

| Legislative Branch Agency Summary | | | | | | | | | |
|--------------------------------------|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 125.27 | 0.00 | 0.00 | | 125.27 | 0.00 | 0.00 | | 130.44 |
| Personal Services | 6,081,445 | 617,519 | 30,156 | | 6,729,120 | 622,141 | 0 | | 6,703,586 |
| Operating Expenses | 2,638,316 | 987,133 | 329,861 | | 3,955,310 | 84,922 | 500,492 | | 3,223,730 |
| Equipment | 125,954 | (25,954) | 0 | | 100,000 | (25,954) | 75,247 | | 175,247 |
| Total Costs | \$8,845,715 | \$1,578,698 | \$360,017 | | \$10,784,430 | \$681,109 | \$575,739 | | \$10,102,563 |
| General Fund | 6,729,738 | 1,263,085 | 360,017 | | 8,352,840 | 984,382 | 575,739 | | 8,289,859 |
| State/Other Special | 2,115,977 | 315,613 | 0 | | 2,431,590 | (303,273) | 0 | | 1,812,704 |
| Total Funds | \$8,845,715 | \$1,578,698 | \$360,017 | | \$10,784,430 | \$681,109 | \$575,739 | | \$10,102,563 |

In accordance with 17-7-122, MCA, no changes could be made to the Legislative Branch budget request.

CONSUMER COUNSEL

| Consumer Counsel Agency Summary | | | | | | | | | |
|------------------------------------|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 5.04 | 0.00 | 0.00 | | 5.04 | 0.00 | 0.00 | | 5.04 |
| Personal Services | 343,423 | 22,939 | 0 | | 366,362 | 25,199 | 0 | | 368,622 |
| Operating Expenses | 524,093 | 215,621 | 0 | | 739,714 | 215,418 | 0 | | 739,511 |
| Total Costs | \$867,516 | \$238,560 | \$0 | | \$1,106,076 | \$240,617 | \$0 | | \$1,108,133 |
| State/Other Special | 867,516 | 238,560 | 0 | | 1,106,076 | 240,617 | 0 | | 1,108,133 |
| Total Funds | \$867,516 | \$238,560 | \$0 | | \$1,106,076 | \$240,617 | \$0 | | \$1,108,133 |

In accordance with 17-7-122, MCA, no changes could be made to the Consumer Counsel budget request.

| Judicial Branch Agency Summary | | | | | | | | | |
|-----------------------------------|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 102.75 | 11.00 | 1.00 | (8.00) | 106.75 | 11.00 | 1.00 | (3.50) | 111.25 |
| Personal Services | 7,467,094 | 1,136,871 | 38,256 | (365,613) | 8,276,608 | 1,186,339 | 38,256 | (163,034) | 8,528,655 |
| Operating Expenses | 1,556,329 | 324,251 | 366,219 | (167,029) | 2,079,770 | 255,676 | 362,719 | (114,000) | 2,060,724 |
| Equipment | 280,966 | 28,061 | 0 | 0 | 309,027 | 30,868 | 0 | 0 | 311,834 |
| Grants | 434,371 | 201,822 | 100,000 | (100,000) | 636,193 | 199,969 | 100,000 | (100,000) | 634,340 |
| Debt Service | 28,510 | 0 | 0 | 0 | 28,510 | 0 | 0 | 0 | 28,510 |
| Total Costs | \$9,767,270 | \$1,691,005 | \$504,475 | (\$632,642) | \$11,330,108 | \$1,672,852 | \$500,975 | (\$377,034) | \$11,564,063 |
| General Fund | 8,204,056 | 1,429,528 | 245,750 | (657,642) | 9,221,692 | 1,402,107 | 242,250 | (402,034) | 9,446,379 |
| State/Other Special | 1,488,214 | 181,477 | 0 | 0 | 1,669,691 | 190,745 | 0 | 0 | 1,678,959 |
| Federal Special | 75,000 | 80,000 | 258,725 | 25,000 | 438,725 | 80,000 | 258,725 | 25,000 | 438,725 |
| Total Funds | \$9,767,270 | \$1,691,005 | \$504,475 | (632,642) | \$11,962,750 | \$1,672,852 | \$500,975 | (\$377,034) | \$11,564,063 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 01 – Supreme Court Operations | | | |
| <u>PL 1001 – Law Clerks for Supreme Court Justices:</u> Due to increased workload over the past several years, the Supreme Court has requested funds to hire 7.00 FTE law clerks. The request was cut to 4.00 FTE starting in the FY 2003. | A-9 | (\$369,582) | (\$142,124) |
| <u>NP 1102 – Citizen Review Bd Expansion:</u> A request to expand the Citizen Review Board Program to additional cities included \$200,000 federal funds and \$50,000 general fund. The general fund was removed from the proposal and changed to federal special revenue. | A-9 | (\$25,000) | (\$25,000) |
| <u>NP 1103 – CASA/Guardian Ad Litem:</u> A request to increase funding for local Court Appointed Special Advocate/Guardian Ad Litem programs by \$100,000 per year was eliminated. | A-9 | (\$100,000) | (\$100,000) |
| <u>NP 1105 – State Reporter:</u> A proposal to purchase an electronic version of all Montana Supreme Court opinions since the inception of the court was eliminated. | A-9 | (\$20,000) | (\$20,000) |
| Program 02 – Board and Commissions | | | |
| <u>NP 2103 – Limited Court Auditor:</u> The Judiciary requested \$50,000 general fund each year to contract for audits in limited courts throughout Montana. The intent of the audits would be to detect and prevent fraud and theft in these courts. The request was eliminated. | A-10 | (\$50,000) | (\$50,000) |
| Program 03 – Law Library | | | |
| <u>PL 3001 – Chair Replacement:</u> The Law Library requested \$18,000 for the biennium to replace aging and unsafe chairs. The request was eliminated. | A-10 | (\$9,000) | (\$9,000) |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|----------------|---------------------|--------------------|
| Program 06 – Clerk of Court | | | |
| <u>PL 6001 – Supreme Court Records:</u> The Clerk of Court budget included \$70,000 general fund for the biennium to begin the process of converting paper supreme court records to a medium of permanent storage. This request has been eliminated. | A-12 | (\$35,000) | (\$35,000) |
| <u>NP 6101 – Additional Staff:</u> Increased workload in past years has prompted the Clerk of Court to request an additional FTE. The request was reduced to 0.50 FTE in FY 2003. | A-12 | (\$49,060) | (20,910) |
| Total | | (\$657,642) | (\$402,034) |

CHIROPRACTIC LEGAL PANEL

| Chiropractic Legal Panel Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 0.00 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | | 0.00 |
| Operating Expenses | 10,539 | 4,461 | 0 | | 15,000 | 4,461 | 0 | | 15,000 |
| Total Costs | \$10,539 | \$4,461 | \$0 | | \$15,000 | \$4,461 | \$0 | | \$15,000 |
| State/Other Special | 10,539 | 4,461 | 0 | | 15,000 | 4,461 | 0 | | 15,000 |
| Total Funds | \$10,539 | \$4,461 | \$0 | | \$15,000 | \$4,461 | \$0 | | \$15,000 |

No changes recommended.

| Governor's Office Agency Summary | | | | | | | | | |
|-------------------------------------|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 50.00 | 0.00 | 0.00 | 0 | 50.00 | 0.00 | 0.00 | 0 | 50.00 |
| Personal Services | 2,423,695 | 161,884 | 0 | (30,053) | 2,555,526 | 174,744 | 0 | (30,177) | 2,568,262 |
| Operating Expenses | 862,472 | 2,316,060 | 30,000 | (15,000) | 3,193,532 | 99,057 | 30,000 | (15,000) | 976,529 |
| Equipment | 12,787 | (12,787) | 0 | 0 | 0 | (12,787) | 0 | 0 | 0 |
| Total Costs | \$3,298,954 | \$2,465,157 | \$30,000 | (45,053) | \$5,749,058 | \$261,014 | \$30,000 | (45,177) | \$3,544,791 |
| General Fund | 3,024,552 | 239,844 | 30,000 | (43,005) | 3,251,391 | 184,497 | 30,000 | (43,123) | 3,195,926 |
| State/Other Special | 230,746 | 223,969 | 0 | (1,723) | 452,992 | 74,673 | 0 | (1,728) | 303,691 |
| Federal Special | 43,656 | 2,001,344 | 0 | (325) | 2,044,675 | 1,844 | 0 | (326) | 45,174 |
| Total Funds | \$3,298,954 | \$2,465,157 | \$30,000 | (45,053) | \$5,749,058 | \$261,014 | \$30,000 | (45,177) | \$3,544,791 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|---|------------|-------------------|-------------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$390 in each year of the biennium. | | (4,917) | (4,917) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$1,658 in FY 2002 and \$1,664 in FY 2003. | | (23,088) | (23,206) |
| Program 01 – Executive Office | | | |
| <u>NP 1 Western Governor's Association Dues:</u> A request to pay dues to the Western Governor's Association was cut in half. | A-15 | (15,000) | (15,000) |
| Total | | (\$43,005) | (\$43,123) |

COMMISSIONER OF POLITICAL PRACTICES

| Commissioner of Political Practices Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 5.00 | 0.00 | 0.00 | | 5.00 | 0.00 | 0.00 | | 5.00 |
| Personal Services | 149,492 | 29,050 | 0 | | 178,542 | 30,256 | 0 | | 179,748 |
| Operating Expenses | 167,637 | 6,481 | 0 | | 174,118 | 1,658 | 0 | | 169,295 |
| Total Costs | \$317,129 | \$35,531 | \$0 | | \$352,660 | \$31,914 | \$0 | | \$349,043 |
| General Fund | 317,129 | 35,531 | 0 | | 352,660 | 31,914 | 0 | | 349,043 |
| Total Funds | \$317,129 | \$35,531 | \$0 | | \$352,660 | \$31,914 | \$0 | | \$349,043 |

No changes recommended.

| State Auditor Agency Summary | | | | | | | | | |
|---------------------------------|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 67.00 | 1.50 | 0.00 | 0 | 68.50 | 1.50 | 0.00 | 0 | 68.50 |
| Personal Services | 2,517,995 | 234,498 | 0 | (34,182) | 2,718,311 | 251,034 | 0 | (34,347) | 2,734,682 |
| Operating Expenses | 694,976 | 188,819 | 0 | 0 | 883,795 | 103,044 | 0 | 0 | 798,020 |
| Equipment | 0 | 15,655 | 0 | 0 | 15,655 | 15,655 | 0 | 0 | 15,655 |
| Total Costs | \$3,212,971 | \$438,972 | \$0 | (34,182) | \$3,617,761 | \$369,733 | \$0 | (34,347) | \$3,548,357 |
| General Fund | 1,006,595 | (649,650) | 0 | (6,575) | 350,370 | (650,937) | 0 | (6,593) | 349,065 |
| State/Other Special | 2,206,376 | 1,088,622 | 0 | (27,607) | 3,267,391 | 1,020,670 | 0 | (27,754) | 3,199,292 |
| Total Funds | \$3,212,971 | \$438,972 | \$0 | (34,182) | \$3,617,761 | \$369,733 | \$0 | (34,347) | \$3,548,357 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|--------------------|---------------------|------------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$6,603 in each year of the biennium. | | (936) | (936) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$23,684 in FY 2002 and \$23,826 in FY 2003. | | (2,959) | (2,982) |
| Program 04 – Securities | | | |
| <u>New 4 – Fund Shift from General Fund to SSR Securities Fee Account:</u> In FY 2000 this program was funded with 71.6 percent general fund and 28.4 percent state special revenue. This proposal would make the funding for the 2003 biennium 63.3 percent general fund and 36.7 percent special revenue securities fee account. | A-23 | (\$2,680) | (\$2,675) |
| Total | | (\$6,575) | (\$6,593) |

| Department of Transportation Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 2,116.66 | 62.14 | 48.00 | 0 | 2,226.80 | 65.80 | 49.25 | 0 | 2,231.71 |
| Personal Services | 80,918,034 | 10,852,406 | 1,680,608 | (1,093,251) | 92,357,797 | 11,374,333 | 1,738,517 | (1,098,460) | 92,932,424 |
| Operating Expenses | 321,866,888 | 39,075,699 | 2,540,477 | 0 | 363,483,064 | 47,828,045 | 1,819,803 | 0 | 371,514,736 |
| Equipment | 1,308,305 | 313,437 | 79,122 | 0 | 1,700,864 | (35,063) | 23,896 | 0 | 1,297,138 |
| Capital Outlay | 12,319,921 | 0 | 0 | 0 | 12,319,921 | 0 | 0 | 0 | 12,319,921 |
| Local Assistance | 250,000 | 0 | 0 | 0 | 250,000 | 0 | 0 | 0 | 250,000 |
| Grants | 6,253,311 | 1,680,403 | 0 | 0 | 7,933,714 | 1,090,294 | 0 | 0 | 7,343,605 |
| Transfers | 15,143 | 0 | 0 | 0 | 15,143 | 0 | 0 | 0 | 15,143 |
| Debt Service | 6,445 | 1,346 | 0 | 0 | 7,791 | 1,346 | 0 | 0 | 7,791 |
| Total Costs | \$422,938,047 | \$51,923,291 | \$4,300,207 | (1,093,251) | \$478,068,294 | \$60,258,955 | \$3,582,216 | (1,098,460) | \$485,680,758 |
| General Fund | 250,000 | 0 | 0 | 0 | 250,000 | 0 | 0 | 0 | 250,000 |
| State/Other Special | 179,411,483 | 22,403,401 | (26,329,106) | (701,710) | 174,784,068 | 22,980,131 | (25,532,793) | (707,298) | 176,160,756 |
| Federal Special | 243,276,564 | 29,519,890 | 30,629,313 | (391,541) | 303,034,226 | 37,269,591 | 29,115,009 | (391,162) | 309,270,002 |
| Total Funds | \$422,938,047 | \$51,923,291 | \$4,300,207 | (1,093,251) | \$478,068,294 | \$60,258,955 | \$3,582,216 | (1,098,460) | \$485,680,758 |

DP No. and Adjustment Description**EB
Page****General Fund
FY 2002 FY 2003**

0 0

Include Health Insurance Benefits in Vacancy Savings: Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$237,249 in FY 2002 and \$237,783 in FY 2003.

Additional 1% Vacancy Savings: Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$856,002 in FY 2002 and \$860,677 in FY 2003.

0 0

Total**0 0**

| Department of Revenue Agency Summary | | | | | | | | | |
|---|---------------------|------------------------|-----------------------|--------------------|--------------------------|------------------------|-----------------------|-------------------|--------------------------|
| Agency Proposed Budget | Base Budget | Gov Racicot PL Base | Gov Racicot New | Gov Martz | Gov Martz Total | Gov Racicot PL Base | Gov Racicot New | Gov Martz | Gov Martz Total |
| Budget Item | Fiscal 2000 | Adjustment Fiscal 2002 | Proposals Fiscal 2002 | Adjustments | Exec. Budget Fiscal 2002 | Adjustment Fiscal 2003 | Proposals Fiscal 2003 | Adjustments | Exec. Budget Fiscal 2003 |
| FTE | 538.56 | (4.00) | 0.00 | (1.00) | 534.56 | (8.00) | 0.00 | (2.00) | 528.56 |
| Personal Services | 18,569,050 | 1,246,594 | 0 | (285,650) | 19,529,994 | 1,264,414 | 0 | (310,023) | 19,523,441 |
| Operating Expenses | 11,634,282 | 1,047,129 | 214,580 | 526,047 | 13,422,038 | 1,396,556 | 199,200 | 399,370 | 13,629,408 |
| Equipment | 40,177 | (7,155) | 71,484 | 0 | 104,506 | (7,155) | 0 | 0 | 33,022 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Local Assistance | 13,812,774 | 41,121,618 | 0 | 0 | 54,934,392 | 41,121,618 | 0 | 0 | 54,934,392 |
| Debt Service | 6,834 | 0 | 0 | 0 | 6,834 | 0 | 0 | 0 | 6,834 |
| Total Costs | \$44,063,117 | \$43,408,186 | \$286,064 | \$240,397 | \$87,997,764 | \$43,775,433 | \$199,200 | 89,347 | \$88,127,097 |
| General Fund | 39,981,718 | 42,821,972 | 286,064 | 219,940 | 83,309,694 | 43,119,426 | 199,200 | 82,787 | 83,383,131 |
| State/Other Special | 252,985 | (39,340) | 0 | 906 | 214,551 | (39,771) | 0 | 282 | 213,496 |
| Federal Special | 1,997,926 | 133,655 | 0 | 19,306 | 2,150,887 | 183,304 | 0 | 11,168 | 2,192,398 |
| Proprietary | 1,830,488 | 491,899 | 0 | 245 | 2,322,632 | 512,474 | 0 | (4,890) | 2,338,072 |
| Total Funds | \$44,063,117 | \$43,408,186 | \$286,064 | (\$240,397) | \$87,997,764 | \$43,775,433 | \$199,200 | (\$89,347) | \$88,127,097 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|---------------------------|---------------------|---------------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$8,682 in FY 2002 and \$8,643 in FY 2003. | | (48,666) | (48,282) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$31,497 in FY 2002 and \$31,598 in FY 2003. | | (172,197) | (172,284) |
| Program 01 – Director’s Office | | | |
| <u>NP 1 – GIS Maintenance:</u> The original request has been adjusted by these amounts. | A-41 | (23,400) | (22,500) |
| <u>PL 2 – Increased Use Costs for Customer Service Center:</u> The department discovered an insufficiency in its request related to paying for services provided by the CSC unit. This recommendation corrects the insufficiency. | A-41 | 39,162 | 30,226 |
| Program 05 – Resource Management | | | |
| <u>PL 6 – Increased Use Costs for Customer Service Center:</u> The department discovered an insufficiency in its request related to paying for services provided by the CSC unit. This request corrects the insufficiency. | A-43 | 24,413 | 18,842 |
| <i>FY 2002</i> | | <i>FY 2003</i> | |
| <i>GF</i> | <i>Proprietary in HB2</i> | <i>GF</i> | <i>Proprietary in HB2</i> |
| 24,413 | 22,049 | 18,842 | 17,019 |
| Program 08 – Compliance Valuation and Resolution | | | |
| <u>PL 4 - Increased Use Costs for Customer Service Center:</u> The department discovered an insufficiency in its request related to paying for services provided by the CSC unit. This proposal corrects the insufficiency. | A-46 | 427,029 | 329,587 |
| <i>FY 2002</i> | | <i>FY 2003</i> | |
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> |
| 427,029 | 2,756 | 35,831 | 329,587 |
| | | | <i>SSR</i> |
| | | | 2,127 |
| | | | <i>FF</i> |
| | | | 27,655 |

DEPARTMENT OF REVENUE**5801**

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|---------------------------|----------------------------|-----------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 08 – Compliance Valuation and Resolution | | | |
| <u>PL 5 - Project META Efficiencies:</u> With the passage of the Inheritance Tax initiative, 1.00 FTE in FY2002 and 2.00 FTE in FY2003 and related operating costs are proposed to be removed from the budget. | A-46 | (26,401) | (52,802) |
| Total | | \$219,940 | \$82,787 |

| Department of Administration Agency Summary | | | | | | | | | |
|--|--------------------|--------------------------------------|---------------------------------|--------------------------|------------------------------------|--------------------------------------|---------------------------------|--------------------------|------------------------------------|
| Agency Proposed Budget | Base Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustments | Gov Martz Total Exec. Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustments | Gov Martz Total Exec. Budget |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 81.78 | 0.83 | 2.00 | (0.83) | 83.25 | 0.83 | 2.00 | (0.83) | 83.25 |
| Personal Services | 3,219,035 | 340,977 | 94,957 | (103,035) | 3,551,934 | 361,213 | 95,295 | (103,298) | 3,572,245 |
| Operating Expenses | 1,767,512 | 484,462 | 210,298 | (85,501) | 2,376,771 | (379,257) | 8,303 | (6,481) | 1,390,077 |
| Equipment | 6,074 | 0 | 0 | 0 | 6,074 | 0 | 0 | 0 | 6,074 |
| Local Assistance | 42,990 | 0 | 0 | 0 | 42,990 | 0 | 0 | 0 | 42,990 |
| Debt Service | 32,050 | 0 | 0 | 0 | 32,050 | 0 | 0 | 0 | 32,050 |
| Total Costs | \$5,067,661 | \$825,439 | \$305,255 | (\$188,536) | \$6,009,819 | (\$18,044) | \$103,598 | (\$109,779) | \$5,043,436 |
| General Fund | 3,955,998 | (116,810) | 262,676 | (177,421) | 3,924,443 | (169,711) | 62,881 | (98,610) | 3,750,558 |
| State/Other Special | 1,041,985 | 148,503 | 0 | (10,663) | 1,179,825 | 157,749 | 0 | (10,715) | 1,189,019 |
| Federal Special | 28,670 | 793,519 | 42,579 | (452) | 864,316 | (6,481) | 40,717 | (454) | 62,452 |
| Proprietary | 41,008 | 227 | 0 | 0 | 41,235 | 399 | 0 | 41,407 | 41,407 |
| Total Funds | \$5,067,661 | \$825,439 | \$305,255 | (188,536) | \$6,009,819 | (\$18,044) | \$103,598 | (\$109,779) | \$5,043,436 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|---|------------|--------------|------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$2,013 in each year of the biennium. | | (7,410) | (7,410) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$9,102 in FY 2002 and \$9,156 in FY 2003. | | (27,702) | (27,859) |
| Program 03 – Accounting and Management Support | | | |
| <u>NP 2 - Contract Services for GASB 34 Implementation:</u> This request has been reduced by \$60,000. | A-49 | (\$60,000) | |
| Program 06 – Procurement and Printing | | | |
| <u>PL 9 - Programmer: HB 2:</u> This division operates with both HB 2 and proprietary operations. The decision package to allocate a new programmer 0.33 FTE to the HB 2 portion of the program is eliminated. | A-51 | (\$15,984) | (\$15,016) |
| Program 07 – Information Services | | | |
| <u>NP 1 - Public Safety Communication Program:</u> The original request is a funding switch from proprietary fund to general fund. This adjustment reduces funding and FTE to 50 percent of the original decision package. | A-55 | (\$31,440) | (\$31,440) |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|-------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 08 – General Services | | | |
| <u>New PL 10 – Replace Capitol Land Grant Money for rent payments:</u> In the budget preparation for rent, it is assumed that the funding to manage the Capitol Complex will come from all the on-campus agencies and programs through payments to a proprietary fund, "rent and maintenance". This proposal removes the maintenance and the debt service aspects of the budget from rent collected from the agencies. The maintenance and debt service are proposed to be paid by \$1,866,110 of Capitol Land Grant money (05008). The rent reduction when spread among agencies will reduce general fund payments by an estimated \$792,800, state special payments by \$330,327, federal I fund payments by \$312,114 and proprietary fund payments by \$430,869 over the biennium. These amounts are not included in the agency tables. | A-58 | 0 | 0 |
| Program 23 – State Personnel | | | |
| <u>PL 1 – Operating Cost Changes:</u> The original budget identifies various workload and obligation issues. This adjustment will change the function of 1.00 FTE from a manager position, grade 20, to a Labor Relations Specialist, grade 16. | A-23 | (\$8,385) | (\$8,385) |
| <u>PL 1 – Contracted Service for Salary Survey:</u> A biennial salary survey, required by 2-18-301, MCA, will be done by current staff instead of contracting with and outside vendor. | | (18,000) | |
| Program 37 – State Tax Appeal Board | | | |
| <u>PL 1 – Miscellaneous Operating Costs:</u> The original recommendation recognizes that 3.00 FTE in this program relate to the use of personnel in the counties where the tax appeal hearings occur. The positions are used on a sporadic basis; thus the original decrease was to reflect that insurance is not paid to these occasional staff. This funding reduction recognizes that the full use of the FTE has not been historically needed. | A-66 | (\$8,500) | (\$8,500) |
| Total | | (\$177,421) | (\$98,610) |

APPELLATE DEFENDER

| Appellate Defender Agency Summary | | | | | | | | | |
|--|------------------|--------------------------------------|---------------------------------|--------------------------|------------------------------------|--------------------------------------|---------------------------------|--------------------------|------------------------------------|
| Agency Proposed Budget | Base Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustments | Gov Martz Total Exec. Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustments | Gov Martz Total Exec. Budget |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 3.00 | 0.00 | 0.00 | | 3.00 | 0.00 | 0.00 | | 3.00 |
| Personal Services | 129,908 | 2,523 | 0 | | 132,431 | 3,423 | 0 | | 133,331 |
| Operating Expenses | 40,983 | 7,720 | 0 | | 48,703 | 8,187 | 0 | | 49,170 |
| Total Costs | \$170,891 | \$10,243 | \$0 | | \$181,134 | \$11,610 | \$0 | | \$182,501 |
| General Fund | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| State/Other Special | 170,891 | 10,243 | 0 | | 181,134 | 11,610 | 0 | | 182,501 |
| Total Funds | \$170,891 | \$10,243 | \$0 | | \$181,134 | \$11,610 | \$0 | | \$182,501 |

No changes recommended.

| Department of Public Health and Human Services Agency Summary | | | | | | | | | |
|--|----------------------|------------------------|-----------------------|---------------------|--------------------------|------------------------|-----------------------|---------------------|--------------------------|
| Agency Proposed Budget | Base Budget | Gov Racicot PL Base | Gov Racicot New | Gov Martz | Gov Martz Total | Gov Racicot PL Base | Gov Racicot New | Gov Martz | Gov Martz Total |
| Budget Item | Fiscal 2000 | Adjustment Fiscal 2002 | Proposals Fiscal 2002 | Adjustments | Exec. Budget Fiscal 2002 | Adjustment Fiscal 2003 | Proposals Fiscal 2003 | Adjustments | Exec. Budget Fiscal 2003 |
| FTE | 2,696.84 | 87.00 | 46.10 | (13.15) | 2,816.79 | 96.00 | 55.85 | (19.65) | 2,829.04 |
| Personal Services | 98,366,813 | 5,594,937 | 1,834,153 | (1,928,967) | 103,866,936 | 6,460,961 | 2,195,444 | (2,185,533) | 104,837,685 |
| Operating Expenses | 70,760,991 | 7,392,238 | 13,576,449 | (5,275,852) | 86,453,826 | 8,407,318 | 6,544,728 | (5,038,011) | 80,675,026 |
| Equipment | 793,242 | 122,483 | 222,157 | 0 | 1,137,882 | 45,483 | 107,157 | 0 | 945,882 |
| Capital Outlay | 6,356 | 0 | 0 | 0 | 6,356 | 0 | 0 | 0 | 6,356 |
| Local Assistance | 6,249 | 0 | 0 | 0 | 6,249 | 0 | 0 | 0 | 6,249 |
| Grants | 37,927,039 | 5,700,497 | 1,337,478 | (111,737) | 44,853,277 | 6,098,641 | 1,274,952 | (141,648) | 45,158,984 |
| Benefits & Claims | 558,364,221 | 95,030,673 | 101,215,399 | (4,546,878) | 750,063,415 | 116,059,651 | 104,662,541 | (7,679,094) | 771,407,319 |
| Transfers | 0 | 0 | 28,950 | 0 | 28,950 | 0 | 29,221 | 0 | 29,221 |
| Debt Service | 619,798 | 0 | 2,850 | 0 | 622,648 | 0 | 2,850 | 0 | 622,648 |
| Total Costs | \$766,844,709 | \$113,840,828 | \$118,217,436 | (11,863,434) | \$987,039,539 | \$137,072,054 | \$114,816,893 | (15,044,286) | \$1,003,689,370 |
| General Fund | 228,813,863 | 22,898,313 | 9,298,163 | (8,796,862) | 252,213,477 | 27,817,175 | 14,282,538 | (9,426,811) | 261,486,765 |
| State/Other Special | 32,370,025 | 5,357,157 | 1,701,658 | 79,758 | 39,508,598 | 7,051,183 | 3,210,217 | 58,673 | 42,690,098 |
| Federal Special | 505,660,821 | 85,585,358 | 107,217,615 | (3,146,330) | 695,317,464 | 102,203,696 | 97,324,138 | (5,676,148) | 699,512,507 |
| Total Funds | \$766,844,709 | \$113,840,828 | \$118,217,436 | (11,863,434) | \$987,039,539 | \$137,072,054 | \$114,816,893 | (15,044,286) | \$1,003,689,370 |

| <u>DP No. and Adjustment Description</u> | <u>EB</u> | <u>General Fund</u> | |
|---|-------------|---------------------|----------------|
| | <u>Page</u> | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$143,868 in FY 2002 and \$144,825 in FY 2003. | | (165,915) | (166,230) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$486,686 in FY 2002 and \$489,534 in FY 2003. | | (546,260) | (550,246) |

Program 02 – Human and Community Services Division

PL 61 – IHSB Present Law Adjustment: This recommendation reduces the proposal and reduces general fund only by the amount shown. The adjustment increases various federally-funded energy and food assistance programs and adds general fund for the Montana Food Bank to purchase additional equipment and supplies. The original executive budget requests to increase federal spending authority by \$1,022,955 each year for various federally-funded energy and food assistance programs. These increases are in response to projected increases for the following federal grants: 1) U.S. Department of Energy (DOE) weatherization grant; 2) Bonneville Power Administration (BPA) weatherization grant; 3) Community Services Block Grant (CSBG); 4) Low Income Energy Assistance Program (LIEAP); 5) U.S. Department of Agriculture (USDA) Emergency Food Assistance Program (TEFAP) grant; and 6) USDA Food Distribution Program on Indian Reservations (FDPIR). Also, included in this request was \$100,000 of general fund authority in the first year of the biennium to enhance the services at the Montana Food Banks.

| | | |
|-----|-----------|---|
| B-4 | (100,000) | 0 |
|-----|-----------|---|

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>PL 63 – Food Stamp Adjustments:</u> The executive budget requested \$1,339,352, including \$146,731 general fund, over the biennium, for the increases in federal grants. Federal funding for the Food Stamp Employment and Training program is projected to increase by approximately \$450,000 annually and no general fund is necessary to match these funds. Available federal funding for the Food Stamp Nutrition Education Program is projected to increase by approximately \$40,000 annually. The additional federal funds would allow two more counties to be served. Total number of cases served would increase by 11,496 recipients. Contracted services are also requested to administrate the increased responsibilities in the Food Stamp Program, to provide policy interpretation, and to monitor accuracy and efficiency. Food stamp administration federal grant requires a 50 percent general fund match. | B-4 | (50,000) | (50,000) |

Adjustment - This adjustment reduces the increase and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | |
|----------------|------------|-----------|----------------|------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> |
| <u>FF</u> | | | | |
| (50,000) | | (50,000) | (50,000) | (50,000) |

| | | | |
|---|-----|-----------|-----------|
| <u>PL 69 – County TANF, Food Stamp, and Medicaid:</u> To enhance county eligibility outreach, case management, and resource coordination services for TANF, Food Stamps, and Medicaid, the executive budget included a biennial increase in spending authority of \$1,543,198, including \$761,598 general fund. County administration of the three public assistance programs: 1) the Temporary Assistance for Needy Families (TANF) block grant; 2) Food Stamps; and 3) Medicaid programs, has been impacted by major program changes. On-going Food Stamp programs include increased caseload in the Food Stamp Employment and Training Program. County eligibility workers workload has been increased to coordinate the three public assistance programs with other programs including the Children's Health Insurance Program and the Mental Health Services Program. This coordination provides participants with a broad array of services that will encourage self-sufficiency. This request includes funding increases in operational costs with the largest increases in rent and contracted services. These increases in operational costs are spread over 56 counties and 386 full time employees. | B-4 | (250,000) | (250,000) |
|---|-----|-----------|-----------|

Adjustment - This adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-------------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$250,000) | | | (\$250,000) | | |
| (\$256,900) | | (\$256,262) | | | |

| DP No. and Adjustment Description | EB Page | General Fund | | | |
|--|------------|-------------------|--------------------------------|-----|-------------------|
| | | FY 2002 | FY 2003 | | |
| PL 78 – Public Assistance Administration Admin: The executive requested an additional \$784,637, including \$390,818 general fund, for the biennium for the Public Assistance Bureau administration of the Temporary Assistance for Needy Families Block Grant (TANF), and the Food Stamp, and Medicaid eligibility programs. Expanding Food Stamp Program requirements such as a separate employment and training program for Food Stamp recipients accompanied with the loss of waivers, and the mandate to serve recipients who are able-bodied individuals without dependents will increase Food Stamp program costs. Included in these costs is implementation of the second TANF stage, entitled FAIM Phase II. Program changes now require the Medicaid program to interface with two new programs, the Children's Health Insurance Program and the Mental Health Services Program. These added administrative duties require additional contracted services and operational expenditures in the Public Assistance Bureau to achieve the federally-mandated requirements. These expenditures are cost allocated and the Food Stamp and Medicaid grants require a 50 percent general fund match. | B-4 | (150,000) | (100,000) | | |
| <i>Adjustment - This adjustment reduces this proposal and funding in the executive budget by the below amounts.</i> | | | | | |
| FY 2002 GF (\$150,000) | SSR | FF (\$150,998) | FY 2003 GF (\$100,000) | SSR | FF (\$100,907) |
| Program 03 – Child and Family Services Division | | | | | |
| NP 139 – Child Protective Services: To address workload and staffing issues associated with the foster care system, the budget included \$4,521,912 for the biennium, including \$3,413,145 general fund. There were 18.75 FTE in FY 2002 and an additional 7.25 FTE in FY 2003. | B-6 | (1,078,798) | (1,359,497) | | |
| <i>Adjustment - This adjustment reduces the proposal and the funding in the executive budget by the below amounts.</i> | | | | | |
| FY 2002 GF (\$1,078,798) | SSR | FF (\$417,516) | FY 2003 GF (\$1,359,497) | SSR | FF (\$556,349) |
| NP 302 – CPS Child Care: To expand Child Protective Services (CPS) Day Care funding, the budget included \$700,000 general fund for the biennium to provide financial support to approximately 170 families who are in need of child care and are not eligible for other child care funding sources. The child care funding in FY 2000 was sufficient to provide services for six months and this proposal would allow the department to provide child care throughout the year. | B-6 | (350,000) | (350,000) | | |
| <i>Adjustment - The adjustment eliminates this proposal and reduces the funding in the executive budget by the below amounts.</i> | | | | | |
| FY 2002 GF (\$350,000) | SSR | FF | FY 2003 GF (\$350,000) | SSR | FF |
| PL 40 – Foster Care Caseload Increase: For a projected caseload growth in the Foster Care program, the department requested \$2,714,718 for the biennium, including \$712,885 general fund. | | (211,130) | (266,503) | | |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <i>Adjustment - The adjustment reduces this proposal and reduces funding in the executive budget by the below amounts.</i> | | | |
| <div><div>FY 2002</div><div>GFSSRFF</div><div>(\$211,130)(\$55,556)(\$537,313)</div></div> <div><div>FY 2003</div><div>GFSSRFF</div><div>(\$266,503)(\$70,127)(\$678,232)</div></div> | | | |
| <u>PL 303 – Fund Case Mgmt for Fort Peck Indian Reservation:</u> To expand Title IV-E Case Management to the Sioux and Assiniboine Tribes of the Fort Peck Indian Reservation, the budget recommended \$169,984 general fund for the biennium. | B-6 | (84,992) | (84,992) |
| <i>Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.</i> | | | |
| <div><div>FY 2002</div><div>GFSSRFF</div><div>(\$84,992)</div></div> <div><div>FY 2003</div><div>GFSSRFF</div><div>(\$84,992)</div></div> | | | |
| <u>NP 118 – Foster Care Rate Increase:</u> To increase the daily rate of reimbursement for services in the Family Foster Care program by approximately \$0.50 per day, the department requested \$690,408 for the biennium, including \$448,765 general fund. | B-6 | (15,533) | (16,330) |
| <i>Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.</i> | | | |
| <div><div>FY 2002</div><div>GFSSRFF</div><div>(\$15,533)</div></div> <div><div>FY 2003</div><div>GFSSRFF</div><div>(\$16,330)</div></div> | | | |
| <u>NP 122 – Subsidized Adoption Rate Increase:</u> To increase the daily rate of reimbursement for services in the Subsidized Adoption program, the department requested \$2,325,527 for the biennium, including \$1,199,973 general fund. The increase of approximately \$0.50 per day was to be phased-in over the biennium with one-half of the increase coming in FY 2002 and the remainder in FY 2003. | B-6 | (27,201) | (58,293) |
| <i>Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.</i> | | | |
| <div><div>FY 2002</div><div>GFSSRFF</div><div>(\$27,201)</div></div> <div><div>FY 2003</div><div>GFSSRFF</div><div>(\$58,293)</div></div> | | | |
| <u>NP 123 – Foster Care Facilities Rate Increase:</u> To add to the rate of reimbursement for services provided by foster care facilities, the department requested \$380,596 for the biennium, including \$247,387 general fund. This request was to provide a rate increase of 3 percent per annum and to establish a base for the foster care facilities daily rate, providing a new basis within the | B-6 | (8,434) | (9,133) |

| <u>DP No. and Adjustment Description</u> | <u>EB</u> <u>Page</u> | <u>General Fund</u> | |
|--|--------------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

rate matrix.

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$8,434) | | (\$4,542) | (\$9,133) | | (\$4,918) |

Program 04 - Director's Office

NP 156 – Prevention Resource Center: To provide 1.50 FTE to help the Interagency Coordinating Council on State Prevention (ICC) and Prevention Resource Center programs, the budget recommended \$127,856 for the biennium, including \$60,029 general fund. In particular, the Prevention Resource Center provides a centralized statewide source for prevention activities to the communities of Montana. B-7 (30,053) (29,975)

Adjustment - This adjustment eliminates the proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$30,053) | (\$6,279) | (\$27,678) | (\$29,975) | (\$6,264) | (\$27,606) |

Program 07 - Health Policy and Services Division

PL 85 – Public Health Training Institute: To support the development of the Montana Public Health Training Institute, the executive budget included \$159,000 general fund over the biennium for the following contractual services: 1) developing the curriculum modules to be used in the public health training institute, 2) managing the instructors needed for the institute, and 3) providing technical assistance in evaluation of the public health training institute. The DPHHS received a four-year grant (at approximately \$125,000 per year) from Robert Wood Johnson Foundation (RWJ) for start-up funds. The general fund was to augment funding from RWJ. B-10 (79,500) (79,500)

Adjustment – The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$79,500) | | | (\$79,500) | | |

NP 87 – Compliance Investigator FTE Increase: The budget added 0.85 FTE for additional food and consumer safety duties mandated by recent statutory change and \$78,488 over the biennium, including \$34,724 general fund. Increased duties include regulation of tattooing (50-50-103, MCA) and statutorily-mandated negotiated rule making processes in two regulatory areas (50-50-103, MCA, and 50-31-104, MCA). This increase in workload has to date come without additional funding or FTE authority. The section currently has 0.15 FTE compliance investigator, who performs inspections of food manufacturers across the state, and is supported solely by a Food and Drug B-11 (18,148) (16,576)

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

Administration (FDA) contract, which has been declining over the last few years.

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$18,148) | | (\$21,031) | (\$16,576) | | |
| (\$22,733) | | | | | |

PL 88 – Increase DRAMS Contract: To increase efficiency of the billing and collections functions of the drug rebate program, the executive requested \$200,000 for the biennium, including \$50,000 general fund, for enhancements to the Drug Rebate Analysis and Management System (DRAMS). The department implemented DRAMS in September 1999 because the old computer program used to support drug rebates was not year 2000 compliant.

B-10 (25,000) (25,000)

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$25,000) | | (\$75,000) | (\$25,000) | | (\$75,000) |

NP 145 – CHIP Eligibility Increase: To increase eligibility for the Children's Health Insurance Program (CHIP) from 150 percent to 175 percent of the federal poverty level, the executive requested \$3,785,956, including \$728,418 general fund, for FY 2003 to utilize previously unexpended federal funding. (A companion proposal, NP 987, in the Addictive and Mental Disorders Division contains funding to support an increase in CHIP eligibility to 175 percent for services offered within that program.) Each year Montana receives a federal CHIP allotment and has up to three years to spend this allotment before it reverts to the federal government. Since Montana has not fully expended the first two years of its CHIP federal allocation, the department requested \$728,418 in new general fund match in FY 2003 to match with \$3,057,538 from the previously unexpended federal allotment. Ninety percent of the requested amount will be used for benefits, 10 percent will be spent on administration. Because the department receives a new allotment each year, the carry forward periods and allotments overlap. This overlap will continue for the next eight years.

B-11 (437,051)

Adjustment - The adjustment reduces this proposal and the funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-----------|----------------|------------|---------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| | | | (\$437,051) | | (\$1,834,523) |

NP 150 – Public Health Preparedness: To prevent communicable and environmental diseases by responding to emergent situations, there was budgeted \$150,000 general fund over the biennium to increase the department's general disease funding stream from \$25,000 per year to

B-11 (75,000) (75,000)

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

\$100,000 per year. The DPHHS currently receives approximately 15-20 reports per year of perceived clusters of adverse health events statewide, each of which requires an in-depth investigation. Following the press coverage of the incident in Libby, the number of reported potential environmental health issues has dramatically increased.

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$75,000) | | | (\$75,000) | | |

| | | | |
|---|------|---------|---------|
| <u>NP 124 – Ambulance Provider Rate Increase:</u> To increase funding 35 percent for Medicaid ambulance services and change the reimbursement methodology, the executive requested \$728,000 for the biennium, including \$196,916 general fund. The Medicaid program reimburses ambulance services in aggregate at approximately 37 percent of usual and customary charges. By comparison, Medicare reimbursement for similar services is approximately 69 percent of charges for basic life support and 75 percent of charges for advanced life support. The adoption of Medicare reimbursement methodology will ease the administrative burden on providers by standardizing Medicare and Medicaid coverage policies. This will simplify the processing of Medicare crossover claims for dually eligible recipients. | B-11 | (6,823) | (7,159) |
|---|------|---------|---------|

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$6,823) | | (\$18,335) | (\$7,159) | | (\$19,375) |

| | | | |
|--|------|----------|----------|
| <u>NP 125 – Dental Provider Rate Increase:</u> To increase funding 19.5 percent for Medicaid dental services, the budget included \$2,490,472 for the biennium, including \$673,429 general fund. Funding was to increase Medicaid dental/denturist aggregate reimbursement to 72 percent of the usual and customary charges. Currently, the Medicaid program reimburses dental/denturist services at 65 percent of usual and customary charges. The rate of reimbursement for dental services varies by the specific procedure code billed to the Medicaid program. A majority of the procedure codes have established fees assigned and some are paid based upon a percentage of the billed charges, depending on the age of the patient. The department proposes to work with dentists to rebase the current Medicaid fee schedule to provide reasonable and adequate reimbursement for dental/denturist services to ensure access to care. | B-11 | (20,409) | (27,465) |
|--|------|----------|----------|

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$20,409) | | (\$54,846) | (\$27,465) | | (\$74,333) |

| | | | |
|--|------|----------|----------|
| <u>NP 126 – Provider Rate Increase -RBRVS/PASSAR:</u> To increase reimbursement rates 2.5 percent for physicians, nurse practitioners, physician | B-11 | (19,087) | (39,142) |
|--|------|----------|----------|

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

assistants, podiatrists, chiropractors, physical/occupational/and speech therapists, and audiologists for Medicaid services, the executive requested \$3,024,581 for the biennium, including \$817,434 general fund. These providers are reimbursed under the Resource Based Relative Value System (RBRVS).

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|-------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$19,087) | | (\$51,292) | (\$39,142) | | (\$105,936) |

NP 127 – Hospital Provider Rate Increase: To provide a 1.85 percent rate increase for Medicaid hospital providers participating in programs administered by the Health Policy and Services Division (HPSD), the executive requested \$3,576,185 for the biennium, including \$172,696 general fund. This increase is calculated on a base of projected Medicaid hospital costs in HPSD including the caseload projections for FY 2002 and FY 2003 and is below the rate of inflation for health care providers as established by the Health Care Price Index as of October 2000.

B-11 (8,541) (3,668)

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|------------|----------------|------------|-----------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$8,541) | | (\$22,952) | (\$3,668) | | (\$9,928) |

NP 144 Elimination of Medicaid Asset Test: To eliminate the resource test for pregnant women and children in the poverty level programs, the budget recommended a total of \$1,581,044 for the biennium, including \$831,777 general fund. The resource limit for poverty level Medicaid programs has been viewed as a barrier to providing health care coverage to low-income children and pregnant women. By eliminating this resource test, these programs would become more compatible with the current Children's Health Insurance Program (CHIP) program and more accessible to low-income Montanans and move children who are currently covered under the Mental Health and Primary Care CHIP programs (19 percent general fund) to the Medicaid program (27 percent general fund). The elimination of the resource test would increase the number of Medicaid eligible children by 2,346.

B-11 (416,965) (414,812)

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>FY 2002</u> | | | <u>FY 2003</u> | | |
|----------------|------------|-------------|----------------|------------|-------------|
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> |
| (\$416,965) | | (\$373,557) | (\$414,812) | | (\$375,709) |

NP 200 Certificate of Need Operations: The executive requested \$48,279 general fund over the biennium for operating expenses for the Certificate of Need Program (CON). The CON program is statutorily mandated. To ensure the continuation of this program, funds not allocated by the 1999 Legislature

B-11 (23,666) (24,613)

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|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

need to be restored. Without this funding the department will propose legislation to eliminate the CON Program as it will not be possible to continue operations.

Adjustment - This adjustment eliminates the proposal and reduces the funding in the executive budget by the below amounts.

| | | | | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$23,666) | | | (\$24,613) | | |

PL701 Transfer of Tobacco Funds to OPI: Regarding the interagency agreement with the OPI for school-related tobacco use prevention services, the executive requested a reduction of \$316,954 general fund over the biennium to reflect the transfer of this amount to the Office of Public Instruction (OPI).

| | | |
|------|---------|---------|
| B-10 | 158,477 | 158,477 |
|------|---------|---------|

Adjustment - The adjustment reduces this proposal and increases the funding in the executive budget by the below amounts.

| | | | | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| \$158,477 | | | \$158,477 | | |

Program 08 - Quality Assurance Division

PL 172 – Increased Licensure Bureau Services: There was added 1.00 FTE radiological health inspector and contract residential health care inspection services at a cost of \$217,599 general fund for the biennium. The inspector would provide additional inspection, survey, emergency response, and public education services for the radiological program. Included in this request is \$60,000 per year in contracted services for residential health care inspections.

| | | |
|------|----------|----------|
| B-12 | (50,000) | (50,000) |
|------|----------|----------|

Adjustment - The adjustment reduces this proposal and the funding in the executive budget by the below amounts.

| | | | | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$50,000) | | | (\$50,000) | | |

Program 09 – Operations and Technology Division

PL 75 – Motor Vehicle Leasing (DOT): The budget included \$114,526 for the biennium, including \$51,537 general fund, to lease ten vehicles in FY 2002 and an additional eight in FY 2003 from the Department of Transportation Motor Pool. The request accounts for vehicle liability insurance, gas, and maintenance, which were removed from the FY 2000 base as part of the present law adjustment decision package. The request was funded with 45 percent general fund, 9 percent state special revenue funds, and 46 percent federal funds.

| | | |
|------|----------|----------|
| B-14 | (17,192) | (34,345) |
|------|----------|----------|

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <u>DP No. and Adjustment Description</u> | | | | | | <u>EB</u> <u>Page</u> | <u>General Fund</u> | |
|---|------------|---------------|----------------|------------|---------------|--------------------------|---------------------|----------------|
| <u>FY 2002</u> | | | <u>FY 2003</u> | | | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> | | | |
| (\$17,192) | (\$3,348) | (\$17,573) | (\$34,345) | (\$6,869) | (\$35,109) | | | |
| Program 10 - Disability Services Division | | | | | | | | |
| <u>NP 141 – DDP Waiting List Reduction:</u> To expand services to 42 people with developmental disabilities on the community waiting list, with five coming from the two institutions (Montana Developmental Center & Eastmont Human Services Center), the department requested \$4,485,731 over the biennium, including \$2,070,354 general fund. A portion of these individuals were to receive a full package of services and the remaining to be offered services to meet their needs of living and/or working independently in their communities. The proposal was for 38 more adults and four more children. | | | | | | B-16 | (1,035,965) | (1,034,389) |
| <i>Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.</i> | | | | | | | | |
| <u>FY 2002</u> | | | <u>FY 2003</u> | | | | | |
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> | | | |
| (\$1,035,965) | | (\$1,203,630) | (\$1,034,389) | | (\$1,211,747) | | | |
| <u>NP 192 – DDP Crisis Capacity:</u> To fund the crisis capacity project to serve individuals who have emergencies while waiting for services, the department requested \$50,000 general fund over the biennium. Examples of crisis situations include when 1) an individual exhibits severe behaviors, 2) a care giver is unable to continue caring for an individual, 3) an individual's medical condition changes requiring additional or expert staff assistance, or 4) other unforeseen needs arise. Approximately 20 to 25 individuals are expected to benefit from this service. These funds were approved by the 1999 Legislature as one-time only. | | | | | | B-16 | (25,000) | (25,000) |
| <i>Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.</i> | | | | | | | | |
| <u>FY 2002</u> | | | <u>FY 2003</u> | | | | | |
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> | | | |
| (\$25,000) | | | (\$25,000) | | | | | |
| <u>NP 119 – DD Provider Wage Parity:</u> The department requested \$6,564,227 over the biennium, including \$3,336,370 general fund, to minimize the difference in wages and benefits for direct service staff working in 52 state-wide private nonprofit corporations and those for comparable state staff for recruitment and retention purposes. The increase requested was five percent each year with an additional ten percent the second year applied only to the direct care wages. | | | | | | B-16 | (58,735) | (179,318) |
| <i>Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.</i> | | | | | | | | |
| <u>FY 2002</u> | | | <u>FY 2003</u> | | | | | |
| <u>GF</u> | <u>SSR</u> | <u>FF</u> | <u>GF</u> | <u>SSR</u> | <u>FF</u> | | | |
| (\$58,735) | | (\$56,584) | (\$179,318) | | (\$173,732) | | | |
| <u>NP 128 – VR Provider Rate Increase:</u> To fund a 2.7 percent provider rate increase each year to Vocational Rehabilitation service providers, the | | | | | | B-16 | (4,293) | (8,879) |

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|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

department requested \$512,801 over the biennium, including \$184,905 general fund, for the over 2,000 providers serving individuals with disabilities. Vocational Rehabilitation serves more than 7,600 individuals with disabilities, assisting them in returning to work.

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|-----------|----------------|------------|------------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$4,293) | | (\$7,612) | (\$8,879) | | (\$15,746) |

Program 22 – Senior and Long-Term Care Division

| | | | |
|--|------|----------|-----------|
| <u>NP 140 – Waiver Expansion:</u> To provide Medicaid Home and Community Services to an additional 150 persons from the waiting list, the executive budgeted \$2.9 million for the biennium, including \$802,627 in general fund. The Medicaid Waiver provides payment for a variety of community services, including assisted living, to persons eligible for Medicaid reimbursed nursing facility care. The program is extremely popular, but because it is not a Medicaid entitlement, there are about 260 eligible people on a waiting list for services. The request also included a 0.50 FTE field staff person to handle increasing caseload. | B-19 | (63,600) | (108,281) |
|--|------|----------|-----------|

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|-------------|----------------|------------|-------------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$63,600) | | (\$216,938) | (\$108,281) | | (\$279,157) |

| | | | |
|---|------|----------|----------|
| <u>NP 121 – Nursing Home Rate Stabilization:</u> To provide a 4.5 percent per year funding increase to stabilize Medicaid Nursing Home rates, the executive recommends a total of \$14.2 million for the biennium, including \$2,307,396 in general fund. Total nursing home expenditures have increased by 6 percent in the last five years, primarily due to the growth of community service options and the resulting decrease in days of care paid for by Medicaid. Funding for rate increases has failed to keep pace with increasing costs. The Medicaid payment methodology has become increasingly unstable with significant variability in Medicaid rates, both among facilities and from one year to the next. If the situation does not improve, providers of nursing home services, especially those in rural communities, will find it more and more difficult to deliver acceptable levels of care. Clearly, the long-term care market place is changing. While there continues to be a need for high quality nursing home care, it is likely to be as a service option for a smaller number of people who are older and sicker than ever before. This request will increase, equalize, and stabilize rates by transitioning to a "price based" method of reimbursement over the coming biennium. | B-19 | (11,032) | (22,556) |
|---|------|----------|----------|

Adjustment - The adjustment reduces this proposal and the funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |

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|--|------------|-------------------|------------------------------|--------------------------|---------------------|----------------|
| | | | | | <u>FY 2002</u> | <u>FY 2003</u> |
| (\$11,032) | (\$29,646) | (\$22,556) | (\$61,046) | | | |
| <u>NP 129 – Provider Rate Increases:</u> To provide a 1.5 percent per year rate increase to the Aging Services, Waiver, Home Health, and Hospice programs, there is budgeted a total of \$1.1 million for the biennium, including \$510,048 general fund. The cost of providing all long-term care services continues to increase rapidly. The rate increases for FY 2000 and FY 2001 of 1 percent per year did not keep pace with inflation. Long-term care services are critical to the health and well being of some of the most vulnerable citizens. Medicaid personal assistance services were excluded from this request because the division believes that the 3 percent direct care wage increase for those services included in the proposed budget is more important than a general rate increase. | | | | B-19 | (26,745) | (56,656) |
| <u>Adjustment</u> - The adjustment reduces this proposal and funding in the executive budget by the below amounts. | | | | | | |
| FY 2002 GF (\$26,745) | SSR | FF | FY 2003 GF (\$56,656) | SSR | FF | |
| <u>PL 34 – Home Based Caseload:</u> To annualize the legislatively-appropriated 1 percent FY 2001 provider rate and the 3 percent direct care wage increases, and to fund projected caseload growth in the Medicaid Home Health, Personal Assistance, and Hospice programs, the executive recommended \$10.1 million for the biennium, including \$2,713,255 million general fund. | | | | | (179,076) | (201,069) |
| <u>Adjustment</u> - The adjustment reduces this proposal and funding in the executive budget by the below amounts. | | | | | | |
| FY 2002 GF (\$179,076) | SSR | FF (\$481,235) | FY 2003 GF (\$201,069) | SSR | FF (\$544,184) | |
| <u>PL 36 – Nursing Home Caseload Increase:</u> To sustain the appropriated 1 percent FY 2001 provider rate and 3 percent direct care wage increases, and to fund projected caseload growth in the Medicaid Nursing Home program, the budget included \$10.2 million for the biennium, including \$4,122,600 in general fund. Total nursing home expenditures in FY 2001 are projected to be at the level appropriated by the legislature. Caseload growth is projected to be 0.25 percent in FY 2002 and 0.5 percent in FY 2003. The Medicaid general fund matching percentage changed from .2784 in FY 2000 to .2712 in FY 2002 and .2698 in FY 2003. | | | | | (245,153) | (245,107) |
| <u>Adjustment</u> - The adjustment reduces this proposal and funding in the executive budget by the below amounts. | | | | | | |
| FY 2002 GF (\$245,153) | SSR | FF (\$658,803) | FY 2003 GF (\$245,107) | SSR | FF (\$663,368) | |
| Program 33 – Addictive and Mental Disorders Division | | | | | | |
| <u>PL 82 – Family and Consumer Svcs Training:</u> To sustain training and education of mental health consumers, their families, and mental health providers, the executive requested \$150,000 over the biennium, including \$93,750 general | | | | B-20 | (25,000) | (25,000) |

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|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

fund, for the Addictive and Mental Disorders Division (AMDD). AMDD has committed, upon the recommendation of the Mental Health Oversight Advisory Council (MHOAC), to support this program. Consumer education has been directed at making consumers active participants in decisions about their treatment and recovery and at making them effective partners to assist peers in understanding the nature of their illness and their ability to recover.

Adjustment – The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|------------|----------------|------------|------------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$25,000) | | (\$15,000) | (\$25,000) | | (\$15,000) |

NP 174 – Behavioral Health Facilities Start-Up: To fund Requests for Proposals for start-up and initial operation of Behavioral Health Facilities in two Montana communities, the executive requested \$350,000 general fund in FY 2002. The BHF concept provides a multi-purpose short-term residential setting for adults in crisis with co-occurring disorders. Each BHF would provide integrated crisis stabilization, detoxification, short-term treatment, assessment and referral services for mental illness and substance abuse in adults. Ongoing service costs would be paid from intended savings from other high cost services and fees charged for services.

B-21 (350,000)

Adjustment - The adjustment eliminates this proposal and funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|-----------|----------------|------------|-----------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$350,000) | | | | | |

NP 130 – Provider Rate Increases 02-03 – Medicaid: To establish a 1.5 percent FY 2002 and 3 percent FY 2003 provider rate increase for Medicaid mental health providers, the executive budget included \$3,783,097 over the biennium, including \$642,952 general fund.

B-21 (12,919) (32,924)

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| <i>FY 2002</i> | | | <i>FY 2003</i> | | |
|----------------|------------|------------|----------------|------------|-----------|
| <i>GF</i> | <i>SSR</i> | <i>FF</i> | <i>GF</i> | <i>SSR</i> | <i>FF</i> |
| (\$12,919) | | (\$34,717) | (\$32,924) | | |
| (\$89,106) | | | | | |

NP 131 – Psychiatrist Access Rate Increase: To provide a 25 percent provider rate increase granted to psychiatrists in FY 2001 for services provided to Medicaid and Mental Health Services Plan (MSHP) recipients, the executive requested \$501,329 over the biennium, including \$190,594 general fund. The most severe impediment to appropriate mental health treatment in the public mental health system for individuals with a serious mental illness or children with a severe emotional disturbance is the inability to receive a psychiatric evaluation and, hence, a prescription for appropriate medications in a prompt fashion. Without timely psychiatric direction, much of the community-based

B-21 (6,204) (7,337)

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| | | <u>FY 2002</u> | <u>FY 2003</u> |

treatment funded by the public system is less than maximally effective. Further, lack of appropriate psychotropic medication, or the lack of timely assessment of the effectiveness and side effects of prescribed medications can result in hospitalization or other treatment that is unnecessary. Thus, in some cases public funds are paying for ineffective treatment or are used for avoidable high-intensity treatment.

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| FY 2002 | | | FY 2003 | | |
|-----------|-----|------------|-----------|-----|------------|
| GF | SSR | FF | GF | SSR | FF |
| (\$6,204) | | (\$10,087) | (\$7,337) | | (\$11,989) |

| | | | |
|---|------|------|------|
| <u>NP 136 - Provider Rate Increase – PASSAR:</u> To raise by 1.5 percent in FY 2002 and 3 percent in FY 2003 the service provider rate for the Preadmission Screening and Annual Resident Review, the executive requested \$3,492 over the biennium, including \$873 general fund, for increased costs. | B-21 | (15) | (47) |
|---|------|------|------|

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| FY 2002 | | | FY 2003 | | |
|---------|-----|--------|---------|-----|---------|
| GF | SSR | FF | GF | SSR | FF |
| (\$15) | | (\$46) | (\$47) | | (\$141) |

| | | | |
|---|------|----------|----------|
| <u>NP 137 – Provider Rate Increase – MHSP:</u> To add a provider rate increase for Mental Health Service Plan providers of 1.5 percent in FY 2002 and 3 percent in FY 2003, the executive requested \$779,457 general fund over the biennium. | B-21 | (13,592) | (42,026) |
|---|------|----------|----------|

Adjustment - The adjustment reduces this proposal and funding in the executive budget by the below amounts.

| FY 2002 | | | FY 2003 | | |
|------------|-----|----|------------|-----|----|
| GF | SSR | FF | GF | SSR | FF |
| (\$13,592) | | | (\$42,026) | | |

| | | | |
|---|------|-------|-------|
| <u>NP 138 – Provider Rate Increase – Indigent Youth:</u> To increase the provider rate for the Indigent Youth Alcohol Treatment program by 1.5 percent in FY 2002 and 3 percent in FY 2003, the executive requested \$9,929 general fund over the biennium. | B-21 | (173) | (535) |
|---|------|-------|-------|

Adjustment - This adjustment reduces this proposal and reduces the funding in the executive budget by the below amounts.

| FY 2002 | | | FY 2003 | | |
|---------|-----|----|---------|-----|----|
| GF | SSR | FF | GF | SSR | FF |
| (\$173) | | | (\$535) | | |

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|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |

Additional Recommendations for Reductions Not Associated With
Existing Proposals in the Executive Budget

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|--|--------------------|--|---|---------------------|----------------|
| | | | | <u>FY 2002</u> | <u>FY 2003</u> |
| | | | | (3,004,943) | (3,006,235) |
| <u>New 881N – Reduce Tobacco Prevention Program Expenditures:</u> The executive requests a reduction of \$6,011,178 general fund over the biennium to decrease the expenditures allotted for the tobacco prevention program. | | | | | |
| <i>FY 2002</i> GF SSR FF (\$3,004,943) | | | <i>FY 2003</i> GF SSR FF (\$3,006,235) | | |
| <u>New 882N TEAMS/VHSP Enhancement Reduction:</u> The executive requests a reduction of \$512,884, including \$256,492 general fund, over the biennium, to reflect a reduction in TEAMS/VHSP enhancements activity. DPPHS anticipates a decreased level of expansion of the VHSP in the 2003 biennium. | | | | (128,246) | (128,246) |
| <i>FY 2002</i> GF SSR FF (\$128,246) | | | <i>FY 2003</i> GF SSR FF (\$128,246) | | |
| <u>New 883N TEAMS EBT Study OTO Reduction:</u> The executive requests a reduction of \$128,036, including \$32,008 general fund, over the biennium to decrease the base expenditures by the amount used for a one-time study for Electronic Benefits Transfer. | | | | (16,004) | (16,004) |
| <i>FY 2002</i> GF SSR FF (\$16,004) | | | <i>FY 2003</i> GF SSR FF (\$16,004) | | |
| <u>New 884N Department Deputy Director:</u> The executive requests \$200,000, including \$74,000 general fund, over the biennium to fund a new position for a deputy director for the Department of Public Health and Human Services. | | | | 37,000 | 37,000 |
| <i>FY 2002</i> GF SSR FF \$37,000 \$15,750 \$47,250 | | | <i>FY 2003</i> GF SSR FF \$37,000 \$15,751 \$47,249 | | |
| <u>New 885N Oracle License OTO:</u> The executive requests a reduction of \$240,000, including \$120,000 general fund, over the biennium to remove from the base the Oracle license funding that is now alternatively provided within the data network rate. | | | | (60,000) | (60,000) |
| <i>FY 2002</i> GF SSR FF (\$60,000) | | | <i>FY 2003</i> GF SSR FF (\$60,000) | | |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|--------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>New 886N Correct PL 44 CHIP Annualization:</u> The executive requests \$1,616,124 over the biennium, including \$308,518 general fund, to adequately fund the Children's Health Insurance Program (CHIP). Present law item PL44 had this shortfall in the adjustment necessary to correctly annualize the costs for CHIP into the FY 2003 biennium. | | 154,259 | 154,259 |
| <div> <div>FY 2002</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>\$154,259</div> <div></div> <div>\$653,803</div> </div> </div> <div> <div>FY 2003</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>\$154,259</div> <div></div> <div>\$653,803</div> </div> </div> | | | |
| <u>New 887N Intergovernmental Transfer:</u> The executive requests \$1,972,898, including \$533,669 in state special revenue funds, over the biennium to implement a program to enhance funding to eight rural, county hospitals that qualify to match county funding with federal dollars. | | 0 | 0 |
| <div> <div>FY 2002</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>\$267,525</div> <div></div> <div>\$718,924</div> </div> </div> <div> <div>FY 2003</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>\$266,144</div> <div></div> <div>\$720,305</div> </div> </div> | | | |
| <u>New 888N Switch Position Funding for CD Position:</u> The executive requests to do a funding switch for the salary of a Chemical Dependency Bureau employee. The reduction in general fund will be offset by increased funding in state special revenue and federal revenue sources. | | (51,254) | (51,407) |
| <div> <div>FY 2002</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>(\$51,254)</div> <div>\$38,440</div> <div>\$12,814</div> </div> </div> <div> <div>FY 2003</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div>(\$51,407)</div> <div>\$38,555</div> <div>\$12,852</div> </div> </div> | | | |
| <u>New 889N Adjust Tribal Contracts:</u> The executive recommends increasing federal authority by \$937,990 each year of the biennium. This adjustment will correct base year expenses that were not accrued. | | 0 | 0 |
| <div> <div>FY 2002</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div></div> <div></div> <div>\$937,990</div> </div> </div> <div> <div>FY 2003</div> <div> <div>GF</div> <div>SSR</div> <div>FF</div> </div> <div> <div></div> <div></div> <div>\$937,990</div> </div> </div> | | | |
| Total | | (8,796,862) | (9,426,811) |

| Department of Fish, Wildlife and Parks Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 568.52 | 4.00 | 19.19 | 0.00 | 591.71 | 4.00 | 19.19 | 0.00 | 591.71 |
| Personal Services | 21,719,523 | 1,982,000 | 674,763 | (306,348) | 24,069,938 | 2,131,405 | 677,885 | (307,903) | 24,220,910 |
| Operating Expenses | 20,005,153 | 510,588 | 2,225,114 | 0 | 22,740,855 | 381,173 | 2,220,672 | 0 | 22,606,998 |
| Equipment | 701,700 | 15,103 | 55,000 | 0 | 771,803 | (247,897) | 40,000 | 0 | 493,803 |
| Grants | 1,131,185 | (429,650) | 60,000 | 0 | 761,535 | (547,650) | 0 | 0 | 583,535 |
| Benefits & Claims | 6,641 | 0 | 0 | 0 | 6,641 | 0 | 0 | 0 | 6,641 |
| Transfers | 0 | 249,480 | 2,814,817 | 0 | 3,064,297 | 249,480 | 2,814,817 | 0 | 3,064,297 |
| Total Costs | \$43,564,202 | \$2,327,521 | \$5,829,694 | (\$306,348) | \$51,415,069 | \$1,966,511 | \$5,753,374 | (\$307,903) | \$50,976,184 |
| General Fund | 419,466 | 14,089 | 0 | (10,690) | 422,865 | 14,089 | 0 | (10,694) | 422,861 |
| State/Other Special | 31,653,448 | 3,092,131 | 637,693 | (212,375) | 35,170,897 | 2,657,864 | 562,855 | (213,506) | 34,660,661 |
| Federal Special | 11,491,288 | (778,699) | 5,192,001 | (83,283) | 15,821,307 | (705,442) | 5,190,519 | (83,703) | 15,892,662 |
| Total Funds | \$43,564,202 | \$2,327,521 | \$5,829,694 | (\$306,348) | \$51,415,069 | \$1,966,511 | \$5,753,374 | (\$307,903) | \$50,976,184 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|------------|-------------------|-------------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$63,279 in each year of the biennium. | | (123) | (123) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$242,379 in FY 2002 and \$243,930 in FY 2003. | | (567) | (571) |
| <u>PL 402 - Warden Overtime Compensation:</u> Within this \$197,000 per year decision package, the adjustment is a funding switch from general fund to a like amount in state special revenue for the wardens' overtime for the compensation of work performed during official holidays, emergency response, and coverage of peak times and seasons. The general fund in this program is a result of SB 184 that de-earmarked fines and forfeitures, which used to pay for the overtime and now are deposited to the general fund. | C-10 | (10,000) | (10,000) |
| Total | | (\$10,690) | (\$10,694) |

| Department of Environmental Quality Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|---|---|--|---|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Total Exec. Budget Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 349.24 | 11.50 | 13.00 | (2.00) | 371.74 | 11.50 | 13.00 | (2.00) | 371.74 |
| Personal Services | 12,666,881 | 2,105,630 | 433,287 | (301,190) | 14,904,608 | 2,192,598 | 426,039 | (302,487) | 14,983,031 |
| Operating Expenses | 23,946,366 | 28,626,214 | 3,293,283 | (150,915) | 55,714,948 | (4,730,598) | 3,209,551 | (146,526) | 22,278,793 |
| Equipment | 93,060 | 262,500 | 48,990 | 0 | 404,550 | 25,516 | 40,000 | 0 | 158,576 |
| Grants | 1,085,813 | 196,782 | 0 | 0 | 1,282,595 | 243,558 | 0 | 0 | 1,329,371 |
| Benefits & Claims | 0 | 3,500,000 | 0 | 0 | 3,500,000 | 0 | 0 | 0 | 0 |
| Total Costs | \$37,792,120 | \$34,691,126 | \$3,775,560 | (\$452,105) | \$75,806,701 | (\$2,268,926) | \$3,675,590 | (\$449,013) | \$38,749,771 |
| General Fund | 3,266,376 | 1,512,651 | 182,677 | (292,807) | 4,668,897 | 1,105,604 | 182,375 | (288,956) | 4,265,399 |
| State/Other Special | 19,857,864 | 29,201,244 | 243,143 | (81,574) | 49,220,677 | (6,746,287) | 157,153 | (81,966) | 13,186,764 |
| Federal Special | 14,667,880 | 3,977,231 | 3,349,740 | (77,724) | 21,917,127 | 3,371,757 | 3,336,062 | (78,091) | 21,297,608 |
| Total Funds | \$37,792,120 | \$34,691,126 | \$3,775,560 | (\$452,105) | \$75,806,701 | (\$2,268,926) | \$3,675,590 | (\$449,013) | \$38,749,771 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|------------|--------------------|--------------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$34,608 in each year of the biennium. | | (6,069) | (6,069) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$124,690 in FY 2002 and \$125,449 in FY 2003. | | (21,169) | (21,306) |
| Program 10 – Central Management | | | |
| <u>PL 57 - Legal Challenges:</u> Reduce the funding for the biennial/restricted appropriation of general fund for legal challenges by \$50,000. | C-19 | (25,000) | (25,000) |
| <u>PL 33 – Additional Legal Staff:</u> The recommended proposal for additional legal staff is eliminated. | C-19 | (61,182) | (57,248) |
| Program 20 – Planning, Prevention and Assistance | | | |
| <u>PL 1 - Total Maximum Daily Load Program (TMDL):</u> Reduce the \$1,052,183 funding and 6.00 FTE by \$152,248 and 2.00 FTE. Funding is for the accelerated development of TMDLs to meet the statutory deadline of 2007. | C-22 | (76,000) | (76,248) |
| <u>NP 26 - Wastewater Technical Assistance:</u> The recommended funding shift from federal funds to general fund of \$324,902 for the engineering staff who evaluate enforcement actions, participate in non-degradation and standards deviation determinations, and provide technical assistance and troubleshooting is reduced by \$206,472. In the base year this assistance was paid for out of leftover state funding from the old Construction Grants Program of the EPA. The leftover state funds will be depleted by the next biennium, thus leaving the bureau with no available funding with which to conduct these non-SRF activities, but for the \$118,430 remaining. | C-23 | (103,387) | (103,085) |
| Total | | (\$292,807) | (\$288,956) |

| Department of Livestock Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 134.71 | 2.32 | 1.75 | 0.00 | 138.78 | 2.32 | 0.00 | 0.00 | 137.03 |
| Personal Services | 4,847,510 | 291,656 | 43,154 | (65,871) | 5,116,449 | 322,203 | 0 | (65,574) | 5,104,139 |
| Operating Expenses | 2,023,279 | 795,470 | 208,255 | 0 | 3,027,004 | 711,645 | 221,788 | 0 | 2,956,712 |
| Equipment | 345,954 | 91,887 | 10,000 | 0 | 447,841 | 66,337 | 10,000 | 0 | 422,291 |
| Benefits & Claims | 4,150 | 0 | 0 | 0 | 4,150 | 0 | 0 | 0 | 4,150 |
| Total Costs | \$7,220,893 | \$1,179,013 | \$261,409 | (\$65,871) | \$8,595,444 | \$1,100,185 | \$231,788 | (\$65,574) | \$8,487,292 |
| General Fund | 532,277 | 61,925 | 62,380 | (37,982) | 618,600 | 66,908 | 62,380 | (38,023) | 623,542 |
| State/Other Special | 6,241,457 | 276,846 | 223,513 | (20,477) | 6,721,339 | 225,550 | 178,262 | (20,261) | 6,625,008 |
| Federal Special | 447,159 | 840,242 | (24,484) | (7,412) | 1,255,505 | 807,727 | (8,854) | (7,290) | 1,238,742 |
| Total Funds | \$7,220,893 | \$1,179,013 | \$261,409 | (\$65,871) | \$8,595,444 | \$1,100,185 | \$231,788 | (\$65,574) | \$8,487,292 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|-------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$13,575 in FY 2002 and \$13,275 in FY 2003. | | (1,272) | (1,275) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$46,778 in FY 2002 and \$46,656 in FY 2003. | | (4,330) | (4,368) |
| Program 01 – Centralized Services Program | | | |
| <u>NP 9 – Funding Change – GF:</u> The recommendation to restore general fund authority for federal indirect costs for the fiscal and administrative services which centralized services provides for the meat inspection program is reduced. The meat inspection program is funded 50/50 general fund and federal revenue. The federal government has established an indirect cost method and authorized federal funding in the centralized services division for these services. The corresponding general fund match was requested utilizing the same indirect cost method and rate established the federal government. | C-29 | (32,380) | (32,380) |
| Total | | (\$37,982) | (\$38,023) |

| Department of Natural Resources and Conservation Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 500.28 | 2.09 | 4.25 | (1.00) | 505.62 | 2.09 | 4.25 | (1.00) | 505.62 |
| Personal Services | 18,454,168 | 1,651,547 | 160,567 | (305,500) | 19,960,782 | 1,776,672 | 161,255 | (306,925) | 20,085,170 |
| Operating Expenses | 8,161,506 | 5,879,740 | 879,567 | (74,004) | 14,846,992 | 2,022,923 | 648,491 | (73,816) | 10,759,104 |
| Equipment | 754,526 | 72,132 | 0 | 0 | 826,658 | 67,132 | 0 | 0 | 821,658 |
| Capital Outlay | 847 | 0 | 0 | 0 | 847 | 0 | 0 | 0 | 847 |
| Local Assistance | 221,000 | 0 | 0 | 0 | 221,000 | 0 | 0 | 0 | 221,000 |
| Grants | 889,760 | 0 | 2,085,000 | (600,000) | 2,374,760 | 0 | 275,000 | 0 | 1,164,760 |
| Benefits & Claims | 1,600,977 | (100,977) | 0 | (1,000,000) | 500,000 | (100,977) | 0 | (1,000,000) | 500,000 |
| Transfers | 355,419 | 33,750 | 0 | 0 | 389,169 | 33,750 | 0 | 0 | 389,169 |
| Debt Service | 389,765 | 194,402 | 0 | 0 | 584,167 | 194,602 | 0 | 0 | 584,367 |
| Total Costs | \$30,827,968 | \$7,730,594 | \$3,125,317 | (\$1,979,504) | \$39,704,375 | \$3,994,102 | \$1,084,746 | (\$1,380,741) | \$34,526,075 |
| General Fund | 16,529,294 | 1,321,810 | 1,572,569 | (1,886,984) | 17,536,689 | 1,142,736 | 731,960 | (1,261,903) | 17,142,087 |
| State/Other Special | 12,791,352 | 6,114,687 | 105,000 | (110,275) | 18,900,764 | 2,406,323 | 105,000 | (110,805) | 15,332,370 |
| Federal Special | 1,507,322 | 294,097 | 1,447,748 | 17,775 | 3,266,922 | 304,543 | 247,786 | (8,033) | 2,051,618 |
| Total Funds | \$30,827,968 | \$7,730,594 | \$3,125,317 | (\$1,979,504) | \$39,704,375 | \$3,994,102 | \$1,084,746 | (\$1,380,741) | \$34,526,075 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|------------|--------------|-----------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$25,491 in each year of the biennium. | | (30,372) | (30,372) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$92,779 in FY 2002 and \$93,347 in FY 2003. | | (113,262) | (113,931) |
| Program 21 – Centralized Services Division | | | |
| <u>NP 3 – Missoula Office Re-Wiring:</u> A request to replace old wiring in the Missoula District Office was switched from general fund to federal special revenue. | C-37 | (25,750) | |
| Program 23 – Conservation and Resource Development Division | | | |
| <u>NP 1 – Agricultural Heritage:</u> The 1999 Legislature enacted SB 342, the “Montana Agricultural Heritage Act” to create grants and/or contracts to develop and fund the purchase of agricultural conservation easements. The 2001 biennium budget was one-time-only and, therefore, deleted from the base. The recommended budget is reduced by \$600,000 general fund, leaving the addition of 1.00 FTE and \$400,000 general fund, and \$1,000,000 of federal revenue authority. | C-40 | (600,000) | |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|----------------------|----------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <p><u>PL 1 – Crow Tribe Settlement:</u> Because the state began paying this settlement on an accelerated 10-year schedule, it is possible to make this general fund reduction of \$1 million per year without harm. The remaining budget of \$500,000 per year will be paid to the account for the Crow Tribe to use as a result of the water rights and coal severance tax litigation settlement which was approved by the June 1999 Special Session of the Montana Legislature (85-20-901 and -902). "The State agrees to contribute the sum of \$15 million, in equal annual installments for a period of no more than 15 years beginning July 1, 1999, to a fund for the use and benefit of the Tribe" (Article VI A.1. of the Crow Water Rights Compact). Pending final effectiveness of the compact, these funds are paid into escrow (85-20-904). Accordingly, the DNRC will have general fund of \$500,000 in FY 2002 and in FY 2003 to continue to meet the state obligations under this settlement.</p> | C-39 | (1,000,000) | (1,000,000) |
| Program 24 – Water Resources Division | | | |
| <p><u>NP 1 – Collaborative Clark Fork Basin Planning:</u> The original budget recommended this new proposal in support of legislation to create the collaborative Clark Fork River Basin Task Force and planning proposal. The proposal would initiate a basin-wide collaborative process to develop a water management plan. The request has been removed from the budget.</p> | C-41 | (117,600) | (117,600) |
| Total | | (\$1,886,984) | (\$1,261,903) |

| Department of Agriculture Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 108.72 | 0.83 | 1.00 | 0.00 | 110.55 | 0.83 | 1.00 | 0.00 | 110.55 |
| Personal Services | 3,512,414 | 641,815 | 56,394 | (52,216) | 4,158,407 | 665,104 | 56,592 | (52,443) | 4,181,667 |
| Operating Expenses | 2,176,271 | 323,591 | 212,918 | 0 | 2,712,780 | 236,964 | 112,260 | 0 | 2,525,495 |
| Equipment | 214,512 | 60,810 | 25,000 | 0 | 300,322 | (2,696) | 42,000 | 0 | 253,816 |
| Grants | 2,868,758 | (198,116) | 0 | 0 | 2,670,642 | (193,295) | 0 | 0 | 2,675,463 |
| Transfers | 80,000 | 0 | 0 | 0 | 80,000 | 0 | 0 | 0 | 80,000 |
| Debt Service | 1,308 | 0 | 0 | 0 | 1,308 | 0 | 0 | 0 | 1,308 |
| Total Costs | \$8,853,263 | \$828,100 | \$294,312 | (\$52,216) | \$9,923,459 | \$706,077 | \$210,852 | (\$52,443) | \$9,717,749 |
| General Fund | 608,714 | 136,143 | 17,864 | (7,098) | 755,623 | 129,878 | 17,864 | (7,134) | 749,322 |
| State/Other Special | 7,451,196 | 640,794 | 120,946 | (40,134) | 8,172,802 | 524,292 | 69,550 | (40,306) | 8,004,732 |
| Federal Special | 518,056 | 13,295 | 108,898 | (2,317) | 637,932 | 14,579 | 108,884 | (2,327) | 639,192 |
| Proprietary | 275,297 | 37,868 | 46,604 | (2,667) | 357,102 | 37,328 | 14,554 | (2,676) | 324,508 |
| Total Funds | \$8,853,263 | \$828,100 | \$294,312 | (\$52,216) | \$9,923,459 | \$706,077 | \$210,852 | (\$52,443) | \$9,717,749 |

DP No. and Adjustment Description**EB
Page****General Fund
FY 2002 FY 2003**

Include Health Insurance Benefits in Vacancy Savings: Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$9,916 in each year of the biennium.

(1,617) (1,617)

Additional 1% Vacancy Savings: Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$35,158 in FY 2002 and \$35,349 in FY 2003.

(5,481) (5,517)

Program 50 – Agricultural Development

New 100 Beginning Farm Loan Program: As a result of changes to the federal Internal Revenue tax code and renewed interest from Montana's agricultural bankers, the department is proposing to re-activate the Beginning Farm Loan Program under the Montana Agricultural Loan Act. (80-12-311, MCA). Spending authority of \$22,817 in FY 2002 and \$45,472 in FY 2003 from the ag loan authority enterprise fund is recommended. There is no general fund impact.

0 0

Total**(\$7,098) (\$7,134)**

| Department of Commerce Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 241.81 | 4.00 | 0.00 | 0.00 | 245.81 | 4.00 | 1.00 | 0.00 | 246.81 |
| Personal Services | 8,274,062 | 1,305,274 | 0 | (121,963) | 9,457,373 | 1,366,705 | 28,552 | (122,631) | 9,546,688 |
| Operating Expenses | 13,237,039 | 3,116,919 | 459,250 | 0 | 16,813,208 | 2,898,807 | 677,100 | 0 | 16,812,946 |
| Equipment | 215,069 | 408,684 | 0 | 0 | 623,753 | 41,030 | 0 | 0 | 256,099 |
| Grants | 26,823,294 | 43,279,420 | 24,983 | 0 | 70,127,697 | 46,258,803 | 58,459 | 0 | 73,140,556 |
| Debt Service | 239,272 | 916,354 | 0 | 0 | 1,155,626 | 916,353 | 0 | 0 | 1,155,625 |
| Total Costs | \$48,788,736 | \$49,026,651 | \$484,233 | (\$121,963) | \$98,177,657 | \$51,481,698 | \$764,111 | (\$122,631) | \$100,911,914 |
| General Fund | 2,095,231 | 553,958 | 78,604 | (23,129) | 2,704,664 | 516,285 | 72,454 | (23,243) | 2,660,727 |
| State/Other Special | 12,273,510 | 2,180,134 | (31,371) | (69,967) | 14,352,306 | 2,036,628 | 30,657 | (70,378) | 14,270,417 |
| Federal Special | 27,677,052 | 44,143,603 | 0 | (12,920) | 71,807,735 | 46,966,323 | 0 | (12,991) | 74,630,384 |
| Proprietary | 6,742,943 | 2,148,956 | 437,000 | (15,947) | 9,312,952 | 1,962,462 | 661,000 | (16,019) | 9,350,386 |
| Total Funds | \$48,788,736 | \$49,026,651 | \$484,233 | (\$121,963) | \$98,177,657 | \$51,481,698 | \$746,111 | (\$122,631) | \$100,911,914 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|---|------------|-------------------|-------------------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$22,443 in FY 2002 and 22,251 in FY 2003. | | (4,725) | (4,725) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$76,691 in FY 2002 and \$77,137 in FY 2003. | | (18,404) | (18,518) |
| <u>New 1000 – General Fund to Bed Tax Fund Switch:</u> State special revenue of \$253,853 in FY 2002 and \$254,491 in FY 2003 will be decreased to replace general fund in the Montana Historical Society. Statutory appropriations in the Department of Commerce would be reduced. Funds will be used for the Lewis and Clark Bicentennial preparation in the society along with the Bicentennial Commission grants and the Scriver collection curator and rent. | C-58 | | |
| Total | | (\$23,129) | (\$23,243) |

| Board of Crime Control Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 21.00 | 3.00 | 0.00 | (1.00) | 23.00 | 3.00 | 0.00 | (1.00) | 23.00 |
| Personal Services | 814,971 | 122,311 | 0 | (39,678) | 897,604 | 127,937 | 0 | (39,830) | 903,078 |
| Operating Expenses | 455,474 | 84,775 | 18,000 | (3,788) | 554,461 | 81,264 | 18,000 | (1,788) | 552,950 |
| Equipment | 7,014 | 486 | 0 | 0 | 7,500 | 6,486 | 0 | 0 | 13,500 |
| Grants | 8,671,100 | 1,277,055 | 692,000 | 0 | 10,640,155 | 1,277,055 | 692,000 | 0 | 10,640,155 |
| Benefits & Claims | 807,017 | 0 | 0 | 0 | 807,017 | 0 | 0 | 0 | 807,017 |
| Total Costs | \$10,755,576 | \$1,484,627 | \$710,000 | (\$43,466) | \$12,906,737 | \$1,492,742 | \$710,000 | (\$41,618) | \$12,916,700 |
| General Fund | 2,511,110 | 89,436 | 0 | (40,341) | 2,560,205 | 100,819 | 0 | (38,478) | 2,573,451 |
| Federal Special | 8,244,466 | 1,395,191 | 710,000 | (3,125) | 10,346,532 | 1,391,923 | 710,000 | (3,140) | 10,343,249 |
| Total Funds | \$10,755,576 | \$1,484,627 | \$710,000 | (\$43,466) | \$12,906,737 | \$1,492,742 | \$710,000 | (\$41,618) | \$12,916,700 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|-------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$708 in each year of the biennium. | | (1,842) | (1,842) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$2,417 in FY 2002 and \$2,432 in FY 2003. | | (6,297) | (6,336) |
| Program 1 - Crime Control Division | | | |
| <u>PL 2 – Crime Victims Compensation:</u> Funding for 1.00 FTE to assist with the claims backlog will be funded from the general fund benefits base budget in place of new general fund. | D-2 | (32,202) | (30,300) |
| Total | | (\$40,341) | (\$38,478) |

| Department of Justice Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 700.95 | 10.25 | 0.00 | 0.00 | 711.20 | 10.25 | 0.00 | 0.00 | 711.20 |
| Personal Services | 27,780,269 | 2,837,254 | 0 | (406,178) | 30,211,345 | 3,128,404 | 0 | (400,420) | 30,508,253 |
| Operating Expenses | 13,684,875 | 1,675,706 | 331,500 | (384,712) | 15,307,369 | 1,704,641 | 181,500 | (234,712) | 15,336,304 |
| Equipment | 1,783,827 | 386,463 | 0 | (157,652) | 2,012,638 | 510,013 | 0 | (157,652) | 2,136,188 |
| Transfers | 0 | 0 | 850,000 | 0 | 850,000 | 0 | 850,000 | 0 | 850,000 |
| Debt Service | 617,569 | 2,600 | 0 | 0 | 620,169 | 2,600 | 0 | 0 | 620,169 |
| Total Costs | \$43,866,540 | \$4,902,023 | \$1,181,500 | (948,542) | \$49,001,521 | \$5,345,658 | \$1,031,500 | (\$792,784) | \$49,450,914 |
| General Fund | 21,562,997 | 2,467,091 | 312,500 | (753,609) | 23,588,979 | 2,607,445 | 162,500 | (596,083) | 23,736,859 |
| State/Other Special | 19,881,780 | 2,042,150 | 38,454 | (179,401) | 21,782,983 | 2,333,130 | 38,454 | (181,089) | 22,072,275 |
| Federal Special | 2,399,789 | 389,663 | 830,546 | (15,379) | 3,604,619 | 403,234 | 830,546 | (15,458) | 3,618,111 |
| Proprietary | 21,974 | 3,119 | 0 | (153) | 24,940 | 1,849 | 0 | (154) | 23,669 |
| Total Funds | \$43,866,540 | \$4,902,023 | \$1,181,500 | (948,542) | \$49,001,521 | \$5,345,658 | \$1,031,500 | (\$792,784) | \$49,450,914 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|------------|--------------|-----------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$37,764 each year of the biennium. | | (37,107) | (37,107) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$157,169 in FY 2002 and \$158,937 in FY 2003. | | (132,627) | (133,387) |
| Program 01 – Legal Services Division | | | |
| <u>NP 1004 – Funding Switch:</u> The request for a \$31,000 funding switch each year from a state special revenue account to general fund for an existing fraud prosecutor is removed from the budget. A vacant position is recommended to be used to fill the position. | D-5 | (31,000) | (31,000) |
| <u>PL 1005 – Major Litigation Base Budget Adjustment:</u> The budget recommendation to maintain the major state litigation biennial appropriation at \$500,000 has been reduced by \$100,000. | D-5 | (50,000) | (50,000) |
| <u>PL 1003 – Tobacco Settlement:</u> The request to fund oversight of tobacco manufacturers who did not participate in the national tobacco settlement has been eliminated. | D-5 | (35,000) | (35,000) |
| Program 07 – Gambling Control Division | | | |
| <u>New 7008 – Non-employee Travel:</u> This is a base adjustment to reduce 50 per cent of \$2,305 each year in non-employee travel. | | (1,153) | (1,153) |
| Program 12 – Motor Vehicle Division | | | |
| <u>NP 1204 - Computer Applications Study:</u> The study of motor vehicle computer applications was removed from the HB 2 budget. The department may present a bonding proposal for the entire project as an amendment to HB 15. | D-7 | (150,000) | |
| <u>New 1205 - Non-employee Travel:</u> This is a base adjustment to reduce 50 percent of \$8,044 each year in non-employee travel. | | (8,044) | (8,044) |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|--------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>New 1206 – Mail Renewal:</u> This proposal eliminates motor vehicle mail renewal notices. The savings expected is \$147,744 general fund each year. | | (147,744) | (147,744) |
| Program 18 – Division of Criminal Investigation | | | |
| <u>New 1845 - Vehicles:</u> One-time-only automobiles and trucks in the base were removed. | | (74,845) | (74,845) |
| <u>New 1846 – Non-employee Travel:</u> This is a base adjustment to reduce 50 percent of \$7,335 each year in non-employee travel. | | (3,668) | (3,668) |
| Program 19 – County Attorney Payroll | | | |
| <u>PL 1901 – Longevity Increase:</u> The requested longevity increase for County Attorneys is reduced. | D-10 | (10,511) | (2,225) |
| Program 30 – Extradition and Transportation of Prisoners | | | |
| <u>PL 3001 – Operating increase:</u> This is a present law general fund increase to the budget of \$12,067 each year of the 2003 biennium based on cost increases experienced during the 2001 biennium. | D-13 | 12,067 | 12,067 |
| Program 32 – Forensic Science Division | | | |
| <u>New 3205 - Laboratory Equipment:</u> One-time-only laboratory equipment in the base was removed. | | (82,807) | (82,807) |
| <u>New 3206 – Non-employee Travel:</u> This is a base adjustment to reduce 50 percent of \$2,340 each year in non-employee travel. | | (1,170) | (1,170) |
| Total | | (\$753,609) | (\$596,083) |

| Public Service Commission Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 39.50 | 0.00 | 0.00 | 0.00 | 39.50 | 0.00 | 0.00 | 0.00 | 39.50 |
| Personal Services | 1,877,177 | 81,379 | 0 | (19,676) | 1,938,880 | 96,170 | 0 | (19,814) | 1,953,533 |
| Operating Expenses | 439,015 | 852,786 | 0 | 0 | 1,291,801 | 18,565 | 0 | 0 | 457,580 |
| Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Costs | \$2,316,192 | \$934,165 | \$0 | (\$19,676) | \$3,230,681 | \$114,735 | \$0 | (\$19,814) | \$2,411,113 |
| State/Other Special | 2,300,576 | 936,018 | 0 | (19,582) | 3,217,012 | 116,588 | 0 | (19,719) | 2,397,445 |
| Federal Special | 15,616 | (1,853) | 0 | (94) | 13,669 | (1,853) | 0 | (95) | 13,668 |
| Total Funds | \$2,316,192 | \$934,165 | \$0 | (\$19,676) | \$3,230,681 | \$114,735 | \$0 | (\$19,814) | \$2,411,113 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$3,717 in each year of the biennium. | | 0 | 0 |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$15,959 in FY 2002 and \$16,097 in FY 2003. | | 0 | 0 |
| Total | | \$0 | \$0 |

| Department of Corrections Agency Summary | | | | | | | | | |
|---|-------------------------------|---|---|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 1,024.45 | 66.35 | 6.50 | (5.35) | 1,091.95 | 90.35 | 6.50 | (5.35) | 1,115.95 |
| Personal Services | 38,659,466 | 6,424,116 | 377,181 | (1,623,182) | 43,837,182 | 6,835,874 | 378,702 | (1,244,847) | 44,629,195 |
| Operating Expenses | 43,407,446 | 8,803,242 | (292,860) | (1,445,239) | 50,472,589 | 14,402,202 | (342,319) | (2,329,084) | 55,138,245 |
| Equipment | 489,919 | (161,478) | 0 | 0 | 328,441 | (177,036) | 0 | 0 | 312,883 |
| Grants | 30,218 | 0 | 0 | 0 | 30,218 | 0 | 0 | 0 | 30,218 |
| Benefits & Claims | 8,829,960 | (692,259) | 0 | (346,130) | 7,791,571 | (803,000) | 0 | (401,500) | 7,625,460 |
| Debt Service | 83,088 | 0 | 0 | 0 | 83,088 | 0 | 0 | 0 | 83,088 |
| Total Costs | \$91,500,097 | \$14,373,621 | \$84,321 | (3,414,551) | \$102,543,488 | \$20,258,040 | \$36,383 | (3,975,431) | \$107,819,089 |
| General Fund | 89,104,188 | 13,490,943 | 84,321 | (3,412,690) | 99,266,762 | 19,354,862 | 36,383 | (3,973,563) | 104,521,870 |
| State/Other Special | 1,601,137 | 129,353 | 0 | 0 | 1,730,490 | 126,706 | 0 | 0 | 1,727,843 |
| Federal Special | 457,885 | 504,464 | 0 | 0 | 962,349 | 528,070 | 0 | 0 | 985,955 |
| Proprietary | 336,887 | 248,861 | 0 | (1,861) | 583,887 | 248,402 | 0 | (1,868) | 583,421 |
| Total Funds | \$91,500,097 | \$14,373,621 | \$84,321 | (3,414,551) | \$102,543,488 | \$20,258,040 | \$36,383 | (3,975,431) | \$107,819,089 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$417 in each year of the biennium. | | (118,209) | (121,500) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$1,444 in FY 2002 and \$1,451 in FY 2003. | | (407,869) | (411,339) |
| Program 1 – Admin and Support Services | | | |
| <u>PL 101 – Correctional Officer Pay:</u> Correctional officer pay for recruitment and retention above the \$1.00 an hour increase already budgeted is removed in FY 2002, consistent with the budget recommendations for all state agencies. | D-19 | (474,970) | |
| <u>PL 103 – Outside Medical:</u> Additional funding for outside medical services for increased adult population is removed. These costs cannot be accurately projected and budgeted. The agency had excess and was able to transfer some of the budgeted amount to other priorities in FY 2000. The base budget is continued in the 2003 biennium. | D-19 | (367,914) | (589,853) |
| <u>PL 107 – Personal Services not in Base:</u> The adjustment in personal services for zero-based overtime was reduced based on budget office projections. | D-18 | (73,730) | (73,730) |
| <u>NEW 110 – Non-Employee Travel:</u> This is a base adjustment to reduce 50 percent of \$23,961 each year in non-employee travel. | | (11,981) | (11,981) |

Program 2 – Community Corrections

| | | | |
|---|------|---|----------|
| <u>PL 204 – TSCTC Direct Care Staff:</u> A request by the Treasure State Correctional Training Center for 3.00 FTE in FY 2003 has been removed. Vacant positions may be used to fill these positions. | D-22 | 0 | (89,175) |
|---|------|---|----------|

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|--------------------|---------------------|--------------------|
| | | FY 2002 | FY 2003 |
| <u>PL 308 – Juvenile Placement Savings:</u> This biennium budget recommendation originally included savings generated when 40 juveniles are brought back from out of state, primarily to the expanded program in Miles City. An additional 20 juveniles have been added to this savings. Currently there are 50 to 70 juveniles in out-of-state placement. | D-22 | (346,130) | (401,500) |
| <u>New 206 - Non-Employee Travel:</u> This is a base adjustment to reduce 50 percent of \$24,533 each year in non-employee travel. | | (12,267) | (12,267) |
| Program 3 – Secure Facilities | | | |
| <u>PL 302 – Pine Hills Operating Adjustment:</u> Pine Hills Youth Correctional Facility operating costs are adjusted for 118 and 135 average daily population each year, respectively. The cost per day has been reduced from \$130.41/day to \$125.17/day in FY 2002 and from \$125.17/day to \$110/day in FY 2003. | D-24 | (44,337) | (223,916) |
| <u>PL 303 – MWP Expansion:</u> The expansion of the Montana Women's Prison scheduled to be complete 12/1/02 will be delayed until approximately 2/1/03. As a result, operating expenses are removed in FY 2002 and reduced in FY 2003 based on the revised timeline. | D-24 | (63,917) | (166,063) |
| <u>PL 304 - Male and Female Contract Beds:</u> The adjustments to expand male and female contract bed capacity for projected population were reduced. A request for contract monitors was removed since contracts already are being monitored in the current biennium. | D-24 | (1,116,185) | (1,497,058) |
| <u>PL 306 – Personal Services not in Base:</u> The adjustment in personal services for zero-based overtime was reduced based on projections. | D-24 | (348,888) | (348,888) |
| <u>NEW 307 – Non-Employee Travel:</u> This is a base adjustment to reduce 50 per cent of \$52,585 each year in non-employee travel. | | (26,293) | (26,293) |
| Total | | (3,412,690) | (3,973,563) |

| Department of Labor and Industry Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 550.10 | 13.00 | 2.00 | (1.00) | 564.10 | 13.00 | 2.00 | (1.00) | 564.10 |
| Personal Services | 18,747,770 | 2,596,573 | 72,153 | (303,435) | 21,113,061 | 2,718,041 | 72,403 | (304,679) | 21,233,535 |
| Operating Expenses | 10,571,955 | (372,567) | 133,416 | (27,500) | 10,305,304 | (386,922) | 133,318 | (27,500) | 10,290,851 |
| Equipment | 348,126 | (111,379) | 0 | 0 | 236,747 | (111,379) | 0 | 0 | 236,747 |
| Capital Outlay | 162,470 | (162,470) | 0 | 0 | 0 | (162,470) | 0 | 0 | 0 |
| Grants | 15,869,491 | 2,747,303 | 150,000 | (24,023) | 18,742,771 | 2,747,303 | 150,000 | (24,023) | 18,742,771 |
| Benefits & Claims | 378,087 | 0 | 0 | 0 | 378,087 | 0 | 0 | 0 | 378,087 |
| Transfers | 0 | 111,338 | 0 | 0 | 111,338 | 111,436 | 0 | 0 | 111,436 |
| Debt Service | 86,895 | (83,785) | 0 | 0 | 3,110 | (83,785) | 0 | 0 | 3,110 |
| Total Costs | \$46,164,794 | \$4,725,013 | \$355,569 | (\$354,958) | \$50,890,418 | \$4,832,224 | \$355,721 | (\$356,202) | \$50,996,537 |
| General Fund | 1,510,870 | 361,998 | 275,569 | (102,363) | 2,046,074 | 365,593 | 275,721 | (102,417) | 2,049,767 |
| State/Other Special | 13,001,709 | 971,806 | 80,000 | (176,698) | 13,876,817 | 974,582 | 80,000 | (177,540) | 13,878,751 |
| Federal Special | 31,604,562 | 3,378,856 | 0 | (75,439) | 34,907,979 | 3,479,414 | 0 | (75,785) | 35,008,191 |
| Proprietary | 47,653 | 12,353 | 0 | (458) | 59,548 | 12,635 | 0 | (460) | 59,828 |
| Total Funds | \$46,164,794 | \$4,725,013 | \$355,569 | (\$354,958) | \$50,890,418 | \$4,832,224 | \$355,721 | (\$356,202) | \$50,996,537 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|------------|--------------------|--------------------|
| | | FY 2002 | FY 2003 |
| Include Health Insurance Benefits in Vacancy Savings: Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$58,335 in each year of the biennium. | | (2,517) | (2,517) |
| Additional 1% Vacancy Savings: Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$202,510 in FY 2002 and \$203,700 in FY 2003. | | (9,096) | (9,150) |
| Program 01 - Job Service | | | |
| NP 2 – Jobs for Montana Graduates Funding: The original budget recommendation was to restore OTO general fund of \$275,569 in FY 2002 and \$275,271 in FY 2003. This adjustment reduces the request by the amounts shown and will eliminate about three school districts from the program. | D-28 | (\$7,500) | (\$7,500) |
| Program 04 – Employment Relations | | | |
| PL 1 – Human Rights Workload: The original request funds the division according to workload and increased costs. This adjustment is a proposed funding switch of the original request between general fund and state special revenue over the biennium. | D-32 | (\$8,250) | (\$8,250) |
| Program 07 – Montana Community Services | | | |
| PL 1 – Administrative Funding: As part of a \$2,467,022 request, \$150,000 of general fund match was identified, along with state special and in-kind match. This adjustment removes the general fund match portion. | D-33 | (\$75,000) | (\$75,000) |
| Total | | (\$102,363) | (\$102,417) |

| Department of Military Affairs Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 105.20 | 7.80 | 45.00 | 0.00 | 158.00 | 7.80 | 45.00 | 0.00 | 158.00 |
| Personal Services | 4,069,148 | 482,221 | 1,458,914 | (73,650) | 5,936,633 | 508,466 | 1,464,541 | (74,023) | 5,968,132 |
| Operating Expenses | 4,369,972 | 628,395 | 1,869,899 | (138,940) | 6,729,326 | 715,062 | 1,515,149 | (88,940) | 6,511,243 |
| Equipment | 41,767 | 15,000 | 0 | 0 | 56,767 | 49,830 | 0 | 0 | 91,597 |
| Grants | 374,771 | 265,229 | 491,290 | 0 | 1,131,290 | 265,229 | 49,018 | 0 | 689,018 |
| Benefits & Claims | 11,215 | (8,935) | 0 | 0 | 2,280 | (8,935) | 0 | 0 | 2,280 |
| Debt Service | 7,093 | (7,093) | 0 | 0 | 0 | (7,093) | 0 | 0 | 0 |
| Total Costs | \$8,873,966 | \$1,374,817 | \$3,820,103 | (\$212,590) | \$13,856,296 | \$1,522,559 | \$3,028,708 | (\$162,963) | \$13,262,270 |
| General Fund | 2,793,106 | 332,794 | 1,470,000 | (187,978) | 4,407,922 | 401,074 | 1,120,000 | (142,685) | 4,171,495 |
| State/Other Special | 82,946 | 114,651 | 2,500 | (661) | 199,436 | 114,651 | 2,500 | (663) | 199,434 |
| Federal Special | 5,997,914 | 927,372 | 2,347,603 | (23,951) | 9,248,938 | 1,006,834 | 1,906,208 | (19,615) | 8,891,341 |
| Total Funds | \$8,873,966 | \$1,374,817 | \$3,820,103 | (\$212,590) | \$13,856,296 | \$1,522,559 | \$3,028,708 | (\$162,963) | \$13,262,270 |

DP No. and Adjustment Description**EB
Page**

| General Fund | |
|--------------|---------|
| FY 2002 | FY 2003 |
| (9,210) | (9,210) |

Include Health Insurance Benefits in Vacancy Savings: Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$7,569 in each year of the biennium.

Additional 1% Vacancy Savings: Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$27,760 in FY 2002 and \$27,923 in FY 2003.

| | |
|----------|----------|
| (16,938) | (17,045) |
|----------|----------|

Program 01 - Operations Support

D-36

New 105 - Increase Federal Funding to pay an equitable share of the program costs: This funding switch reduces general fund by \$10,717 and increases federal special revenue by \$10,717 in FY 2002. In FY 2003, general fund is reduced by \$15,214 and federal special revenue is increased by \$15,214.

| | |
|----------|----------|
| (10,717) | (15,214) |
|----------|----------|

Program 03 - Scholarship Program

D-37

NP 301 - National Guard Incentive Scholarship: The original recommendation was for \$350,000, an increase of \$100,000 from the 2001 biennium appropriation. The scholarships are to assist the Montana national guard in recruiting and retention efforts. The budget recommendation is now for \$300,000 as a biennial appropriation.

| |
|----------|
| (50,000) |
|----------|

Program 12 - Army National Guard Program

D-38

PL 1202 - Paint Projects at Armories: The original request included general fund to paint the exteriors and interiors of two armories each year of the biennium. This action eliminates the cost of the interior painting, but retains funds to paint two armory exteriors each year of the biennium.

| | |
|----------|----------|
| (88,940) | (88,940) |
|----------|----------|

Program 31 - Veterans Affairs Program

D-41

New 3105 - Increase State Special Revenue: Increase state special funding to pay the portion of the division's administrative costs attributable to operation of the veterans cemeteries. Funding would be from veterans' license plate fees, which statutorily are used to fund the costs of operating the cemeteries. This funding switch reduces general fund by \$12,173 in FY 2002 and \$12,276 in FY 2003 and increases state special revenue by a like amount.

| | |
|----------|----------|
| (12,173) | (12,276) |
|----------|----------|

Total

| | |
|--------------------|--------------------|
| (\$187,978) | (\$142,685) |
|--------------------|--------------------|

| Office of Public Instruction Agency Summary | | | | | | | | | |
|--|-------------------------|--|---------------------------------------|--|--|---------------------------------------|--|-----------------------|--|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Total Exec. Budget Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 114.01 | 0.25 | 14.09 | (7.67) | 120.68 | 0.25 | 14.09 | (7.67) | 120.68 |
| Personal Services | 4,852,546 | 302,864 | 527,203 | (403,915) | 5,278,698 | 333,682 | 529,015 | (403,204) | 5,312,039 |
| Operating Expenses | 4,807,538 | 1,345,430 | 2,059,431 | (661,220) | 7,551,179 | 1,344,120 | 2,094,302 | (686,653) | 7,559,307 |
| Equipment | 47,351 | 25,000 | 0 | 0 | 72,351 | 25,000 | 0 | 0 | 72,351 |
| Local Assistance | 477,179,483 | 9,016,287 | 930,000 | (1,382,000) | 485,743,770 | 3,873,528 | 16,049,914 | (1,387,000) | 495,715,925 |
| Grants | 74,197,792 | 6,307,721 | 7,732,961 | (50,000) | 88,188,474 | 8,159,472 | 8,276,661 | (50,000) | 90,583,925 |
| Total Costs | \$561,084,710 | \$16,997,302 | \$11,249,595 | (\$2,497,135) | \$586,834,472 | \$13,735,802 | \$26,949,892 | (\$2,526,857) | \$599,243,547 |
| General Fund | 480,885,526 | 9,453,712 | 2,537,064 | (2,463,478) | 490,412,824 | 4,329,991 | 17,681,377 | (2,495,045) | 500,401,849 |
| State/Other Special | 1,242,216 | (156,222) | (152,083) | (2,072) | 931,839 | (156,191) | (152,114) | (2,082) | 931,829 |
| Federal Special | 78,956,968 | 7,699,812 | 8,712,531 | (29,585) | 95,339,726 | 9,562,002 | 9,268,515 | (29,730) | 97,757,755 |
| Proprietary | 0 | 0 | 152,083 | 0 | 152,083 | 0 | 152,114 | 0 | 152,114 |
| Total Funds | \$561,084,710 | \$16,997,302 | \$11,249,595 | (\$2,495,135) | \$586,836,472 | \$13,735,802 | \$26,949,892 | (\$2,526,857) | \$599,243,547 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|----------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$7,155 in each year of the biennium. | | (7,179) | (7,179) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$24,502 in FY 2002 and \$24,657 in FY 2003. | | (28,103) | (28,264) |
| Program 06 – Administration | | | |
| <u>NP 2 - Reduce School Improvement Initiative:</u> Reduce the initiative to the FY 2001 level of funding. | E-2 | (600,000) | (600,000) |
| <u>New NP 23 - Eliminate toll free lines for METNET services:</u> This would require schools and teachers to use the Internet to access electronic services provided by OPI. | | (28,080) | (28,080) |
| <u>NP 11 - Budget and Accounting position:</u> This new proposal would be eliminated. | E-2 | (51,366) | (49,452) |
| <u>NP 14 - Tobacco Education:</u> Eliminate new proposal that moves part of tobacco education funding to OPI from DPHHS. | E-3 | (154,174) | (154,167) |
| <u>NP 5 - National Board Certification stipends:</u> This new proposal would become a \$3,000 one-time stipend for newly certified teachers, instead of \$3,000 per year for ten years. | E-3 | (30,000) | (60,000) |
| <u>NP 21 - Teacher Salaries/Teacher Shortage:</u> Remove the mentoring program only. Keep the student loan repayment program. | E-3 | (32,576) | (30,903) |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|----------------------|----------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>New NP 24 - Eliminate communications position:</u> This position and the related operating expenses in the state Superintendents Office is eliminated. | none | (100,000) | (100,000) |
| Program 09 – Distribution to Schools | | | |
| <u>PL 1 - Reduce present law adjustment for K – 12 Base aid:</u> Reduction is the result of revised enrollment estimates from OPI. | E-5 | (1,132,000) | (1,137,000) |
| <u>NP 22 - Teacher Salaries/Teacher Shortage:</u> Remove the mentoring program only. Keep the student loan repayment program. | E-5 | (250,000) | (250,000) |
| <u>NP 8 - Adult Basic Education:</u> Remove the increased match for federal programs, and leave the additional match for non-federal matched program. | | (50,000) | (50,000) |
| Total | | (\$2,463,478) | (\$2,495,045) |

| Board of Public Education Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | | | | | | | | | |
| FTE | 4.00 | 0.00 | 0.00 | 0.00 | 4.00 | 0.00 | 0.00 | 0.00 | 4.00 |
| Personal Services | 165,764 | 18,898 | 0 | 0 | 184,662 | 19,840 | 0 | 0 | 185,604 |
| Operating Expenses | 130,077 | 7,451 | 8,000 | (8,000) | 137,528 | 4,047 | 8,000 | (8,000) | 134,124 |
| Equipment | 1,814 | 0 | 0 | 0 | 1,814 | 0 | 0 | 0 | 1,814 |
| Total Costs | \$297,655 | \$26,349 | \$8,000 | (\$8,000) | \$324,004 | \$23,887 | \$8,000 | (\$8,000) | \$321,542 |
| General Fund | 137,503 | 11,941 | 7,384 | (7,384) | 149,444 | 10,620 | 7,384 | (7,384) | 148,123 |
| State/Other Special | 160,152 | 14,408 | 616 | (616) | 174,560 | 13,267 | 616 | (616) | 173,419 |
| Total Funds | \$297,655 | \$26,349 | \$8,000 | (\$8,000) | \$324,004 | \$23,887 | \$8,000 | (\$8,000) | \$321,542 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 01 – Administration | | | |
| <u>NP 1 - Standards Adoption:</u> This new proposal to provide support for the adoption and implementation of standards would be eliminated. This adjustment removes \$7,384 general fund and \$616 state special revenue each year. | E-7 | (7,384) | (7,384) |
| Total | | (\$7,384) | (\$7,384) |

| School for the Deaf and Blind Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | Adjustments | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | Adjustments | Fiscal 2003 |
| FTE | 81.68 | 0.00 | 0.00 | 0.00 | 81.68 | 0.00 | 0.00 | 0.00 | 81.68 |
| Personal Services | 3,028,662 | 115,323 | 34,710 | (42,168) | 3,136,527 | 120,567 | 34,710 | (42,222) | 3,141,717 |
| Operating Expenses | 446,424 | 47,453 | 60,000 | (30,000) | 523,877 | 17,785 | 60,000 | (30,000) | 494,209 |
| Equipment | 28,802 | 0 | 0 | 0 | 28,802 | 0 | 0 | 0 | 28,802 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Costs | \$3,503,888 | \$162,776 | \$94,710 | (\$72,168) | \$3,689,206 | \$138,352 | \$94,710 | (\$72,222) | \$3,664,728 |
| General Fund | 3,194,426 | 148,275 | 94,710 | (72,168) | 3,365,243 | 123,851 | 94,710 | (72,222) | 3,340,765 |
| State/Other Special | 228,068 | 6,997 | 0 | 0 | 235,065 | 6,997 | 0 | 0 | 235,065 |
| Federal Special | 81,394 | 7,504 | 0 | 0 | 88,898 | 7,504 | 0 | 0 | 88,898 |
| Total Funds | \$3,503,888 | \$162,776 | \$94,710 | (\$72,168) | \$3,689,206 | \$138,352 | \$94,710 | (\$72,222) | \$3,664,728 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|-------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. | | (10,302) | (10,302) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. | | (31,866) | (31,920) |
| Program 04 – Education | | | |
| <u>NP 2 - Computer fund 4-year replacement:</u> This reduces the funding to replace computers in the classroom that were traditionally financed by the MSDB foundation and other sources and proposed to be financed with general fund in the 2003 biennium. | E-10 | (30,000) | (30,000) |
| Total | | (\$72,168) | (\$72,222) |

| Montana Arts Council Agency Summary | | | | | | | | | |
|--|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | Adjustments | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | Adjustments | Fiscal 2003 |
| FTE | 7.00 | 0.00 | 0.00 | 0.00 | 7.00 | 0.00 | 0.00 | 0.00 | 7.00 |
| Personal Services | 275,647 | 46,719 | 0 | 0 | 322,366 | 49,775 | 0 | 0 | 325,422 |
| Operating Expenses | 204,511 | 12,735 | 37,000 | (12,500) | 241,746 | (14,250) | 37,000 | (12,500) | 214,761 |
| Equipment | 0 | 16,500 | 0 | 0 | 16,500 | 0 | 0 | 0 | 0 |
| Grants | 333,098 | 63,805 | 0 | 0 | 396,903 | 69,883 | 0 | 0 | 402,981 |
| Total Costs | \$813,256 | \$139,759 | \$37,000 | (\$12,500) | \$977,515 | \$105,408 | \$37,000 | (\$12,500) | \$943,164 |
| General Fund | 280,604 | 54,082 | 37,000 | (12,500) | 359,186 | 23,144 | 37,000 | (12,500) | 328,248 |
| State/Other Special | 132,440 | 8,389 | 0 | 0 | 140,829 | 4,976 | 0 | 0 | 137,416 |
| Federal Special | 400,212 | 77,288 | 0 | 0 | 477,500 | 77,288 | 0 | 0 | 477,500 |
| Total Funds | \$813,256 | \$139,759 | \$37,000 | (\$12,500) | \$977,515 | \$105,408 | \$37,000 | (\$12,500) | \$943,164 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|--|--------------------|---------------------|-------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 01 – Promotion of the Arts | | | |
| <u>NP 3 - Business Technical Assistance:</u> The business technical assistance proposal that pertains to specialized technical assistance/expertise in the arts-related business field is decreased. | E-11 | (12,500) | (12,500) |
| Total | | (\$12,500) | (\$12,500) |

| Montana State Library Agency Summary | | | | | | | | | |
|---|-------------------------------|---|--|--------------------------|---|---|--|--------------------------|---|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | Adjustments | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | Adjustments | Fiscal 2003 |
| FTE | 29.90 | 0.00 | 0.60 | 0.00 | 30.50 | 0.00 | 0.60 | 0.00 | 30.50 |
| Personal Services | 1,162,510 | (6,398) | 31,923 | (14,843) | 1,173,192 | 417 | 31,923 | (14,912) | 1,179,938 |
| Operating Expenses | 1,007,212 | 88,459 | 235,000 | (235,000) | 1,095,671 | 59,455 | 235,000 | (235,000) | 1,066,667 |
| Equipment | 128,681 | 28,842 | 0 | 0 | 157,523 | 28,842 | 0 | 0 | 157,523 |
| Grants | 630,090 | 932,584 | 200,000 | 0 | 1,762,674 | 233,449 | 200,000 | 0 | 1,063,539 |
| Transfers | 0 | 500,000 | 0 | 0 | 500,000 | 0 | 0 | 0 | 0 |
| Debt Service | 29,128 | (29,128) | 0 | 0 | 0 | (29,128) | 0 | 0 | 0 |
| Total Costs | \$2,957,621 | \$1,514,359 | \$466,923 | (\$249,843) | \$4,689,060 | \$293,035 | \$466,923 | (\$249,912) | \$3,467,667 |
| General Fund | 1,597,833 | 342,180 | 346,115 | (248,311) | 2,037,817 | 70,798 | 346,115 | (248,373) | 1,766,373 |
| State/Other Special | 667,481 | 158,792 | 120,808 | (1,532) | 945,549 | 133,850 | 120,808 | (1,539) | 920,600 |
| Federal Special | 692,307 | 1,013,387 | 0 | 0 | 1,705,694 | 88,387 | 0 | 0 | 780,694 |
| Total Funds | \$2,957,621 | \$1,514,359 | \$466,923 | (\$249,843) | \$4,689,060 | \$293,035 | \$466,923 | (\$249,912) | \$3,467,667 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|--------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$318 in each year of the biennium. | | (2,973) | (2,973) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$1,214 in FY 2002 and \$1,221 in FY 2003. | | (10,338) | (10,400) |
| Program 01 - State Library Operations | | | |
| <u>NP 6 - New State Aid Program:</u> This proposal will be eliminated. The funding was for a new state aid grant program to help communities support basic library service. | E-13 | (200,000) | (200,000) |
| <u>NP 5 - Periodical Database:</u> The periodical database proposal is reduced. The remaining funding would be used to make information available to Montana citizens; help individual public libraries meet the increased costs of providing information resources to their communities; and provide citizens with a seamless access to Montana library resources. | E-13 | (35,000) | (35,000) |
| Total | | (\$248,311) | (\$248,373) |

| Montana Historical Society Agency Summary | | | | | | | | | |
|--|-------------------------|--|---------------------------------------|-----------------------|--|--|---------------------------------------|-----------------------|--|
| Agency Proposed Budget | Base Budget Fiscal 2000 | Gov Racicot PL Base Adjustment Fiscal 2002 | Gov Racicot New Proposals Fiscal 2002 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2002 | Gov Racicot PL Base Adjustment Fiscal 2003 | Gov Racicot New Proposals Fiscal 2003 | Gov Martz Adjustments | Gov Martz Total Exec. Budget Fiscal 2003 |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | Adjustments | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | Adjustments | Fiscal 2003 |
| FTE | 53.63 | 1.00 | 4.50 | (1.00) | 58.13 | 1.00 | 4.50 | (1.00) | 58.13 |
| Personal Services | 1,902,403 | 242,336 | 191,921 | (111,333) | 2,225,327 | 252,589 | 192,548 | (111,711) | 2,235,829 |
| Operating Expenses | 996,842 | 318,824 | 211,490 | (52,395) | 1,474,761 | 300,607 | 200,273 | (53,178) | 1,444,544 |
| Equipment | 10,077 | 0 | 0 | 0 | 10,077 | 0 | 0 | 0 | 10,077 |
| Grants | 72,670 | 240,000 | 100,000 | 0 | 412,670 | 240,000 | 100,000 | 0 | 412,670 |
| Transfers | 53,652 | 0 | 0 | 0 | 53,652 | 0 | 0 | 0 | 53,652 |
| Total Costs | \$3,035,644 | \$801,160 | \$503,411 | (\$163,728) | \$4,176,487 | \$793,196 | \$492,821 | (\$164,889) | \$4,156,772 |
| General Fund | 1,650,520 | 316,088 | 433,411 | (404,612) | 1,995,407 | 302,793 | 422,821 | (406,369) | 1,969,765 |
| State/Other Special | 192,586 | 40,462 | 0 | 251,656 | 484,704 | 41,014 | 0 | 252,287 | 485,887 |
| Federal Special | 461,688 | 409,095 | 0 | (5,536) | 865,247 | 412,328 | 0 | (5,557) | 868,459 |
| Proprietary | 730,850 | 35,515 | 70,000 | (5,236) | 831,129 | 37,061 | 70,000 | (5,250) | 832,661 |
| Total Funds | \$3,035,644 | \$801,160 | \$503,411 | (\$163,728) | \$4,176,487 | \$793,196 | \$492,821 | (\$164,889) | \$4,156,772 |

| DP No. and Adjustment Description | EB Page | General Fund | |
|--|---------|--------------|----------|
| | | FY 2002 | FY 2003 |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$3,183 in each year of the biennium. | | (4,038) | (4,038) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$9,786 in FY 2002 and \$9,828 in FY 2003. | | (12,259) | (12,322) |
| Program 01- Administration | | | |
| <u>NP 1 - Personnel Officer:</u> This eliminates the recommended 0.50 FTE and the related funding for a personnel officer. | E-17 | (25,722) | (22,791) |
| <u>NP 3 - Lewis & Clark Bicentennial:</u> This adjustment is a funding switch from general fund to a like amount in the Dept. of Commerce accommodations tax. This will enable the agency to prepare for the upcoming Lewis and Clark Bicentennial. | E-17 | (29,369) | (28,938) |
| <u>NP 9 - Information System Support Specialist:</u> This eliminates the entire proposal and removes 1.00 FTE and funding for an information system support specialist. | E-17 | (46,221) | (43,372) |
| <u>NP 10 - On-line Public Access:</u> The new proposal to create electronic format information on archival holdings, books, historic photographs, museums objects, art, and historic site records is eliminated. | E-17 | (22,217) | (29,000) |
| Program 03 – Museum | | | |
| <u>NP 12 - Sriver Curator:</u> This adjustment is a funding switch from general fund to a like amount of Dept. of Commerce accommodations tax. This 0.50 FTE and funding will curate the Robert M. Sriver collection. The technician would provide minimal, basic curatorial care of the Robert M. Sriver collection of art, sculpture, taxidermy, guns, artifacts, photographs, books, and Western memorabilia. | E-19 | (28,484) | (25,553) |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|--------------------|---------------------|--------------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| <u>PL 11 - Scriver Rent Storage:</u> This funding switch of \$196,000 general fund to the Dept. of Commerce accommodation tax is for storage of the Robert M. Scriver collection of art. | E-19 | (96,000) | (100,000) |
| <u>NP 14 - Volunteer Coordinator:</u> This eliminates the entire request for a 0.50 FTE and its related funding. This FTE was recommended to manage volunteers because the society currently relies on 80 to 100 volunteers for a wide range of work that could not otherwise be done and was planning to expand its use of volunteers. | E-19 | (20,302) | (20,355) |
| Program 04 – Publications | | | |
| <u>NP 13 - Agency Newsletter Fund Switch:</u> The funding switch for the newsletter and the management of the mailing list in one program is eliminated. This budget recommendation would have placed the society's basic newsletter and its mailing list management in a \$40,000 biennial general fund cost base in the Administration program, rather than in various programs in a proprietary fund base. | E-20 | (20,000) | (20,000) |
| Program 08 – Lewis & Clark Bicentennial | | | |
| <u>NP 33 - Grant Funding:</u> This budget recommendation is to provide the match for federal and foundation grants. The funding switch reduces the general fund and increases the Dept. of Commerce accommodations tax by a like amount for the match. | E-22 | (100,000) | (100,000) |
| Total | | (\$404,612) | (\$406,369) |

| Commissioner of Higher Education Agency Summary | | | | | | | | | |
|--|----------------------|--------------------------------|---------------------------|----------------------|------------------------------|--------------------------------|---------------------------|----------------------|------------------------------|
| Agency Proposed Budget | Base Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustment | Gov Martz Total Exec. Budget | Gov Racicot PL Base Adjustment | Gov Racicot New Proposals | Gov Martz Adjustment | Gov Martz Total Exec. Budget |
| Budget Item | Fiscal 2000 | Fiscal 2002 | Fiscal 2002 | | Fiscal 2002 | Fiscal 2003 | Fiscal 2003 | | Fiscal 2003 |
| FTE | 73.55 | 0.00 | 13.25 | 0.00 | 86.80 | 0.00 | 13.50 | 0.00 | 87.05 |
| Personal Services | 2,914,768 | 126,793 | 476,694 | (75,926) | 3,442,329 | 145,546 | 489,940 | (76,340) | 3,473,914 |
| Operating Expenses | 3,784,903 | 161,240 | 4,767,341 | 0 | 8,713,484 | 137,462 | 5,049,540 | 0 | 8,971,905 |
| Local Assistance | 5,289,315 | 387,411 | 0 | 0 | 5,676,726 | 414,222 | 0 | 0 | 5,703,537 |
| Grants | 9,906,881 | 683,934 | 3,635,400 | (537,900) | 13,688,315 | 919,256 | 3,779,800 | (639,800) | 13,966,137 |
| Benefits & Claims | 18,462,439 | 0 | 6,812,849 | 0 | 25,275,288 | 0 | 9,300,378 | 0 | 27,762,817 |
| Transfers | 131,911,080 | 4,359,815 | 3,731,676 | (1,123,136) | 138,879,735 | 3,232,538 | 5,638,926 | (1,241,924) | 139,540,620 |
| Debt Service | 3,748 | 0 | 0 | 0 | 3,748 | 0 | 0 | 0 | 3,748 |
| Total Costs | \$172,273,134 | \$5,719,193 | \$19,423,960 | (\$1,736,962) | \$195,679,325 | \$4,849,024 | \$24,258,584 | (\$1,958,064) | \$199,422,678 |
| General Fund | 124,494,535 | 8,940,017 | 5,303,405 | (1,709,956) | 137,028,001 | 9,527,888 | 7,312,555 | (1,930,717) | 139,404,261 |
| State/Other Special | 15,567,144 | (2,746,000) | 0 | 0 | 12,821,144 | (2,578,000) | 0 | 0 | 12,989,144 |
| Federal Special | 32,211,455 | (474,824) | 14,120,555 | (27,006) | 45,830,180 | (2,100,864) | 16,946,029 | (27,347) | 47,029,273 |
| Total Funds | \$172,273,134 | \$5,719,193 | \$19,423,960 | (\$1,736,962) | \$195,679,325 | \$4,849,024 | \$24,258,584 | (\$1,958,064) | \$199,422,678 |

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund</u> | |
|---|----------------|---------------------|----------------|
| | | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 01 - Administration | | | |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. Other funds impacted were \$7,701 in FY 2002 and \$7,806 in FY 2003. | | (3,042) | (3,042) |
| <u>Additional 1% Vacancy Savings:</u> Vacancy savings was increased from 3 percent to 4 percent on all funds in the OCHE. The additional 1 percent calculation includes health insurance benefits. Other funds impacted were \$19,305 in FY 2002 and \$19,541 in FY 2003. | | (12,049) | (12,122) |
| <u>NP 107 - Change in Accounting for Indirect Costs:</u> Eliminate recording expenditures of indirect cost recoveries from the Talent Search Program in the general fund. | E -25 | (33,829) | (33,829) |
| Program 02 - Student Assistance | | | |
| <u>NP 202 - Additional Veterinary Medicine Slot:</u> Eliminate one additional slot in the WICHE program. The 1999 Legislature only funded nine new veterinary slots. | E-26 | (43,400) | (67,800) |
| <u>NP 205 - Grants for Student Teachers:</u> Eliminate the decision package related to the scholarship program for targeted teaching specialties. The executive budget still implements a section of the Governor's Task Force on Teacher Salaries/Teacher Shortages related to a loan forgiveness program. | E -32 | (77,500) | (155,000) |

| <u>DP No. and Adjustment Description</u> | EB | <u>General Fund</u> | |
|---|-------------|----------------------|--------------------|
| | <u>Page</u> | <u>FY 2002</u> | <u>FY 2003</u> |
| Program 09 - Appropriation Distribution | | | |
| <u>NP 902 – AES Space Request:</u> Eliminate the request for additional space at the MSU Bozeman main campus. | E-33 | (46,503) | (46,503) |
| <u>PL 909 - Resident Fee Waivers:</u> Fund 50 percent of the incremental increase in fee waivers with non-state dollars. The original decision package estimated a 3 percent increase in tuition and funded the increase 100 percent from the general fund. | E-32 | (150,477) | (163,839) |
| <u>NP 909 - Resident Fee Waivers:</u> Fund 50 percent of the incremental increase in fee waivers with non-state dollars. The original decision package estimated a 3 percent increase in tuition and funded the increase 100 percent from the general fund. | E-32 | (99,832) | (203,442) |
| <u>NP 919 - Banner Ongoing Costs:</u> Eliminate the decision package related to funding a portion of Banner that was not in the base, or could not be picked up by other university funds. The MUS can utilize a portion of the \$7.5 million "Increase State Support for Resident Student" decision package to help fund Banner costs. | E-31 | (185,540) | (185,540) |
| <u>Additional 1% Vacancy Savings Applied to the Campuses and Agencies</u> Vacancy Savings was increased from 3 percent to 4 percent at the campuses and agencies for non-instructional faculty. The additional 1 percent calculation includes health insurance benefits. | | (478,956) | (480,772) |
| <u>Include Health Insurance Benefits in Vacancy Savings:</u> Vacancy savings was adjusted to include health insurance benefits in the 3 percent vacancy savings calculation. | | (161,827) | (161,827) |
| Program 11 - Tribal College Assistance Program | | | |
| <u>NP 916 – Non-Beneficiary Students at Tribal Colleges:</u> Eliminate the decision package. The 1999 Legislature approved \$417,000 general fund each year of the appropriation as a restricted one-time-only appropriation for the support of non-beneficiary students enrolled at tribal colleges. | E-36 | (417,000) | (417,000) |
| Total | | (\$1,709,956) | (1,930,717) |

LONG-RANGE PLANNING

| <u>DP No. and Adjustment Description</u> | <u>EB Page</u> | <u>General Fund FY 2002</u> | <u>FY 2003</u> |
|---|--------------------|---------------------------------|----------------|
| Information Technology Bonds - House Bill 15 | | | |
| <u>PBS Digital Conversion</u> – Eliminate \$642,814 of debt service in HB 15 related to \$2.5 million in G.O. bonding. Private funds, along with a grant from the national telecommunications information administration can be used to meet the minimum requirements outlined by the FCC for digital conversion. | F-23 | \$ (321,407) | \$ (321,407) |
| <u>Data Collection Units</u> – Eliminate \$46,004 of debt service in HB 15 requested by the Department of Justice Gambling Control Division for an increase in the number of video gambling data collection units used in the automated accounting and reporting system. | F-23 | (46,004) | (46,004) |
| Long-Range Building Program Cash – House Bill 5 | | | |
| The \$3 million expanded cash program that would have been funded with the cigarette tax increase is not recommended. There is no general fund impact. | F-6 | | |