2022 general fund revenues through the end of November are \$148.6 million or 15.0% above FY 2021 revenues through the same period. Due to such strong collections in FY 2021, which exceeded the HJ 2 estimate for FY 2021 and FY 2022, for general fund revenues to meet HJ 2 estimates, revenues would need to decrease by 10.8% in FY 2022 from FY 2021 actual revenues. While

¹ The Office of Public Instruction vacancy savings was reduced to 2% by the legislature. An additional 1% vacancy savings was imposed by the legislature on the State Auditor, Department of Revenue, Department of Administration, Department of Labor, Military Affairs, Department of Environmental Quality, Department of Transportation, Department of Livestock, Department of Agriculture, Department of Justice, Public Service Commission, Montana State Library. The legislature did not adopt any vacancy savings for exempt agencies per Montana statute.

growth through the first five months of FY 2022 is extremely strong, the growth may slow in the second half of the fiscal year. This is a result of general fund revenue growth rates that continued to increase throughout the second half of FY 2021, whereas in most years growth levels off. This is illustrated later in the report.

This document provides an update on the state's top seven general fund sources as well as those remaining sources that have shown a significant increase or departure from FY 2021 collections through November.

At this point in the fiscal year it is early to begin projecting final collections based on year-to-date collections. Through November, only one of the four estimated payments have been made for individual income and corporate income tax. The first of two large property tax collections are not posted until December and the first oil and natural gas revenues are not typically posted until January at the earliest.

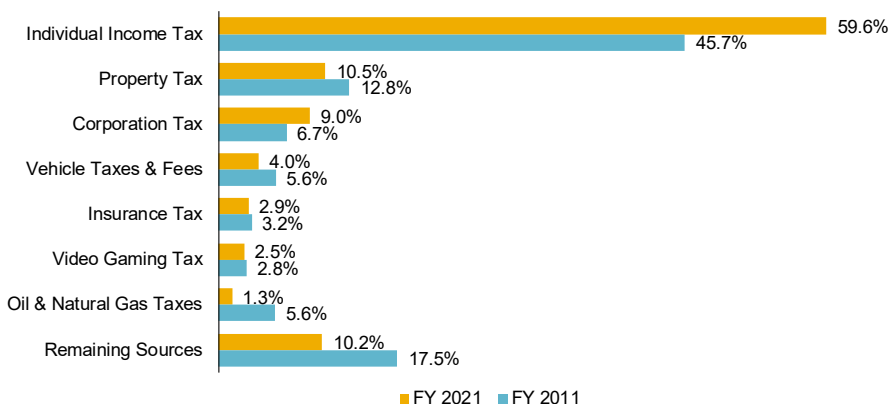
Year-to-Date General Fund Revenue

General Fund Revenue Monitoring Report (\$ Millions)								
Revenue Source	Actual FY 2021	HJ 2 FY 2022	HJ 2 Est. % Change	Nov FY 2021	Nov FY 2022	YTD Difference	YTD % Change	YTD % Change
Largest Seven Sources								
Individual Income Tax	\$1,765.418	\$1,539.141	-12.8%	\$747.359	\$849.860	\$102.501	13.7%	
Property Tax	310.682	331.451	6.7%	12.813	13.414	0.601	4.7%	
Corporate Income Tax	266.506	161.443	-39.4%	71.249	103.943	32.694	45.9%	
Vehicle Taxes & Fees	117.791	110.949	-5.8%	38.768	42.993	4.225	10.9%	
Oil & Natural Gas Taxes	39.540	43.973	11.2%	-	-	-	-	
Insurance Tax	87.297	92.000	5.4%	16.658	17.545	0.887	5.3%	
Video Gaming Tax	74.917	63.336	-15.5%	18.074	20.000	1.927	10.7%	
Other Business Taxes								
Drivers License Fee	4.698	4.446	-5.4%	1.703	2.232	0.529	31.0%	
Investment Licenses	17.020	16.361	-3.9%	1.291	2.152	0.861	66.7%	
Lodging Facilities Sales Tax	25.874	28.337	9.5%	9.815	15.823	6.008	61.2%	
Public Contractor's Tax	3.897	5.083	30.4%	2.942	0.709	(2.233)	-75.9%	
Railroad Car Tax	5.187	4.391	-15.3%	2.860	2.522	(0.339)	-11.8%	
Rental Car Sales Tax	3.916	4.681	19.6%	1.455	2.781	1.327	91.2%	
Retail Telecom Excise Tax	8.814	10.168	15.4%	2.538	2.236	(0.303)	-11.9%	
Other Natural Resource Taxes								
Coal Severance Tax	10.084	8.697	-13.8%	2.122	3.719	1.597	75.3%	
Electrical Energy Tax	3.298	3.759	14.0%	0.770	0.906	0.136	17.6%	
Metal Mines Tax	12.136	8.038	-33.8%	0.000	-	(0.000)	-100.0%	
U.S. Mineral Leasing	12.082	16.196	34.1%	2.573	4.203	1.631	63.4%	
Wholesale Energy Trans Tax	2.981	3.460	16.1%	0.717	0.791	0.074	10.3%	
Other Interest Earnings								
Coal Trust Interest Earnings	15.967	16.813	5.3%	5.225	4.971	(0.254)	-4.9%	
TCA Interest Earnings	3.410	1.002	-70.6%	1.559	1.056	(0.503)	-32.2%	
Other Consumption Taxes								
Marijuana Tax	-	6.286	-	-	-	-	-	
Beer Tax	3.315	3.133	-5.5%	1.216	1.200	(0.016)	-1.3%	
Cigarette Tax	27.887	26.542	-4.8%	12.255	10.007	(2.248)	-18.3%	
Liquor Excise Tax	27.823	26.486	-4.8%	9.505	9.673	0.168	1.8%	
Liquor Profits	13.256	15.800	19.2%	-	-	-	-	
Lottery Profits	12.300	13.180	7.2%	-	-	-	-	
Tobacco Tax	5.611	5.617	0.1%	2.058	2.021	(0.037)	-1.8%	
Wine Tax	2.679	2.634	-1.7%	0.944	0.912	(0.032)	-3.4%	
Other Sources								
All Other Revenue	45.607	46.151	1.2%	21.847	20.731	(1.116)	-5.1%	
Highway Patrol Fines	3.517	3.640	3.5%	1.023	1.097	0.074	7.3%	
Nursing Facilities Fee	3.400	3.896	14.6%	0.960	0.862	(0.099)	-10.3%	
Public Institution Reimbursements	13.739	12.382	-9.9%	2.346	2.865	0.519	22.1%	
Tobacco Settlement	13.196	3.028	-77.1%	0.017	-	(0.017)	-100.0%	
Ongoing Revenue Subtotal	2,954.004	2,642.499	-10.5%	992.662	1,141.225	148.563	15.0%	
OTO Revenue & Transfers Subtotal	9.843	-	-	-	-	-	-	
Grand Total	\$2,963.847	\$2,642.499	-10.8%	\$992.662	\$1,141.225	\$148.563	15.0%	

Major Sources

In FY 2021 the largest seven revenue sources accounted for nearly 90% of total general fund revenue, with individual income taxes accounting for 59.6% of total general fund revenue. In FY 2011, it accounted for only 45.7% of total general fund revenues. This section will highlight current trends with each source and provide further revenue detail if applicable.

Individual income tax accounted for nearly 60% of FY 2021 general fund revenue;



Individual Income Tax: Currently Above Estimate

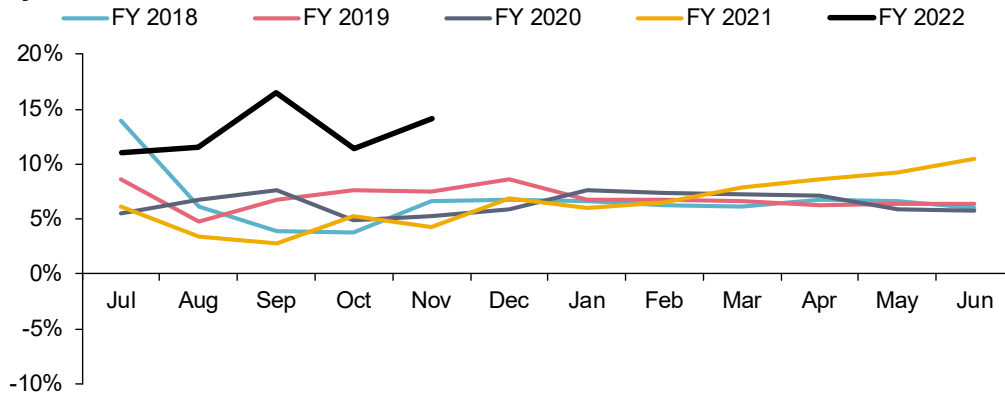
Individual income tax collections through the end of November are \$102.5 million or 13.7% above the year-to-date collections in FY 2021, significantly above the level anticipated in HJ 2. The year-over-year increase has been driven by strong withholding payments. At this point in FY 2021 there was an additional estimated payment in the accounting system that was attributable to FY 2020, due to the extension of Tax Day in CY 2020. If this payment is removed, then estimated payment growth is approximately 25%.

Individual Income Tax (\$ Millions)

Account	YTD 2022	YTD 2021	\$ Difference	% Difference
Withholding	\$504.1	\$441.6	\$62.5	14.1%
Estimated Payments	166.3	180.6	(14.3)	-7.9%
Current Year Payments	28.0	28.6	(0.6)	-2.0%
Audit, P&I, Amended	19.0	16.5	2.5	15.2%
Refunds	117.5	68.9	48.6	70.5%
Partnership Income Tax	11.6	9.3	2.3	24.9%
Mineral Royalties	3.3	1.9	1.5	79.4%
Total	849.9	747.4	102.5	13.7%

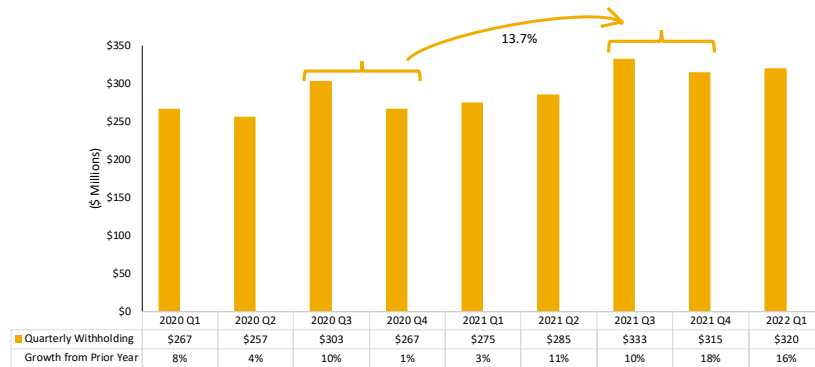
Withholding typically accounts for two-thirds of individual income tax and about one-third of total general fund revenue, though it has been an even larger share in recent years. As shown in the following chart, withholding growth tends to be relatively variable in the first half of the year, but stabilizes by February, allowing for potential assessments of overall fiscal year withholding growth. However, FY 2021 proved to be unusual, as the growth rate continued to increase throughout the second half of the fiscal year.

Cumulative year-over-year withholding growth is strong this early in the year



Withholding growth in the second half of FY 2021 was extremely strong (13.7%), nearly doubling from the first half of FY 2021. This is not typical, as growth usually levels out in the second half of the fiscal year.

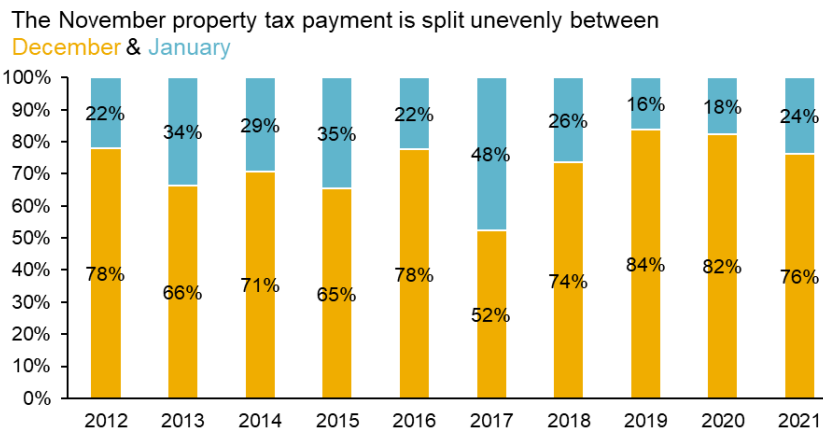
The following chart further illustrates the strength of withholding in the second half of FY 2021, and why it may be difficult for withholding to continue to grow at its current pace.



Property Tax: YTD increase, but not enough information to compare to the estimate

Property tax collections are above last year by \$0.6 million or 4.7%. Even though the first large payment from November has occurred, there is a timing issue that occurs from the November payment being received by the state partially in December and partially in January.

This uneven split of the November receipts in either December or January in past years is shown in the chart. Because of this, year-to-date data on property tax does not mean much until the end of January.



Corporate Income Tax: Currently Above Estimate

Corporate income tax collections through the end of November are 45.9% or \$32.7 million above this time in FY 2021, and far above the expected decline in HJ 2 of 39.4%. As the chart below shows, estimated payments have continued their strong year-to-date growth that occurred in the second half of FY 2021. Like individual income tax, that strong growth in the second half of FY 2021 will make it difficult for the current growth to continue at such a high rate. Furthermore, there are still three quarters of estimated payments for this fiscal year, so extrapolations at this point for final collections are not useful.

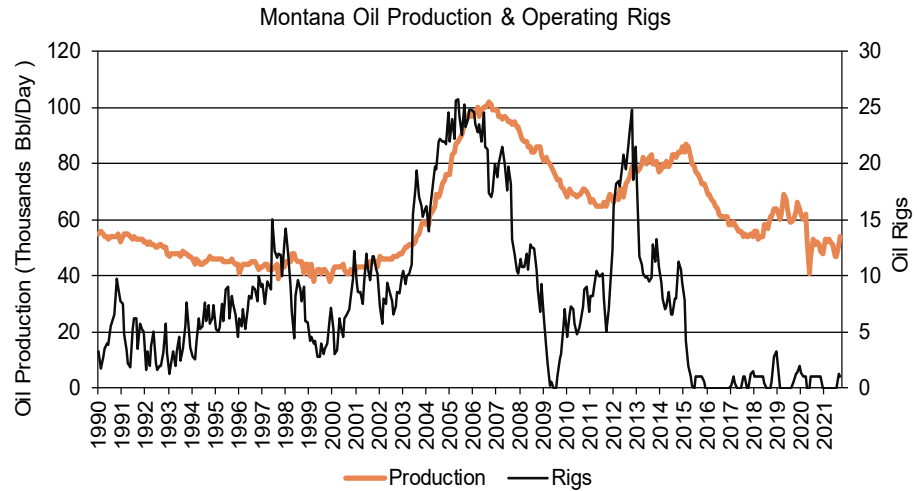
Account	YTD 2022	YTD 2021	\$ Difference	% Difference
Corporation Tax	\$16.4	\$15.1	\$1.3	8.3%
Estimated Payments	\$77.2	\$55.1	22.1	40.1%
Refunds	(0.2)	(2.4)	2.3	-93.5%
Audit, P&I, Amended	10.6	3.5	7.1	201.7%
Total	\$103.9	\$71.2	\$32.7	45.9%

Vehicle Fees & Taxes: Above Estimate

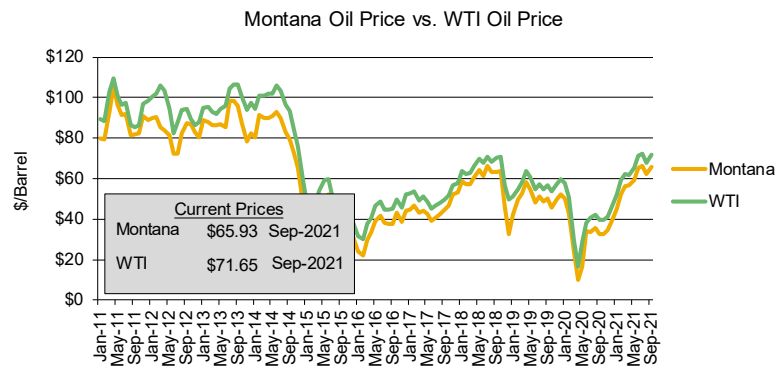
Revenue from vehicle taxes and fees totaled \$43 million through November FY 2022. This is up 10.9% from the \$38.8 million that was collected through the same period in FY 2021. In HJ 2, this source was expected to fall by 5.8%. The year-over-year increase could be a sign of more new Montana residents registering their cars within the state but could also be a product of the sporadic timing of posting registration revenues to the accounting system which often occurs.

Oil & Natural Gas Production Tax:

Oil and natural gas production tax collections have not been received to date. This is expected due to the statutory requirement of when taxes are due, and the time allowed for the Department of Revenue to determine the distribution of taxes to local governments. As the chart to the right shows, production has been relatively stable since the summer of 2020.



As the adjacent chart shows, oil production in the first quarter of FY 2022 was similar to that of the first quarter in FY 2021. However, the price has increased compared to last year at this time. As a result, the first posting in the accounting system will likely be higher than last year, given similar production.



Insurance Tax: Currently on Track

Current insurance tax collections are 5.3% or \$0.9 million above last November. During this period in the fiscal year, collections vary and are not indicative of a pattern. A clearer picture will become apparent after the second round of large quarterly payments comes in during December.

Video Gaming Tax: Currently Above Estimate

Revenue from video gambling is currently \$1.9 million or 10.7% above collections from last year. This source saw material growth in the last fiscal year and will exceed the HJ 2 estimate if this trend continues.

Other Key Differences:

Lodging Facilities Sales Tax: Currently Above Estimate

Revenue from lodging facilities sales tax totaled \$15.8 million through November. This is up 61.2% from \$9.8 million that was collected through the same period in FY 2021. In HJ 2, this source was expected to grow by 9.5%. This higher than predicted growth is likely due to a strong increase in tourism as well as possible increases in lodging rates.

Rental Car Sales Tax:

Revenue from rental car sales tax is \$2.8 million through November. This is up 91.2% from the \$1.5 million collected through November of FY 2021, and far above the expected growth of 19.6% in HJ 2. Like lodging, this increase is likely due to both high volume of sales and higher rental prices.

Coal Severance Tax: Above Estimate

Coal severance tax collections are currently \$1.6 million or 75.3% above FY 2021 collections through the same period. This large year-over-year increase is likely a result of both timing of payments and increased production. Small discrepancies in when taxes are paid and when revenues are posted to the accounting system can cause large swings this early in the fiscal year. However, production in the current fiscal year is nearly 25% higher than last year through the same period.

U.S. Mineral Royalties: Currently Above Estimate

U.S. mineral royalties are up 63.4% or \$1.6 million compared to FY 2021 levels at this time. Mineral royalty payments can be sporadic, and that could explain the large jump from last year. In total \$4.2 million has been collected through November. In HJ 2 this source is expected to grow 34.1% in FY 2022.

Cigarette Tax: Below Estimate

Revenue from cigarette tax is currently \$2.2 million or 18.3% below collections from last year. At this point in the fiscal year it is difficult to determine whether this is a timing issue or if patterns of consumption are changing.

AGENCY EXPENDITURE HIGHLIGHTS FY 2022

Agencies with significant general fund budget highlights from the first part of FY 2022 are included in this section. Detailed spending by each agency is provided in reports to the [Interim Budget Committees](#).

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES (DPHHS)

The COVID-enhanced Federal Medical Assistance Percentage (FMAP) authorized by the Families First Coronavirus Act provides 6.2 percentage points increase in federal funding. The legislature authorized the combined decrease of general fund and state special authority that equals the federal amount increased by the FMAP for the first quarter of FY 2022, be used by the department for any use consistent with the goals and objectives of the agency. The general fund decrease related to the COVID-enhanced FMAP for the first quarter of FY 2022 was \$16.7 million.

OFFICE OF PUBLIC DEFENDER (OPD)

The Office of Public Defender requested \$49,332 from the Office of Budget and Program Planning (OBPP) for contingency funding. This was pursuant to HB 2 language that directs contingency funding for personal services if OPD's case load growth increases by 0.5% or more in the same fiscal quarter in the prior year. HB 2 limits the available funding to \$49,332 per quarter in FY 2022. An OPD memorandum from November 3, 2021 to the OBPP stated that OPD experienced growth of 2,870 working cases in the Q1 FY 2022 compared to Q1 FY 2021, a 13.1% increase.

FTE VACANCIES JULY 1, 2021 – OCTOBER 31, 2021

Office of Public Instruction (OPI)

The Office of Public Instruction has experienced 19.0% vacancy for the time period analyzed. Of the 29.34 vacant positions, 15 left state government employment and four retired.

Department of Corrections

The Department of Corrections has experienced 12.2% vacancy for the time period analyzed. Of the 158.02 vacant FTE, some reasons for vacancy are known, for example, 88.00 FTE left state government employment, 11.00 transferred to other state agencies, and 8.00 retired. The department indicated that vacant correctional officer posts must be covered, so the agency has filled those vacant positions with existing staff who receive overtime pay to cover the shifts.

For information on how savings from vacant positions is used by agencies, please refer to the [LFD Vacancy Savings publication](#).

HB 2 GENERAL FUND BY AGENCY

The Legislative Fiscal Division has created a Power BI interactive data tool that illustrates the budgeted and actual expenditures of *general fund* for HB 2 for FY 2022. The budgeted number

reflects the modified budget. Detailed budget changes by section, agency, and program can be found in reports given to the [Interim Budget Committees](#).

The link to the Power BI tool allows viewers to pick and choose agencies and drill down deeper into the data. The interactive table slide two shows HB 2 general fund only.

<https://app.powerbigov.us/view?r=eyJrIjoiNzUxOWI5MzYtZTgyZS00NDZkLWE4NTUtZjk0YjUyNTk5NzE0IiwidCI6IjVmYzM1Mjk4LTQyMTEtNDA1NC04Njc4LWlzMjgxYzM5NzI2NyJ9>

HB 2 BY AGENCY

The Legislative Fiscal Division has created a Power BI interactive data tool that illustrates the budgeted and actual HB 2 FY 2022 expenditures. This includes general fund, state and federal special revenue, and budgeted proprietary funds. The interactive tool shows a comparison of the modified budget to actual expenditures for all state agencies.

The link to the Power BI tool allows viewers to pick and choose agencies and drill down deeper into the data. Slides one and three include all fund types.

<https://app.powerbigov.us/view?r=eyJrIjoiNzUxOWI5MzYtZTgyZS00NDZkLWE4NTUtZjk0YjUyNTk5NzE0IiwidCI6IjVmYzM1Mjk4LTQyMTEtNDA1NC04Njc4LWlzMjgxYzM5NzI2NyJ9>

STATUTORILY REQUIRED REPORTS

BUDGET AMENDMENTS

As of November 30, 2021, the Legislative Finance Division received notification of 86 budget amendments impacting the 2021 and 2023 biennia and certified by the Governor since August 31.

These amendments decrease general fund by \$0.3 million and increase federal revenue authority by \$113.1 million, state special revenue by \$0.4 million and proprietary fund authority by \$10,000 in FY 2022 and federal funds by \$14.7 million, state special revenue by 0.4 million and proprietary funds by \$10,000 in FY 2023. In addition, one amendment increases federal authority by \$4.2 million in FY 2021. An additional 34.02 FTE in FY 2022 and 25.36 FTE in FY 2023 in modified positions have also been added. Modified FTE are valid for the fiscal year but do not become permanent FTE in agency base budgets. A total of 7 amendments transfer existing authority between expenditure categories or between organizational units and five extend previously approved amendment authority. Figure 1 summarizes the budget amendments certified by the Governor from the period August 31, 2021 through November 30, 2021.

Figure 1

Budget Amendment Summary (since last LFC meeting)			
Component	FY 2021	FY 2022	FY 2023
Number of Amendments	1	85	18
FTE Added	0.00	34.02	25.36
General Fund	\$0	(\$320,586)	\$0
State Special Revenue	0	387,869	388,595
Federal Revenue	4,219,677	113,140,802	14,661,041
Proprietary Fund	0	10,000	10,000
Total Revenue	\$4,219,677	\$113,218,085	\$15,059,636

Each amendment, along with a brief explanation, is summarized in Appendix C. Staff has reviewed the amendments and has raised no concerns with any amendment meeting statutory criteria.

Figure 2 summarizes the budget amendments that were certified for the 2023 biennium. The various approving authorities have added a total of \$183.0 million in the 2023 biennium.

Figure 2

Budget Amendment Cumulative Summary 2023 Biennium				
LFC Meeting	Number of	2021 Biennium		
2023 Biennium	Amendments	FY 2022	FY 2023	Total
September 16, 2021	88	\$54,366,767	\$341,600	\$54,708,367
December 16, 2021	85	113,218,085	15,059,636	128,277,721
March 17, 2022	0	0	0	0
June 16, 2022	0	0	0	0
September 15, 2022	0	0	0	0
December 8, 2022	0	0	0	0
Total	173	\$167,584,852	\$15,401,236	\$182,986,088

Figure 3 reflects the additional budget authority provided to each agency through the budget amendment process in FY 2022 compared to the HB 2 budget approved by the 2021 Legislature.

Figure 3

Budget Amendment Authority Comparison with HB 2 Total Funds By State Agency			
State Agency	FY 2022 Modified HB 2	Budget Amendment	% of Modified Budget
Section A - General Government			
Department of Commerce	35,706,599	1,986,428	5.56%
Department of Labor and Industry	89,219,058	3,189,944	3.58%
Total Section A	124,925,657	5,176,372	4.14%
Section B - Public Health & Human Services			
Department of Public Health and Human Services	2,991,961,194	126,394,005	4.22%
Total Section B	2,991,961,194	126,394,005	4.22%
Section C - Natural Resources & Transportation			
Department of Fish, Wildlife, and Parks	106,969,134	11,924,902	11.15%
Department of Environmental Quality	63,079,848	1,655,248	2.62%
Department of Livestock	14,058,937	301,178	2.14%
Department of Natural Resources and Conservation	75,655,645	15,783,951	20.86%
Department of Agriculture	19,189,765	3,894,095	20.29%
Total Section C	278,953,329	33,559,374	12.03%
Section D - Judicial, Law Enforcement, and Justice			
Department of Justice	129,802,296	1,721,541	1.33%
Department of Corrections	219,153,278	22,103	0.01%
Total Section D	348,955,574	1,743,644	0.50%
Section E - Education			
Montana Arts Council	1,515,828	155,042	10.23%
Montana State Library	6,870,678	170,500	2.48%
Montana Historical Society	5,863,725	385,915	6.58%
Total Section E	14,250,231	711,457	4.99%
Total	\$3,759,045,985	\$167,584,852	4.46%

OPERATING PLAN CHANGES AND PROGRAM TRANSFERS

The Office of Budget and Program Planning (OBPP) submitted a total of 8 operating plan changes and program transfers that met statutory criteria for LFC review and comment between August 31, 2021 and December 10, 2021. Staff have reviewed the amendments and have raised no concerns with any changes meeting statutory criteria.

A summary of the changes from OBPP can be found in [Appendix D](#).