



GOVERNOR
BRIAN SCHWEITZER
STATE OF MONTANA

SECTION A: GENERAL GOVERNMENT

Legislative Branch
Consumer Counsel
Governor's Office
Secretary of State's Office
Commissioner of Political Practices
State Auditor's Office

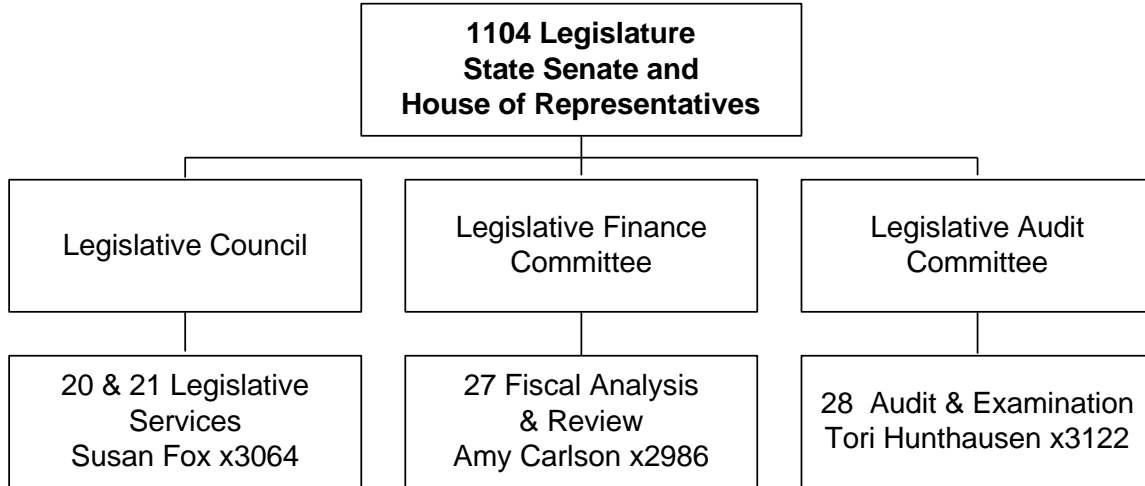
Department of Revenue
Department of Administration
Department of Commerce
Department of Labor & Industry
Department of Military Affairs

OBPP Staff:

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LEGISLATIVE BRANCH-1104



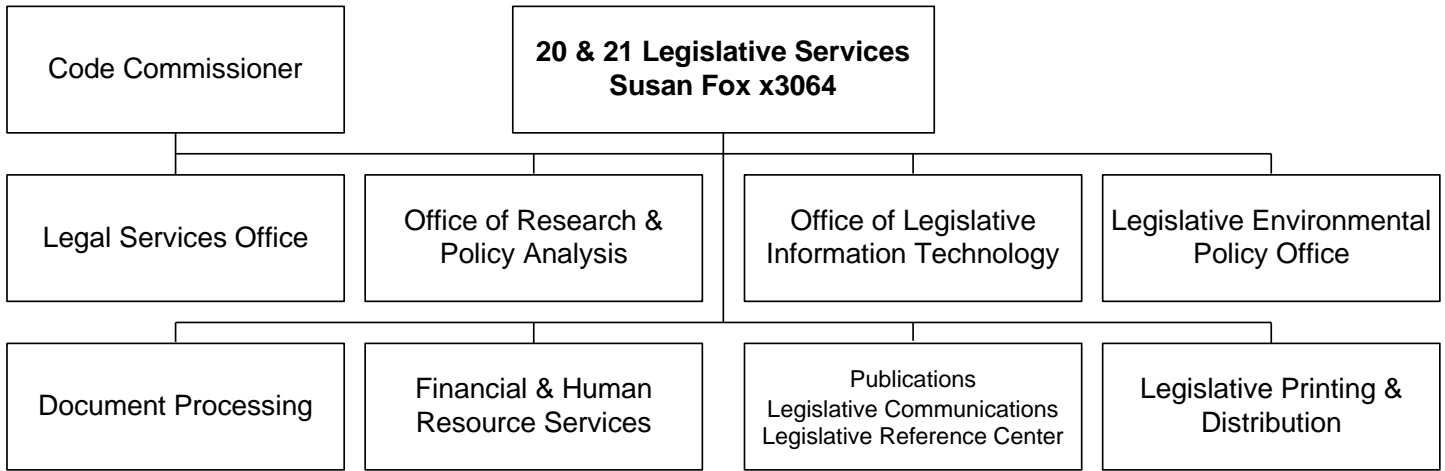
Mission Statement - The mission of the Legislature is to exercise the legislative power of state government vested in the Legislature by the Constitution of the State of Montana. The mission of the Legislative Branch, i.e., the consolidated legislative agency, is to provide the administrative structure to support accomplishment of the mission of the Legislature.

Statutory Authority - Principal statutory authority for the Legislative Services Division is found in Title 1, Chapter 11, and Title 5, Chapters 5 and 11, MCA. Principal statutory authority for the Legislative Fiscal Division is found in The Legislative Finance Act, Title 5, Chapter 12, MCA. The post-audit function of the Legislative Audit Committee is constitutionally required in Article V, section 10, of the Montana Constitution, and supported by the Legislative Audit Division with principal statutory authority in The Legislative Audit Act, Title 5, Chapter 13, MCA.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	134.97	0.00	0.00	134.97	0.00	0.00	140.14
Personal Services	9,656,006	901,726	57,823	10,615,555	938,507	115,645	10,710,158
Operating Expenses	2,707,982	762,053	287,500	3,757,535	605,529	212,500	3,526,011
Equipment & Intangible Assets	60,495	14,505	0	75,000	(10,495)	0	50,000
Total Costs	\$12,424,483	\$1,678,284	\$345,323	\$14,448,090	\$1,533,541	\$328,145	\$14,286,169
General Fund	10,271,712	1,266,939	345,323	11,883,974	1,638,447	328,145	12,238,304
State/Other Special	2,152,771	411,345	0	2,564,116	(104,906)	0	2,047,865
Total Funds	\$12,424,483	\$1,678,284	\$345,323	\$14,448,090	\$1,533,541	\$328,145	\$14,286,169

In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented as submitted to the Governor with no changes.

LEGISLATIVE BRANCH-1104 LEGISLATIVE SERVICES DIVISION-20



Program Description - The Legislative Services Division provides objective research, reference, legal, technical, information technology, and business services to the House, Senate, and other divisions of the Legislative Branch. Division services include: 1) bill and amendment drafting, preparation of bills for introduction, and engrossing and enrolling bills; 2) publication of legislative documents of record; 3) provision of legislative research and reference services; 4) legal counseling on legislative matters and agency legal support; 5) personnel and business services; 6) planning, installation, and maintenance of agency information technology; 7) legislative committee staffing and support; 8) preparation, publication, and distribution of the Montana Code Annotated text and annotations; 9) review of the text of proposed ballot measures; 10) broadcasting of state government and public policy events; and 11) provision of legislative information to the public. The Legislative Council provides policy guidance to the Legislative Services Division.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	59.00	0.00	0.00	59.00	0.00	0.00	64.17
Personal Services	4,591,142	218,752	57,823	4,867,717	286,777	115,645	4,993,564
Operating Expenses	2,040,402	615,725	287,500	2,943,627	505,898	212,500	2,758,800
Equipment & Intangible Assets	60,495	14,505	0	75,000	(10,495)	0	50,000
Total Costs	\$6,692,039	\$848,982	\$345,323	\$7,886,344	\$782,180	\$328,145	\$7,802,364
General Fund	5,905,206	750,888	345,323	7,001,417	1,203,720	328,145	7,437,071
State/Other Special	786,833	98,094	0	884,927	(421,540)	0	365,293
Total Funds	\$6,692,039	\$848,982	\$345,323	\$7,886,344	\$782,180	\$328,145	\$7,802,364

In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented as submitted to the Governor with no changes.

LEGISLATIVE BRANCH-1104 LEGISLATIVE SERVICES DIVISION-20

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$495,919	\$448,210
FY 2015	\$220,382	\$496,034

PL - 20001 - LSD Cyclical & Operational Adjustments -

This proposal addresses increases related to contracted services to produce, broadcast, and stream the legislature during session and the interim (TVMT) (\$120,342 general fund), as well as increased costs to print the Montana Codes Annotated (state special revenue). A \$35,000 special revenue fund increase in MT Codes Annotated costs in the first year is more than offset by a second year reduction of \$318,712 related to the production and publication of the Codes. Also included are increased costs related to supporting the legislative session in the second year of the biennium. Such costs include temporary staff support of House and Senate secretaries, contracted services for support of the LAWS system, session network buildup, and computer-related assistance to legislators. This biennium differs from previous biennia as increases in SITSD rates and costs to address IT related projects that have been deferred offset the impact of cyclical costs. The biennial general fund adjustment related to all other division operations is a reduction of \$13,396.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$10,000	\$10,000
FY 2015	\$10,000	\$10,000

PL - 20002 - Leg Branch FFIS Professional Resources -

This proposal adds budget authority for participation in subscription services for the Federal Funds Information for the States (FFIS). This subscription provides up-to-date information regarding the status of federal funding, grants, and other research material not available elsewhere. Services will be managed through the Legislative Reference Center for the Branch.

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$175,000	\$175,000
FY 2015	\$100,000	\$100,000

NP - 20003 - LSD Television MT Phase II - OTO-

TVMT, Phase II- Replacement, upgrade, and maintenance of Television MT infrastructure to allow the Media Center to complete a high-definition upgrade as time and budget allow. Phase I (completed in October, 2012) began the replacement and upgrade of 11-year old equipment in the Senate, a compatible workstation, and one House committee room. This Phase II infrastructure upgrade will allow the future support and replacement of new high-definition workstations and cameras as necessary.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$112,500	\$112,500
FY 2015	\$112,500	\$112,500

NP - 20004 - LSD Info Technology Upgrade, Replacements -OTO -

This new proposal covers costs for hardware and software replacement, training, and consulting and professional services in Information Technology for the Legislative Branch that have been deferred and are not expected to be recurring costs.

**LEGISLATIVE BRANCH-1104
LEGISLATIVE SERVICES DIVISION-20**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$57,823	\$57,823
FY 2015	\$115,645	\$115,645

NP - 20005 - Leg. Branch Discretionary Market Adjustments -

This new proposal is designed to raise the average target market ratio of the Legislative Branch employees equal to that of the Executive Branch (87%) at the end of FY 2012, assuming that the negotiated pay raise (in HB13) passes. These funds would be used by the division managers to work toward achieving target market ratios for employees who are significantly below entry or market and who have acceptable performance appraisals. The total cost of the proposal for the Legislative Branch is \$173,468 general fund. The funds will be attached to Program 20, Legislative Services Division, for administrative purposes, to be distributed between the divisions as necessary in FY 2014 and FY 2015.

LEGISLATIVE BRANCH-1104 LEGIS. COMMITTEES & ACTIVITIES-21

Program Description - The Legislative Committees and Activities Program supports the activities of standing and interim legislative committees that are conducted during the interim between legislative sessions. Program expenditures support: 1) interim study activities as defined in 5-5-202 through 5-5-217, MCA; 2) cooperative interstate, international and intergovernmental activities as outlined in 5-11-303 through 5-11-305, MCA; and 3) other legislative activities for which appropriations are made.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	0.97	0.00	0.00	0.97	0.00	0.00	0.97
Personal Services	93,257	4,007	0	97,264	(26,036)	0	67,221
Operating Expenses	477,176	108,716	0	585,892	28,827	0	506,003
Transfers	0	0	0	0	0	0	0
Total Costs	\$570,433	\$112,723	\$0	\$683,156	\$2,791	\$0	\$573,224
General Fund	570,433	112,723	0	683,156	2,791	0	573,224
Total Funds	\$570,433	\$112,723	\$0	\$683,156	\$2,791	\$0	\$573,224

In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented as submitted to the Governor with no changes.

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$60,917	\$60,917
FY 2015	\$53,826	\$53,826

PL - 21001 - Interim Committees, Activities Cyclical & Operational -

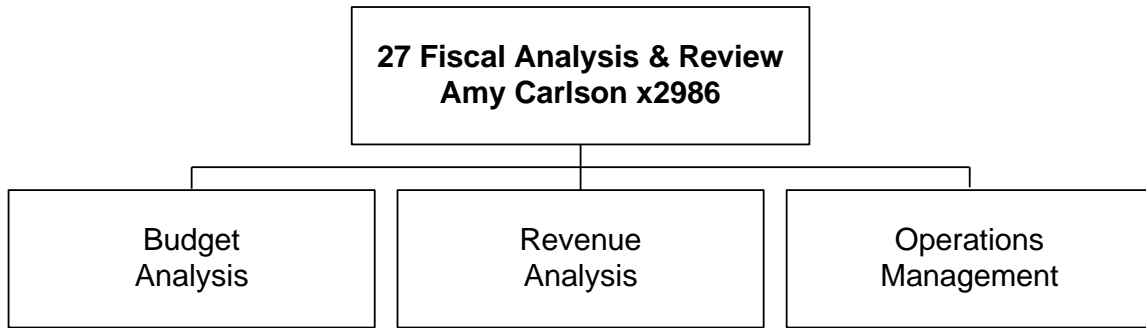
Adjustments from base include: re-establishment of the Legislative Council's discretionary fund of \$45,000 for emerging issues which was not expended in base year; cyclical adjustment for travel related to participation in organizational activities not expended in base year (NCSL, CSG, etc.); rate adjustment for increase in personal car mileage; increase in cost of organizational dues above base expenditures; decrease of \$60,599 for Districting & Apportionment Commission which will complete its decennial work at the end of FY 2013.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$13,625	\$13,625
FY 2015	\$9,085	\$9,085

PL - 21002 - Interim Committees Additional Meetings -

This proposal includes personal services and operational costs related to adjustments of certain interim committee work schedules as each committee deems necessary. The total increase is \$22,710 in general fund.

LEGISLATIVE BRANCH-1104 FISCAL ANALYSIS & REVIEW-27



Program Description - The Legislative Fiscal Division provides the legislature with objective fiscal information and analysis relevant to Montana public policy and budget determination. Division services include: 1) fiscal analysis of state government and the furnishing of information bearing upon the financial matters of the state; 2) identification of ways to effect economy and efficiency in state government; 3) estimation of revenue and analysis of tax policy; 4) analysis of the executive budget; 5) compiling and analyzing fiscal information for legislators and legislative committees; and 6) staffing and support for legislative committees, including the preparation and processing of the appropriation bills for the legislative, judicial, and executive agencies. The Legislative Finance Committee provides guidance to the Legislative Fiscal Division.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	20.50	0.00	0.00	20.50	0.00	0.00	20.50
Personal Services	1,700,358	105,510	0	1,805,868	102,783	0	1,803,141
Operating Expenses	38,651	4,413	0	43,064	48,489	0	87,140
Transfers	0	0	0	0	0	0	0
Total Costs	\$1,739,009	\$109,923	\$0	\$1,848,932	\$151,272	\$0	\$1,890,281
General Fund	1,739,009	109,923	0	1,848,932	151,272	0	1,890,281
State/Other Special	0	0	0	0	0	0	0
Total Funds	\$1,739,009	\$109,923	\$0	\$1,848,932	\$151,272	\$0	\$1,890,281

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-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$0	\$0
FY 2015	\$45,000	\$45,000

PL - 27001 - LFD Cyclical Operations -

This proposal increases the FY 2015 budget by \$45,000 general fund in the categories of printing, photocopy, and other office operations due to cyclical legislative session costs which are not captured in the base year. This is the same amount approved in the previous two biennia, and is not an increase when comparing biennium to biennium.

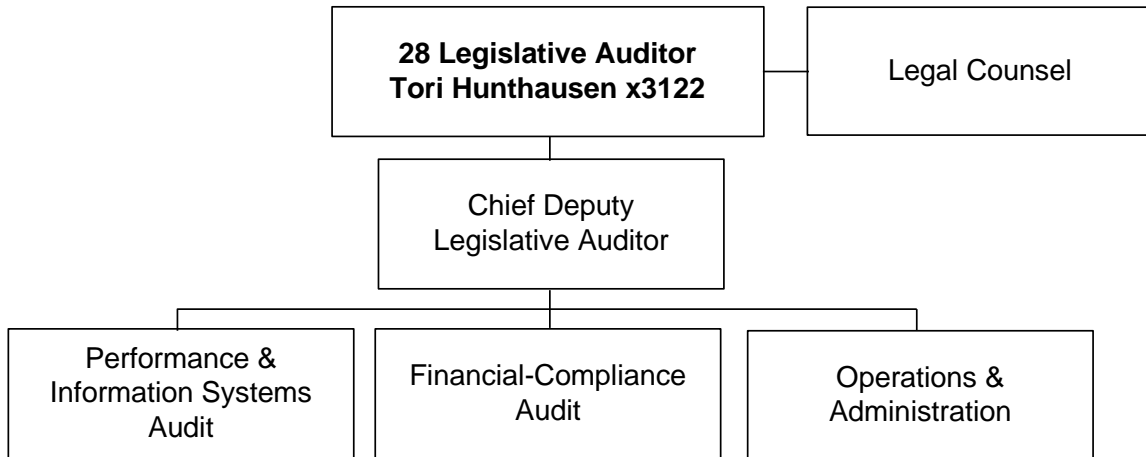
**LEGISLATIVE BRANCH-1104
FISCAL ANALYSIS & REVIEW-27**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,957	\$3,957
FY 2015	\$2,969	\$2,969

PL - 27002 - Legislative Finance Committee - Travel -

This proposal increases the travel budget of the Legislative Finance Committee to account for a wider disbursement of members. During the 2013 biennium, members were not geographically disbursed resulting in lower than normal travel costs. In addition, this decision package would provide additional funds to hold committee or subcommittee meetings outside of Helena.

LEGISLATIVE BRANCH-1104 AUDIT & EXAMINATION-28



Program Description - The Legislative Audit Division conducts independent audits and provides factual and objective information to the legislative and executive managers of the public trust. Division services include: 1) conducting and reporting of biennial financial-compliance audits, performance audits, information systems audits, and special audits of state agency operations; 2) reporting of violation of penal statutes, instances of misfeasance, malfeasance, or nonfeasance, and shortages discovered in an audit that are covered by surety; 3) auditing records of entities under contract with the state; and 4) assisting the legislature, its committees, and its members by providing information related to the fiscal affairs of state government. The Legislative Auditor consults with the Legislative Audit Committee.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	54.50	0.00	0.00	54.50	0.00	0.00	54.50
Personal Services	3,271,249	573,457	0	3,844,706	574,983	0	3,846,232
Operating Expenses	151,753	33,199	0	184,952	22,315	0	174,068
Transfers	0	0	0	0	0	0	0
Total Costs	\$3,423,002	\$606,656	\$0	\$4,029,658	\$597,298	\$0	\$4,020,300
General Fund	2,057,064	293,405	0	2,350,469	280,664	0	2,337,728
State/Other Special	1,365,938	313,251	0	1,679,189	316,634	0	1,682,572
Total Funds	\$3,423,002	\$606,656	\$0	\$4,029,658	\$597,298	\$0	\$4,020,300

In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented as submitted to the Governor with no changes.

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$31,500	\$18,900
FY 2015	\$20,000	\$5,300

PL - 28001 - LAD Cyclical Program Operations -

This proposal includes changes from the adjusted base include cyclical costs associated with a Peer Review required by Governmental Auditing Standards, Legislative Branch audit, auditor travel, and contract services for the potential use of actuarial expertise on the division's audits of the retirement systems, Montana State Fund, and health care benefits.

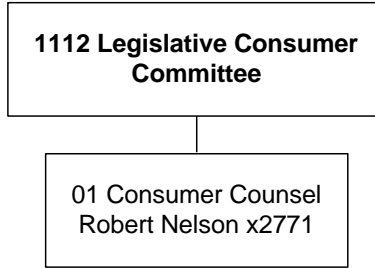
**LEGISLATIVE BRANCH-1104
AUDIT & EXAMINATION-28**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$43,667)	(\$25,327)
FY 2015	(\$43,607)	(\$25,292)

PL - 28002 - LAD Personal Services Reduction -

This proposal reduces LAD FTE by 0.75 to reflect a reorganization in the administrative functions of LAD.

CONSUMER COUNSEL-1112 ADMINISTRATION PROGRAM-01



Mission Statement - To represent the utility and transportation consuming public of the State of Montana in hearings before the Public Service Commission or any other successor agency, and before state and federal courts and administrative agencies.

Statutory Authority - Article XIII, Section 2, 1972 Montana Constitution
Title 5, Chapter 15 MCA and
Title 69, Chapters 1 and 2 MCA

Program Description - The Office of the Consumer Counsel is charged with the duty of representing consumer interests in hearings before the Public Service Commission or any other successor agency. The agency also may initiate, intervene in, or participate in appropriate proceedings in the court systems or administrative agencies on behalf of the public of Montana.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	5.54	0.00	0.00	5.54	0.00	0.00	5.54
Personal Services	434,691	159,914	0	594,605	159,849	0	594,540
Operating Expenses	659,525	130,152	250,000	1,039,677	144,209	250,000	1,053,734
Total Costs	\$1,094,216	\$290,066	\$250,000	\$1,634,282	\$304,058	\$250,000	\$1,648,274
State/Other Special	1,094,216	290,066	250,000	1,634,282	304,058	250,000	1,648,274
Total Funds	\$1,094,216	\$290,066	\$250,000	\$1,634,282	\$304,058	\$250,000	\$1,648,274

In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented as submitted to the Governor with no changes.

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$130,804	\$0
FY 2015	\$144,749	\$0

PL - 1 - Present Law Base Adjustment -

The present law adjustment includes funds to address anticipated costs in the agency primarily in contracted services. The request includes \$130,804 in FY 2014 and \$144,749 in FY 2015 from the agency state special revenue fund.

**CONSUMER COUNSEL-1112
ADMINISTRATION PROGRAM-01**

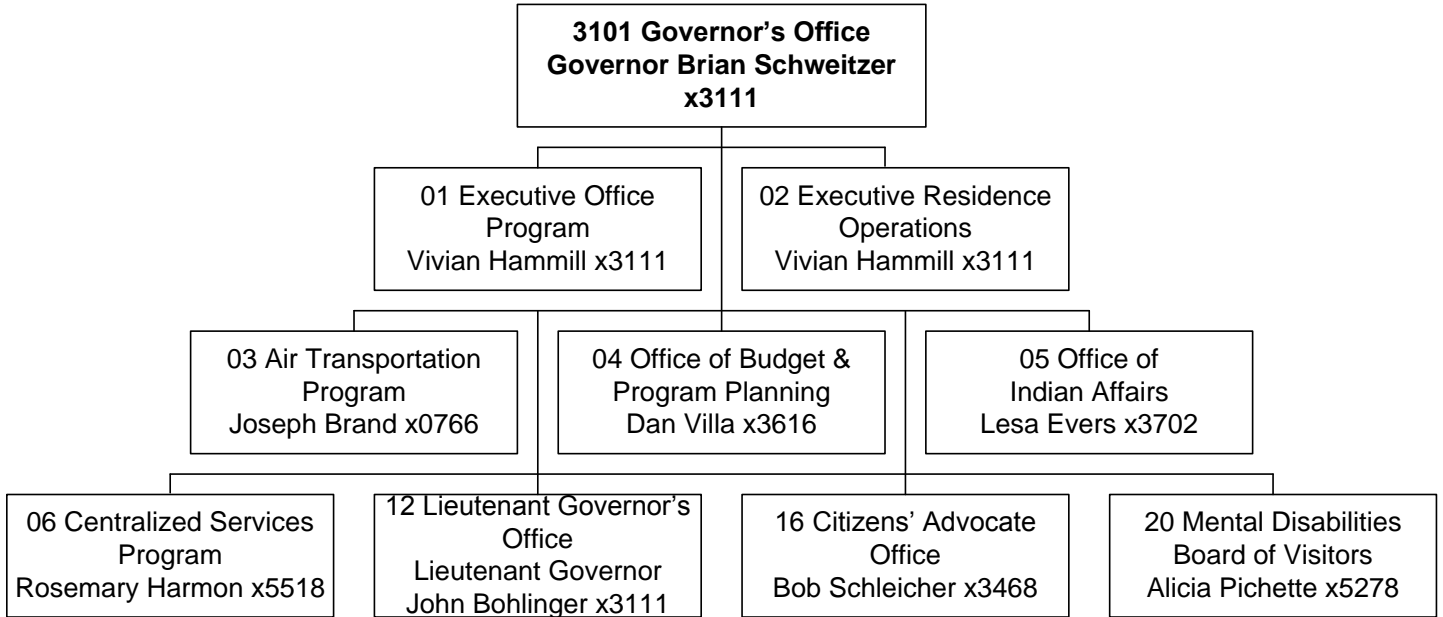
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$250,000	\$0
FY 2015	\$250,000	\$0

NP - 2 - Unanticipated Caseload Contingency - OTO -

Historically, the Consumer Counsel has received a \$250,000 per year state special revenue appropriation to fund a contingency appropriation for unanticipated caseload. The appropriation for the 2013 biennium was approved by the 2011 Legislature as a one-time-only appropriation and therefore is not included in the agency base budget. Budgetary statutes require the request be categorized as a new proposal. This request is to restore the \$250,000 per year contingency appropriation to the agency budget.

GOVERNOR'S OFFICE-3101

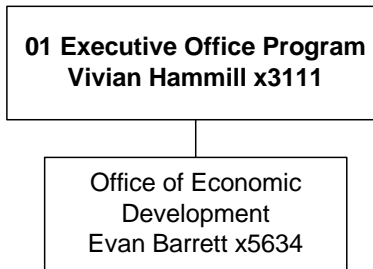


Mission Statement - To oversee and direct the activities of the Executive Branch of Montana state government, consistent with statutory and constitutional mandates, in a manner that provides necessary and affordable services to the citizens of Montana.

Statutory Authority - Primary authority is Article VI, Montana Constitution

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	58.07	0.00	0.00	58.07	0.00	0.00	58.07
Personal Services	4,223,496	308,294	12,557	4,544,347	319,580	12,557	4,555,633
Operating Expenses	1,278,172	70,159	26,344	1,374,675	24,103	38,394	1,340,669
Total Costs	\$5,501,668	\$378,453	\$38,901	\$5,919,022	\$343,683	\$50,951	\$5,896,302
General Fund	5,490,551	381,161	38,901	5,910,613	346,454	50,951	5,887,956
State/Other Special	11,117	(2,708)	0	8,409	(2,771)	0	8,346
Total Funds	\$5,501,668	\$378,453	\$38,901	\$5,919,022	\$343,683	\$50,951	\$5,896,302

**GOVERNOR'S OFFICE-3101
EXECUTIVE OFFICE PROGRAM-01**



Program Description - The Executive Office Program aids the Governor in overseeing and coordinating the activities of the Executive Branch of Montana state government. The program provides administrative, legal, and press support for the Office of the Governor. The Executive Office Program also administers programs with special impact on the citizens and governmental concerns of Montana. Special programs include the Office of Economic Development, which was created to strengthen the foundations of the state's business environment and diversify and expand existing economic endeavors to achieve long-term economic stability.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	20.63	0.00	0.00	20.63	0.00	0.00	20.63
Personal Services	1,586,727	86,324	0	1,673,051	92,011	0	1,678,738
Operating Expenses	736,645	22,936	(275)	759,306	20,078	(275)	756,448
Total Costs	\$2,323,372	\$109,260	(\$275)	\$2,432,357	\$112,089	(\$275)	\$2,435,186
General Fund	2,323,372	109,260	(275)	2,432,357	112,089	(275)	2,435,186
Total Funds	\$2,323,372	\$109,260	(\$275)	\$2,432,357	\$112,089	(\$275)	\$2,435,186

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,470	\$2,470
FY 2015	\$2,749	\$2,749

PL - 105 - Motor Pool Leased Vehicle -

The Schweitzer Administration leased a hybrid sedan for the Governor throughout his term in office. The executive protection detail, assigned to the Governor's Office by the Montana Department of Justice, has requested that a large utility vehicle replace the smaller vehicle currently leased in order to accommodate transporting dignitaries, staff, and guests in a single vehicle, and to provide anonymity for the vehicle carrying the elected official. The cost increase for the larger vehicle is \$2,470 in FY 2014 and \$2,749 in FY 2015.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$275)	(\$275)
FY 2015	(\$275)	(\$275)

NP - 6101 - Professional Development Center Fee Allocation -

The fixed cost allocation for Professional Development Center training is funded in the Governor's Office Central Services Division. Base year expenses for employees attending PDC courses are being replaced by the Professional Development Center Training Fee. The Executive Budget is being reduced by \$275 each year which is the total cost for staff having attended PDC training during the base year.

**GOVERNOR'S OFFICE-3101
EXECUTIVE RESIDENCE OPERATIONS-02**

**02 Executive Residence
Operations
Vivian Hammill x3111**

Program Description - The Governor's Residence Operations Program provides for the day-to-day operations of the official state Executive Residence.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	76,168	(4,042)	0	72,126	(3,482)	0	72,686
Operating Expenses	55,926	1,421	0	57,347	2,062	0	57,988
Total Costs	\$132,094	(\$2,621)	\$0	\$129,473	(\$1,420)	\$0	\$130,674
General Fund	132,094	(2,621)	0	129,473	(1,420)	0	130,674
Total Funds	\$132,094	(\$2,621)	\$0	\$129,473	(\$1,420)	\$0	\$130,674

**GOVERNORS OFFICE-3101
AIR TRANSPORTATION PROGRAM-03**

03 Air Transportation Program Joseph Brand x0766

Program Description - The Air Transportation Program provides the Governor with air transportation.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	93,971	23,791	0	117,762	23,622	0	117,593
Operating Expenses	128,768	(2,154)	0	126,614	(712)	0	128,056
Total Costs	\$222,739	\$21,637	\$0	\$244,376	\$22,910	\$0	\$245,649
General Fund	222,739	21,637	0	244,376	22,910	0	245,649
Total Funds	\$222,739	\$21,637	\$0	\$244,376	\$22,910	\$0	\$245,649

**GOVERNOR'S OFFICE-3101
OFFICE OF BUDGET & PROGRAM PLANNING-04**

04 Office of Budget & Program Planning Dan Villa x3616

Program Description - The Office of Budget and Program Planning (OBPP) assists the Governor in preparing the Governor's Executive Budget and administering the state government budget. In addition, the OBPP prepares and monitors revenue estimates and collections, prepares and publishes fiscal notes on proposed legislation and initiatives, and acts as approving authority for operational plan changes, program transfers, and budget amendments in the Executive Branch, in accordance with Title 17, Chapter 7, MCA. The OBPP acts as the lead Executive Branch agency for compliance with the federal Single Audit Act.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	18.00	0.00	0.00	18.00	0.00	0.00	18.00
Personal Services	1,256,263	198,337	0	1,454,600	198,848	0	1,455,111
Operating Expenses	202,598	12,954	(1,064)	214,488	6,493	(1,064)	208,027
Total Costs	\$1,458,861	\$211,291	(\$1,064)	\$1,669,088	\$205,341	(\$1,064)	\$1,663,138
General Fund	1,458,861	211,291	(1,064)	1,669,088	205,341	(1,064)	1,663,138
Total Funds	\$1,458,861	\$211,291	(\$1,064)	\$1,669,088	\$205,341	(\$1,064)	\$1,663,138

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,671	\$1,671
FY 2015	\$14,181	\$14,181

PL - 103 - Global Insight Contract and Session Costs -

The budget for the Office of Budget and Program Planning contains funding to pay for the subscription to Global Insight which provides economic data that is used by staff of the Legislative Fiscal Division, Department of Transportation, and the OBPP. The data is used to develop revenue estimates for the state and for other economic analyses as needed. In FY 2013 a new contract to obtain similar economic data will be awarded and it is estimated that the cost under a new contract will increase. This decision package includes funds to cover the anticipated increase in cost over the FY 2012 base year cost as well as funds to cover the increased costs related to the preparation and publication of the executive budget and the legislative session. This is a standard request that occurs every biennium as the costs do not occur in the base year. The total biennial cost is \$15,852 from general fund.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,064)	(\$1,064)
FY 2015	(\$1,064)	(\$1,064)

NP - 6101 - Professional Development Center Fee Allocation -

The fixed cost allocation for Professional Development Center training is funded in the Governor's Office Central Services Division. Base year expenses for employees attending PDC courses are being replaced by the Professional Development Center Training Fee. The Budget Office budget is being reduced by \$1,064 general fund which is the total cost for staff having attended PDC training during the base year.

**GOVERNOR'S OFFICE-3101
OFFICE OF INDIAN AFFAIRS-05**

**05 Office of
Indian Affairs
Lesia Evers x3702**

Program Description - The Coordinator of Indian Affairs serves as the Governor's liaison with state Indian tribes, provides information and policy support on issues confronting the Indians of Montana, and advises and makes recommendations on these issues to the Legislative and Executive Branches. The coordinator also serves the Montana congressional delegation as an advisor and intermediary in the field of Indian affairs and acts as spokesperson for representative Native American organizations and groups, both public and private, whenever that support is requested. The program is mandated by 2-15-217 and 90-11-101, MCA.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	
FTE	2.00	0.00	0.00	2.00	0.00	0.00	2.00	
Personal Services	154,974	(608)	0	154,366	(846)	0	154,128	
Operating Expenses	17,408	1,850	(105)	19,153	1,660	(105)	18,963	
Total Costs	\$172,382	\$1,242	(\$105)	\$173,519	\$814	(\$105)	\$173,091	
General Fund	172,382	1,242	(105)	173,519	814	(105)	173,091	
Total Funds	\$172,382	\$1,242	(\$105)	\$173,519	\$814	(\$105)	\$173,091	

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$105)	(\$105)
FY 2015	(\$105)	(\$105)

NP - 6101 - Professional Development Center Fee Allocation -

The fixed cost allocation for Professional Development Center training is funded in the Governor's Office Central Services Division. Base year expenses for employees attending PDC courses are being replaced by the Professional Development Center Training Fee. The Office of Indian Affairs budget is being reduced by \$105 per year which is the total cost for staff having attended PDC training during the base year.

GOVERNOR'S OFFICE-3101 CENTRALIZED SERVICES DIVISION-06

**06 Centralized Services
Program
Rosemary Harmon x5518**

Program Description - The Centralized Services Program provides business services to all programs within the Governor's Office. Services include payroll and personnel, accounting, central asset management and computer replacement, data processing, and budget preparation and monitoring for the entire office.

Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00
Personal Services	290,508	13,437	0	303,945	13,534	0	304,042
Operating Expenses	52,696	27,203	27,863	107,762	(11,369)	39,913	81,240
Total Costs	\$343,204	\$40,640	\$27,863	\$411,707	\$2,165	\$39,913	\$385,282
General Fund	343,204	40,640	27,863	411,707	2,165	39,913	385,282
Total Funds	\$343,204	\$40,640	\$27,863	\$411,707	\$2,165	\$39,913	\$385,282

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$26,000	\$26,000
FY 2015	\$38,050	\$38,050

NP - 102 - Computer Equipment Replacement -

The Governor's Office operates on a five year replacement cycle for computer equipment. The replacement cost for computer equipment used within the Governor's Office is not funded in the agency's base budget. Therefore, a request for replacement funds is routinely included in the Executive Budget. Equipment scheduled to be replaced in FY 2014 is estimated to cost \$26,000 and in FY 2015 costs are estimated to be \$38,050.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,863	\$1,863
FY 2015	\$1,863	\$1,863

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$2,008 in FY 2014 and \$2,008 in FY 2015 general fund for the department's allocation of the fixed cost. This decision package also includes a reduction of \$145 in expenditures that were incurred by individual employees attending PDC courses during the base year.

**GOVERNOR'S OFFICE-3101
 LIEUTENANT GOVERNOR'S OFFICE-12**

12 Lieutenant Governor's Office Lieutenant Governor John Bohlinger x5665
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Program Description - The Office of the Lieutenant Governor is responsible for carrying out duties prescribed by statute established by Article VI, Section 4 of the Montana Constitution, as well as those delegated by the Governor. Statutory authority is Title 2, Chapter 15, part 3, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	3.94	0.00	0.00	3.94	0.00	0.00	3.94
Personal Services	316,309	294	0	316,603	4,549	0	320,858
Operating Expenses	20,188	1,983	0	22,171	2,279	0	22,467
Total Costs	\$336,497	\$2,277	\$0	\$338,774	\$6,828	\$0	\$343,325
General Fund	336,497	2,277	0	338,774	6,828	0	343,325
Total Funds	\$336,497	\$2,277	\$0	\$338,774	\$6,828	\$0	\$343,325

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,244	\$2,244
FY 2015	\$2,543	\$2,543

PL - 110 - Motor Pool Leased Vehicle -

The Schweitzer Administration leased a passenger car for the Lt Governor throughout his term in office. The executive protection detail, assigned to the Governor's Office by the Montana Department of Justice, has requested that a large utility vehicle replace the smaller vehicle currently leased in order to accommodate transporting dignitaries, staff, and guests in a single vehicle, and to provide anonymity for the vehicle carrying the elected official. The cost increase for the larger vehicle is \$2,244 in FY 2014 and \$2,543 in FY 2015.

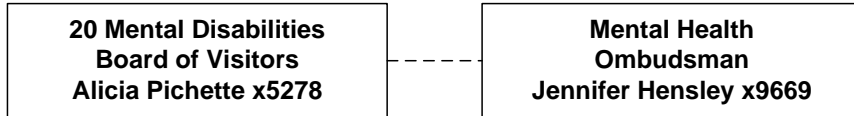
**GOVERNOR'S OFFICE-3101
CITIZENS' ADVOCATE OFFICE-16**

16 Citizens' Advocate Office Bob Schleicher x3468
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Program Description - The Citizens' Advocate Office exists to provide access to state government for Montana citizens. The office provides information to citizens and functions as a referral service for public comments, suggestions, and requests for information. The office provides a toll-free number to the public.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	93,318	1,446	0	94,764	1,313	0	94,631
Operating Expenses	8,381	28	0	8,409	(35)	0	8,346
Total Costs	\$101,699	\$1,474	\$0	\$103,173	\$1,278	\$0	\$102,977
General Fund	90,582	4,182	0	94,764	4,049	0	94,631
State/Other Special	11,117	(2,708)	0	8,409	(2,771)	0	8,346
Total Funds	\$101,699	\$1,474	\$0	\$103,173	\$1,278	\$0	\$102,977

GOVERNORS OFFICE-3101 MENTAL DISABILITIES BD VISITRS-20



Program Description - The Mental Disabilities Board of Visitors is charged with formally reviewing patient care and assisting people who have complaints about services at Montana's licensed mental health centers, community hospital psychiatric units, children's residential treatment programs, and at the state facilities that serve people with mental illnesses and developmental disabilities. The board provides legal services to patients at Montana State Hospital. The Governor appoints six board members who represent recipients of services and their families, and the mental health and developmental disability professions. The board employs administrative and legal staff and contracts with mental health and developmental disability professionals to carry out its responsibilities for patient representation and facility review. The Mental Disabilities Board of Visitors Program was created by the Developmental Disabilities Act of 1975 and the Mental Commitment and Treatment Act of 1975 and exists as a state mandate.

The Mental Health Ombudsman is statutorily directed to "represent the interests of individuals with regard to need for public mental health services". The office functions with 1.5 FTE responding to statewide requests for service. The Office of the Ombudsman was created by the legislature in 1999 and is appointed by the Governor for a four year term.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	5.00	0.00	0.00	5.00	0.00	0.00	5.00
Personal Services	355,258	(10,685)	12,557	357,130	(9,969)	12,557	357,846
Operating Expenses	55,562	3,938	(75)	59,425	3,647	(75)	59,134
Total Costs	\$410,820	(\$6,747)	\$12,482	\$416,555	(\$6,322)	\$12,482	\$416,980
General Fund	410,820	(6,747)	12,482	416,555	(6,322)	12,482	416,980
Total Funds	\$410,820	(\$6,747)	\$12,482	\$416,555	(\$6,322)	\$12,482	\$416,980

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,094	\$2,094
FY 2015	\$2,094	\$2,094

PL - 104 - Motor Pool Leased Vehicle -

Staff members of the Board of Visitors frequently conduct meetings and site reviews at mental health facilities throughout the state and travel between BOV offices in both Helena and Warm Springs. Historically, motor pool vehicles have been rented for each individual trip. To increase both time and financial efficiency, an assigned Motor Pool leased vehicle has been included in the budget. Due to employee turnover, base year travel expenses were low. Therefore, an increase is necessary in each year of the biennium to cover additional motor pool costs of \$2,094.

**GOVERNORS OFFICE-3101
MENTAL DISABILITIES BD VISITRS-20**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$12,557	\$12,557
FY 2015	\$12,557	\$12,557

NP - 2001 - Board of Visitors Pay Discrepancy -

The Board of Visitors has two positions that require adjustment to the personal services snapshot. Both positions are paralegal positions and were underfunded in the snapshot due to a vacancy and a reclassification. The total personal services adjustment is \$12,557 general fund each year.

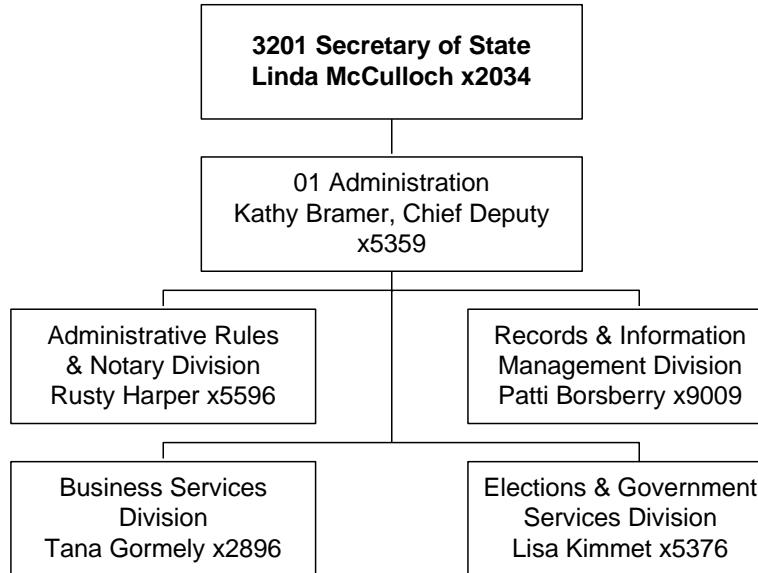
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$75)	(\$75)
FY 2015	(\$75)	(\$75)

NP - 6101 - Professional Development Center Fee Allocation -

The fixed cost allocation for Professional Development Center training is funded in the Governor's Office Central Services Division. Base year expenses for employees attending PDC courses are being replaced by the Professional Development Center Training Fee. The Board of Visitors budget is being reduced by \$75 which is the total cost for staff having attended PDC training during the base year.

SECRETARY OF STATE'S OFFICE-3201 BUSINESS & GOVERNMENT SERVICES-01

Please note that this agency also contains proprietary funding (see Section P).



Mission Statement - The Office of the Secretary of State:

- Interprets state election laws and oversees state and federal elections
- Maintains the official records of the executive branch and the acts of the legislature
- Reviews, maintains, and distributes public-interest records of businesses and nonprofit organizations
- Publishes administrative rules adopted by state departments, boards, and agencies
- Attests to the governor's signature on executive orders, proclamations, resolutions, extradition papers, and appointments
- Preserves the state seal
- Files and maintains records of secured financial transactions, such as liens
- Serves on the state Board of Land Commissioners and the Board of Examiners
- Commissions notaries public
- Serves on the Capital Finance Advisory Council
- Provides public records management guidance and technical assistance

Statutory Authority - Article VI, Section 1, Montana Constitution – Officers, 2-15-401 MCA

Program Description - The office is comprised of one program, the Business and Government Services Program, which consists of five divisions that provide the following major functions:

Administration Division

- Office budgeting, accounting, payroll, and administration
- Information technology development, administration, and support
- Establishes and provides general oversight and policy direction for the office

Records and Information Management Division

- Establishes guidelines for inventorying, cataloging, retaining, and transferring all public records of state agencies and operates state records center to store and service public records
- Microfilms documents for state agencies and approves microfilming projects and microfilm equipment purchases of state agencies
- Assists the legislative and judicial branches in establishing records management procedures

SECRETARY OF STATE'S OFFICE-3201 BUSINESS & GOVERNMENT SERVICES-01

Business Services Division

- Files and maintains charter documents for Montana and foreign corporations and limited liability companies
- Registers and maintains records for trademarks, limited liability partnerships, and assumed business names
- Files and maintains lien notices within central lien notification system
- Files and maintains records of Montana and foreign limited partnerships
- Assembles, prepares, and publishes the federal farm products Master List for registered buyers under the authority of the United States Department of Agriculture

Elections and Government Division

- Files legislative bills from introduction through approval by the Governor and assigns chapter numbers for the session laws of Montana
- Files the journals of the legislature
- Files and maintains the record of declarations of nomination of candidates for state and district offices
- Prepares, publishes, and distributes instruction manuals for election officials and election judges, including forms for use in elections
- Prescribes and certifies official primary and general election ballots
- Assists, trains and advises local election administrators in election matters, and publishes and distributes election laws
- Files petitions for and prepares, publishes, and distributes the voters' information pamphlet on special measures and constitutional amendments
- Maintains the record of executive reorganization, official acts of the Governor, applications for pardons and commutation of sentence, requisitions for extradition

Administrative Rules of Montana and Notary Certification Division

- Prescribes the format for the administrative rules of state agencies
- Publishes and distributes the Montana administrative register of proposed and adopted administrative rules of state agencies
- Publishes and distributes the complete administrative rules on Montana
- Distributes commissions of notaries public issued by the Secretary of State
- Provides training for Montana notaries
- Investigates complaints regarding Montana notaries

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	0.00	0.00	1.00	1.00	0.00	1.00	1.00
Personal Services	0	0	59,376	59,376	0	59,374	59,374
Operating Expenses	0	0	1,104,253	1,104,253	0	594,655	594,655
Equipment & Intangible Assets	0	0	40,000	40,000	0	40,000	40,000
Total Costs	\$0	\$0	\$1,203,629	\$1,203,629	\$0	\$694,029	\$694,029
General Fund	0	0	690,629	690,629	0	694,029	694,029
Federal Special	0	0	513,000	513,000	0	0	0
Total Funds	\$0	\$0	\$1,203,629	\$1,203,629	\$0	\$694,029	\$694,029

**SECRETARY OF STATE'S OFFICE-3201
BUSINESS & GOVERNMENT SERVICES-01**

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$513,000	\$0
FY 2015	\$0	\$0

NP - 1503 - HAVA Interest (Biennial) OTO -

The SOS is requesting spending authority for cumulative interest earnings from the Help America Vote Act (HAVA) grant. Authority will be used for related expenses and grants to counties to continue to comply with the act. This is a biennial one-time-only request.

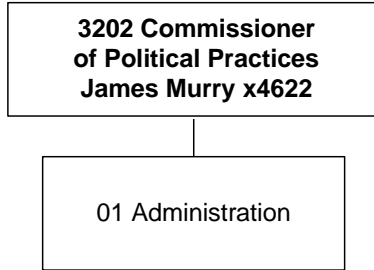
-----Other Legislation Required to Implement HB2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$690,629	\$690,629
FY 2015	\$694,029	\$694,029

NP - 1501 - Statewide Voter Registration System (SVRS) -

The Secretary of State's Office (SOS) requests \$1,225,906 general fund and 1.00 FTE for the biennium to maintain the annual costs of the State Wide Voter file that was mandated by the federal Help America Vote Act (HAVA) of 2002. No other funds will be received from Congress. The federal act requires states to maintain a uniform, official, centralized, interactive computerized system. The voter file must be maintained for fixes and enhancements to the system. A help desk that is staffed by one FTE provides assistance to the counties to manage uniformity and compliance.

**COMMISSIONER OF POLITICAL PRAC-3202
ADMINISTRATION-01**



Mission Statement - To monitor and to enforce in a fair and impartial manner: campaign practices and campaign finance disclosure; lobbying disclosure; business interest disclosure of statewide and state district candidates, elected state officials, and state department directors; ethical standards of conduct for legislators, public officers, and state employees; and to investigate legitimate complaints that arise concerning any of the above.

Statutory Authority - Title 13, Chapter 37 and Title 2, Chapter 2, MCA.

Program Description - The Commissioner of Political Practices is provided for in 13-37-102, MCA, which was enacted in 1975 as part of a campaign finance and practice law reform package, with duties and responsibilities set forth in Title 13, Chapter 37, part 1, MCA. Additional responsibilities for the office were created through passage of an initiative in 1980 which provided for both lobbying disclosure and disclosure of business interests of elected officials. In 1995 the legislature enacted the code of ethics and assigned to the Commissioner the responsibility for administering ethical standards of conduct for legislators, public officers, and state employees.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	6.00	0.00	1.00	7.00	0.00	1.00	7.00
Personal Services	263,000	50,768	71,503	385,271	50,476	71,458	384,934
Operating Expenses	216,605	36,571	(50,921)	202,255	28,588	(74,321)	170,872
Total Costs	\$479,605	\$87,339	\$20,582	\$587,526	\$79,064	(\$2,863)	\$555,806
General Fund	479,605	87,339	20,582	587,526	79,064	(2,863)	555,806
Total Funds	\$479,605	\$87,339	\$20,582	\$587,526	\$79,064	(\$2,863)	\$555,806

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$13,497)	(\$13,497)
FY 2015	(\$13,542)	(\$13,542)

NP - 1 - Agency Legal Counsel -

The Commissioner of Political Practices (COPP) is requesting funding for a Legal Counsel FTE at the cost \$71,503 in FY 2014 and \$71,458 in FY 2015. COPP receives numerous complaints each year requiring a significant amount of time to resolve. The Summary of Facts and Statement of Findings often come after an election providing information that is no longer useful to the voting public. The 2007 Legislature granted COPP funding for a full time investigator, which helped resolved the backlog of cases. However, the currently contracted attorney from the Department of Justice can't keep up with the investigator. Currently there are 31 cases on the complaint docket. Sixteen cases have been fully investigated and are ready for a decision. In addition to the complaint docket COPP has seven pending lawsuits. The reduction for the cost of the contracted attorney is \$85,000 in both years of the 2015 biennium and is reflected in this decision package.

**COMMISSIONER OF POLITICAL PRAC-3202
ADMINISTRATION-01**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$34,630	\$34,630
FY 2015	\$11,230	\$11,230

NP - 3 - Change in Agency Location OTO -

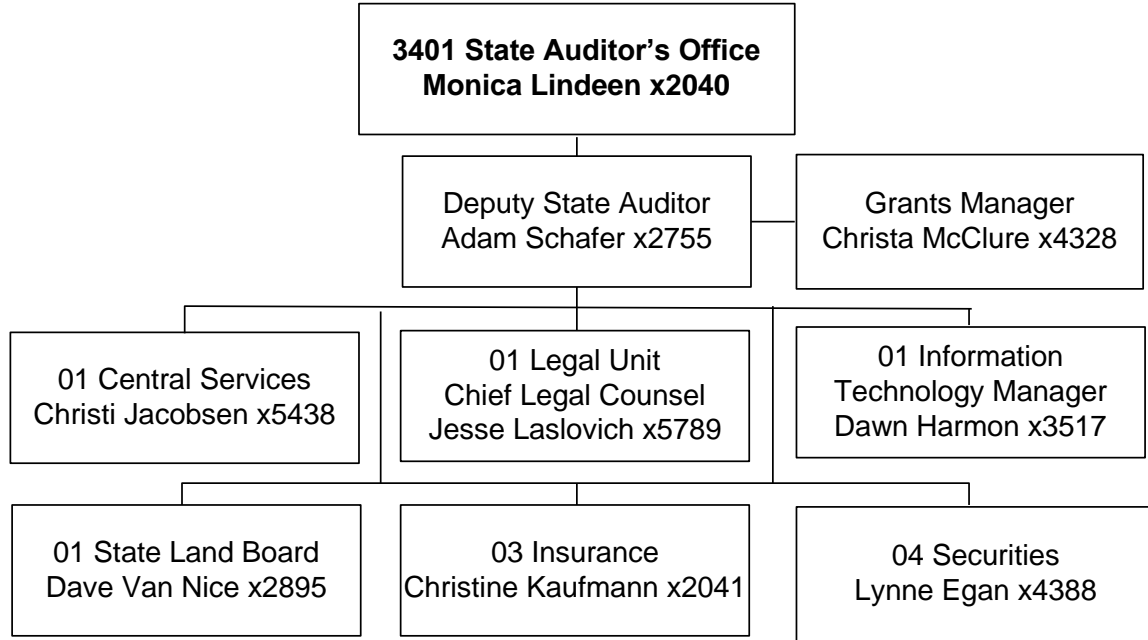
The Commissioner of Political Practices (COPP) is requesting on-time-only funding to move locations at a cost of \$23,400 in FY 2014. COPP needs to move to a larger location that will accommodate 7 FTE and filing space. There is currently 5 permanent FTE and the agency is seeking funding for a 6th permanent agency legal counsel FTE (DP 1). In addition during the busy election season the COPP employs temporary staff to assist with scanning and filing documents. There will be an increase in rent of \$11,230 per fiscal year for the increased space.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$551)	(\$551)
FY 2015	(\$551)	(\$551)

NP - 6101 - Professional Development Center Training -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The reduction of this decision package is \$551 in FY 2014 and \$551 in FY 2015.

STATE AUDITOR'S OFFICE-3401

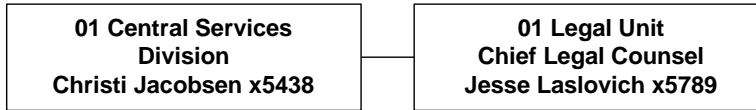


Mission Statement - The mission of the Commissioner of Securities and Insurance is to assure compliance with Montana insurance and securities laws, promote captive insurance formations, administer the Insure Montana program, and assist consumers with complaints involving the securities and insurance industries. In addition, the office strives to keep abreast of regional and national developments in those industries in order to inform state policy makers about needed statutory changes and answer inquiries.

Statutory Authority - Title 30, Chapter 10, MCA, Securities Regulation
 Title 33, MCA, Insurance Regulation

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	85.80	1.00	(3.00)	83.80	1.00	(7.00)	79.80
Personal Services	5,163,890	429,041	(178,341)	5,414,590	435,946	(385,271)	5,214,565
Operating Expenses	2,452,750	1,200,058	(148,240)	3,504,568	1,472,033	(296,755)	3,628,028
Equipment & Intangible Assets	8,695	0	(701)	7,994	0	(701)	7,994
Benefits & Claims	10,448,099	0	(4,761,267)	5,686,832	0	(9,522,536)	925,563
Transfers	0	0	0	0	0	0	0
Total Costs	\$18,073,434	\$1,629,099	(\$5,088,549)	\$14,613,984	\$1,907,979	(\$10,205,263)	\$9,776,150
State/Other Special	18,073,434	1,629,099	(5,088,549)	14,613,984	1,907,979	(10,205,263)	9,776,150
Federal Special	0	0	0	0	0	0	0
Total Funds	\$18,073,434	\$1,629,099	(\$5,088,549)	\$14,613,984	\$1,907,979	(\$10,205,263)	\$9,776,150

STATE AUDITOR'S OFFICE-3401 CENTRAL MANAGEMENT-01



Program Description - The Central Management Division is responsible for the administrative, personnel, budgeting, and accounting functions for the Commissioner of Securities and Insurance. The division also provides support to the Commissioner in fulfilling the duties as a member of the Land Board and Crop Hail Insurance Board.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	16.80	0.00	0.00	16.80	0.00	0.00	16.80
Personal Services	1,002,552	111,746	0	1,114,298	112,035	0	1,114,587
Operating Expenses	213,439	16,555	(43)	229,951	8,460	(43)	221,856
Equipment & Intangible Assets	1,683	0	0	1,683	0	0	1,683
Total Costs	\$1,217,674	\$128,301	(\$43)	\$1,345,932	\$120,495	(\$43)	\$1,338,126
State/Other Special	1,217,674	128,301	(43)	1,345,932	120,495	(43)	1,338,126
Total Funds	\$1,217,674	\$128,301	(\$43)	\$1,345,932	\$120,495	(\$43)	\$1,338,126

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,309	\$0
FY 2015	\$2,309	\$0

PL - 1001 - Rent -

This request is for state special revenue each fiscal year which will provide for additional office rent. The space is covered by a lease effective through January 2015. The central management share is \$4,618 per year

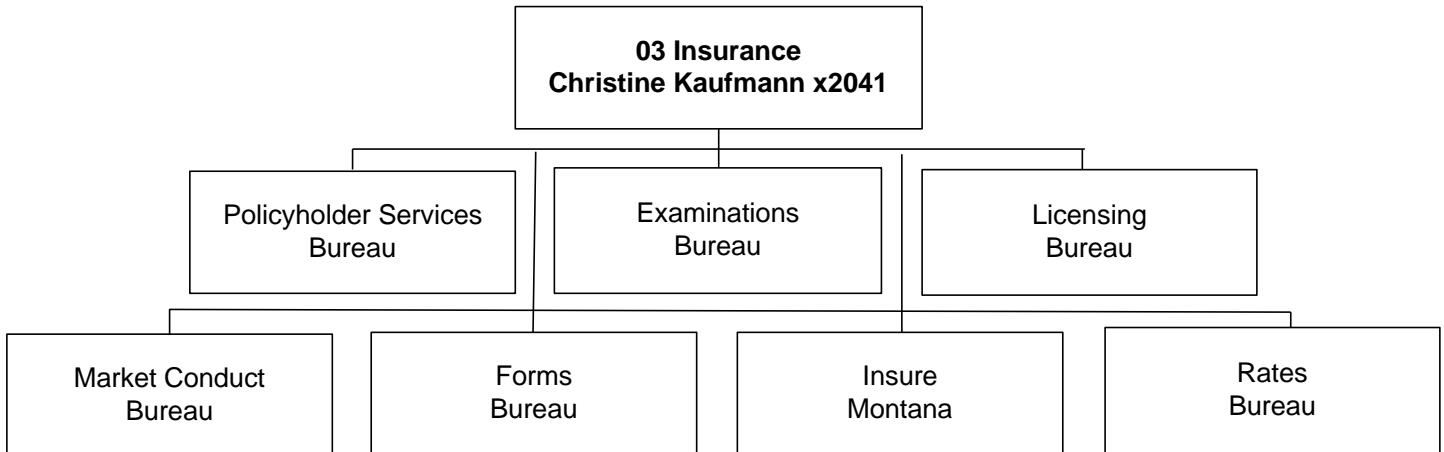
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$43)	\$0
FY 2015	(\$43)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The reduction to the budget is \$43 in FY 2014 and \$43 in FY 2015.

STATE AUDITOR'S OFFICE-3401 INSURANCE-03



Program Description - The Insurance Division regulates the insurance industry in Montana. The Policyholder Services Unit is responsible for resolving insurance consumer inquiries and complaints involving agents, coverage, and companies. The Examinations Bureau is responsible for monitoring the financial solvency of insurance companies, collecting premium taxes and company fees, and auditing insurance company annual statements. Also housed in this bureau is the captive insurance program, which promotes Montana as a captive domicile and regulates captive insurers in the state. The Rates Bureau and the Forms Bureau are responsible for reviewing rate and form filings, respectively, to ensure compliance with the applicable insurance code. The Licensing Bureau is responsible for licensing and providing continuing education to insurance agents, agencies, and adjusters. The Insure Montana program administers the Small Business Health Insurance Purchasing Pool and Tax Credit programs. The Legal Bureau, which serves both the Insurance and Securities Divisions, provides legal support to the divisions. The Investigations Bureau, which is under the Legal Bureau, investigates code and rule violations, including possible criminal violations, and recommends referral of cases to county attorneys for prosecution.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	58.00	0.00	(3.00)	55.00	0.00	(7.00)	51.00
Personal Services	3,542,103	94,285	(178,341)	3,458,047	101,026	(385,271)	3,257,858
Operating Expenses	2,032,708	1,106,725	(148,529)	2,990,904	1,392,430	(297,044)	3,128,094
Equipment & Intangible Assets	5,810	0	(701)	5,109	0	(701)	5,109
Benefits & Claims	10,448,099	0	(4,761,267)	5,686,832	0	(9,522,536)	925,563
Transfers	0	0	0	0	0	0	0
Total Costs	\$16,028,720	\$1,201,010	(\$5,088,838)	\$12,140,892	\$1,493,456	(\$10,205,552)	\$7,316,624
State/Other Special	16,028,720	1,201,010	(5,088,838)	12,140,892	1,493,456	(10,205,552)	7,316,624
Federal Special	0	0	0	0	0	0	0
Total Funds	\$16,028,720	\$1,201,010	(\$5,088,838)	\$12,140,892	\$1,493,456	(\$10,205,552)	\$7,316,624

**STATE AUDITOR'S OFFICE-3401
INSURANCE-03**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$75,000	\$0
FY 2015	\$75,000	\$0

PL - 3004 - Actuarial Review -

The request for \$75,000 in FY 2014 and \$75,000 in FY 2015 is a result of the passage of HB 334 in the 2011 legislative session. The Commissioner of Securities and Insurance shall review the financial and compliance audit and rate review of the State Fund. The Commissioner must report any concerns or recommendations based on the review to the Governor, the Legislative Audit Committee, and the Economic Affairs Interim Committee (EAIC). The agency currently employs one full time property and casualty actuary, but due to the position's heavy workload, the actuary is unable to conduct the review as required by the law. Estimates obtained for the reviews are approximately \$75,000 to contract with an independent actuary to review the rates and reserves of the State Fund.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$33,700	\$0
FY 2015	\$33,700	\$0

PL - 3005 - Traditional Insurance In-House Examinations -

Additional funding is needed for travel for in-house insurance examiners of \$33,700 in FY 2014 and \$33,700 in FY 2015 to perform three farm mutual exams, which will require two examiners as well as some travel for the examiner supervising contract examiners.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$20,300	\$0
FY 2015	\$20,300	\$0

PL - 3007 - In-House Captives Insurance Exams -

The State Auditor's Office (SAO) anticipates performing 20 pure captive exams and four risk retention group exams requiring funds of \$20,300 in FY 2014 and \$20,300 in FY 2015. Each risk retention group exam will require a two week period of travel by an in-house examiner. For the pure exams, SAO anticipate the requirement for five one-week trips out of state and 10 in-state, one-week trips. The in-house exam costs are reimbursed by the companies after being examined.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$85,000	\$0
FY 2015	\$95,000	\$0

PL - 3008 - Captive Regulatory and Supervision -

According to 33-28-120, MCA, the purpose of the captive account is to provide the financial means for the Commissioner to administer this chapter and for reimbursement of reasonable expenses incurred in promoting captive insurance in the state. This program is funded with 5% of the premium tax and all fees and assessments received by the Commissioner pursuant to the administration of this chapter. Given expected growth in the number of captive insurance companies domiciled in Montana, the Commissioner expects to collect about \$85,000 in FY 2014 and \$95,000 in FY 2015. Money collected and not spent is transferred to the general fund at the end of each fiscal year.

**STATE AUDITOR'S OFFICE-3401
INSURANCE-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$367,500	\$0
FY 2015	\$365,000	\$0

PL - 3009 - Biennial Financial Exams -

According to 33-1-401, MCA, "The commissioner shall examine the affairs, transactions, accounts, records, and assets of each authorized insurer as often as the commissioner considers advisable. The commissioner shall examine each authorized insurer not less frequently than every 5 years." The cost of the exam is billed to the companies being examined and are reimbursed by the companies examined. The costs of the exams are expected to be \$367,500 in FY 2014 and \$365,000 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$26,400	\$0
FY 2015	\$18,500	\$0

PL - 3011 - In-House Market Conduct Exams -

In accordance with 33-1-401, MCA, "The commissioner shall examine the affairs, transactions, accounts, records, and assets of each authorized insurer as often as the commissioner considers advisable. The commissioner shall examine each authorized insurer not less frequently than every 5 years." Additional state special revenue fund authority is needed of \$26,400 in FY 2014 and \$18,500 in FY 2015, to perform market conduct exams on the domiciled insurers. These market conduct exams will be examined internally and the requested funds will be used for travel to perform the examinations.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$436,000	\$0
FY 2015	\$750,000	\$0

PL - 3012 - Biennial Market Conduct Exams -

In accordance with 33-1-401, MCA, "The commissioner shall examine the affairs, transactions, accounts, records, and assets of each authorized insurer as often as the commissioner considers advisable. The commissioner shall examine each authorized insurer not less frequently than every 5 years." The cost of the exam is billed to the companies being examined. The expected cost of the exams is \$436,000 in FY 2014 and \$750,000 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$7,008	\$0
FY 2015	\$7,008	\$0

PL - 3013 - Rent -

This request is for state special revenue each fiscal year which will provide for additional office rent. The space is covered by a lease effective through January 2015. The insurance program share is \$7,008 per year.

**STATE AUDITOR'S OFFICE-3401
INSURANCE-03**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$5,090,001)	\$0
FY 2015	(\$10,206,715)	\$0

NP - 3014 - Insure Montana -

The State Auditor's Office operates the Insure Montana program, which offers health insurance premium subsidies and tax credits to employers offering health insurance to employees. In accordance with federal health care reform, insurance premium subsidies and tax credits will now be available from the health insurance exchange on January 1, 2014. Insure Montana is funded from the health and Medicaid initiatives state special revenue account which has been structurally imbalanced for several years. Without significant budgetary changes, the account would be out of funds to cover existing services in FY 2014. Therefore, the Executive has eliminated funding for the Insure Montana program beginning January 1, 2014.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,163	\$0
FY 2015	\$1,163	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The insurance program share of this allocation is \$1,163 per year.

**STATE AUDITOR'S OFFICE-3401
SECURITIES-04**

<p>04 Securities Lynne Egan x4388</p>

Program Description - The Securities Division is responsible for the administration and enforcement of the Securities Act of Montana and the registration of securities issuers, salespeople, broker-dealers, investment advisers, investment adviser representatives and multi-level marketing companies. The division also is responsible for the investigation of unregistered and fraudulent securities transactions. The division has sole jurisdiction for investment advisor firms with assets of under \$100 million. The division investigates securities code and rule violations, including possible criminal violations, takes appropriate administrative action and refers criminal cases to either federal authorities or county attorneys for prosecution.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	11.00	1.00	0.00	12.00	1.00	0.00	12.00
Personal Services	619,235	223,010	0	842,245	222,885	0	842,120
Operating Expenses	206,603	76,778	332	283,713	71,143	332	278,078
Equipment & Intangible Assets	1,202	0	0	1,202	0	0	1,202
Total Costs	\$827,040	\$299,788	\$332	\$1,127,160	\$294,028	\$332	\$1,121,400
State/Other Special	827,040	299,788	332	1,127,160	294,028	332	1,121,400
Total Funds	\$827,040	\$299,788	\$332	\$1,127,160	\$294,028	\$332	\$1,121,400

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$65,000	\$0
FY 2015	\$65,000	\$0

PL - 4002 - Biennial Contract Exams -

This request for \$65,000 each fiscal year will provide the contracting authority to examine broker-dealer firms, broker-dealer firm branch offices, and investment advisor firms. The costs of these exams are reimbursed by the company being examined.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$92,111	\$0
FY 2015	\$91,966	\$0

PL - 4003 - Securities Division Legal FTE -

This request is for the continuance of a legal FTE which was approved as an OTO in the last legislative session. This FTE is necessary due to the continued substantial demand for legal services by the Securities Division. Cost of the FTE is approximately \$92,000 state special revenue each year.

**STATE AUDITOR'S OFFICE-3401
SECURITIES-04**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,649	\$0
FY 2015	\$1,649	\$0

PL - 4004 - Rent -

This request is for state special revenue each fiscal year which will provide for additional office rent. The space is covered by a lease effective through January 2015. The securities program share is \$1,649 per year.

-----**New Proposals**-----

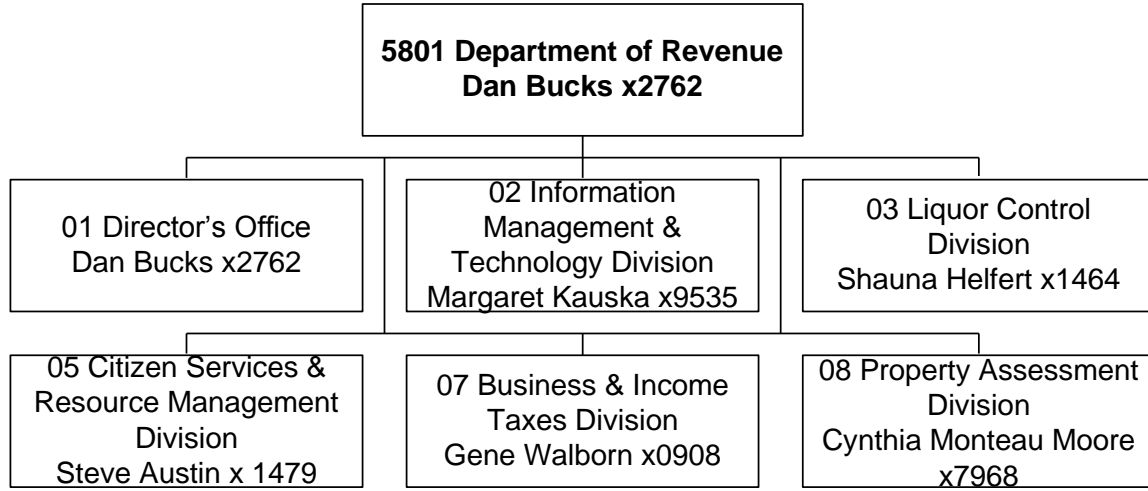
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$332	\$0
FY 2015	\$332	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a net change in budget of \$332 in FY 2014 and \$332 in FY 2015.

DEPARTMENT OF REVENUE-5801

Please note that this agency also contains proprietary funding (see Section P).



Mission Statement - The quality of life for all Montanans is better because we excel at public service and effective administration of the tax and liquor laws. We do this by ensuring that revenues intended by the legislature to be raised are collected to serve Montanans; advancing equity and integrity in taxation; providing innovative and respectful service; protecting the public health and safety; and achieving efficiency in liquor administration; and improving public understanding of Montana's revenue system.

Statutory Authority - Titles 2, 15, 16, 39, MCA

Language - The Liquor Control Division requests the following language be included in HB 2:

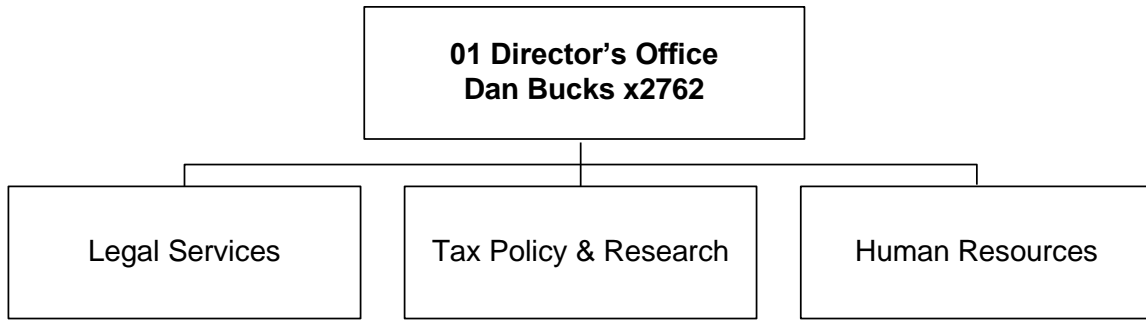
"Upon a termination that requires a payout of accrued leave balances, Liquor Control Division proprietary funds are appropriated from the enterprise fund (06005) to the department in the amount equal to the payout, not to exceed \$60,000 for the 2015 biennium."

"The Department of Revenue, Liquor Control Division is appropriated \$130,000 in proprietary funds for the 2015 biennium to meet the required statutory service levels for liquor."

"Liquor Control Division proprietary funds necessary to maintain adequate inventories, pay freight charges, and transfer profits and taxes to appropriate accounts are appropriated from the liquor enterprise fund (06005) to the department in the amounts not to exceed \$124 million in fiscal year 2014 and \$130 million in fiscal year 2015."

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	659.28	8.00	12.00	679.28	8.00	12.00	679.28
Personal Services	36,246,957	1,257,259	1,083,520	38,587,736	1,355,618	1,082,690	38,685,265
Operating Expenses	15,200,024	780,577	425,168	16,405,769	536,936	343,298	16,080,258
Equipment & Intangible Assets	143,765	(64,119)	0	79,646	(88,161)	0	55,604
Debt Service	0	31,925	0	31,925	31,925	0	31,925
Total Costs	\$51,590,746	\$2,005,642	\$1,508,688	\$55,105,076	\$1,836,318	\$1,425,988	\$54,853,052
General Fund	47,663,801	1,646,731	1,508,218	50,818,750	1,512,613	1,425,518	50,601,932
State/Other Special	1,015,571	145,322	0	1,160,893	145,741	0	1,161,312
Federal Special	256,608	(3,997)	0	252,611	(5,129)	0	251,479
Proprietary	2,654,766	217,586	470	2,872,822	183,093	470	2,838,329
Total Funds	\$51,590,746	\$2,005,642	\$1,508,688	\$55,105,076	\$1,836,318	\$1,425,988	\$54,853,052

**DEPARTMENT OF REVENUE-5801
DIRECTOR'S OFFICE-01**



Program Description - The Director's Office is responsible for overall efficient and effective management of the department to support and ensure success of the revenue collections and property valuation responsibilities of the operating divisions. To achieve this, the Director's Office is composed of four primary sections.

The Executive Office is responsible for the general guidance and management of the agency. This office assists the director with administrative functions and communication to the public, other agencies, and elected officials and includes the Office of Taxpayer Assistance established by law.

The Legal Services Office is responsible for the overall legal efforts of the department including legal representation before various courts, legislation development and review, filing bankruptcy claims, and developing policy and administrative rules. This office oversees the Security and Disclosure Office that is responsible for ensuring that all taxpayer information is secure. The office also oversees the Office of Dispute Resolution, established by law, that reviews, facilitates, and resolves taxpayer disputes internally through a variety of means including hearings and mediation.

Tax Policy and Research provides accurate and timely information for the director to advise the Governor, the legislature, and Montana citizens including the compilation of basic tax data and the publication of the Biennial Report and other documents; conducts tax, economic and compliance studies; prepares legislative fiscal notes that affect revenue; provides analysis of legislative proposals affecting the department; and provides department economic and compliance data analysis.

Human Resources and Organizational Development is responsible for the human resources, payroll and benefits, and education and training functions of the department.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	49.48	1.00	0.00	50.48	1.00	0.00	50.48
Personal Services	3,795,101	195,347	0	3,990,448	269,442	0	4,064,543
Operating Expenses	1,916,159	(12,754)	(5,137)	1,898,268	(197,556)	(5,137)	1,713,466
Total Costs	\$5,711,260	\$182,593	(\$5,137)	\$5,888,716	\$71,886	(\$5,137)	\$5,778,009
General Fund	5,490,203	174,130	(5,137)	5,659,196	63,309	(5,137)	5,548,375
State/Other Special	106,257	7,879	0	114,136	7,714	0	113,971
Federal Special	1,000	0	0	1,000	(1,000)	0	0
Proprietary	113,800	584	0	114,384	1,863	0	115,663
Total Funds	\$5,711,260	\$182,593	(\$5,137)	\$5,888,716	\$71,886	(\$5,137)	\$5,778,009

**DEPARTMENT OF REVENUE-5801
DIRECTOR'S OFFICE-01**

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$83,577	\$83,577
FY 2015	\$80,079	\$80,079

PL - 101 - Taxpayer Appeals Efficiency and Fairness -

The Department of Revenue, Director's Office is requesting 1.00 FTE and \$163,656 general fund for the 2015 biennium to meet the workload needs of the Office of Dispute Resolution.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$0	\$0
FY 2015	\$70,000	\$70,000

PL - 102 - Overtime Pay for Timely Legislative Fiscal Notes -

The budget includes \$70,000 general fund in the 2015 biennium to cover necessary overtime expenditures in the Tax Policy and Research Office created by the staff time for fiscal note preparation in the 2015 legislative session.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$111,000)	(\$111,000)
FY 2015	(\$111,000)	(\$111,000)

PL - 103 - Adjust for Operating Plan Change -

The Department of Revenue, Director's Office reduces its base budget by \$222,000 general fund in the 2015 biennium. In FY 2012, the department moved personal services budget authority into the Director's Office operating expense budget to pay essential department expenditures. To maintain the base budget at the level appropriated by the last legislature, this amount should be removed from the division's base budget.

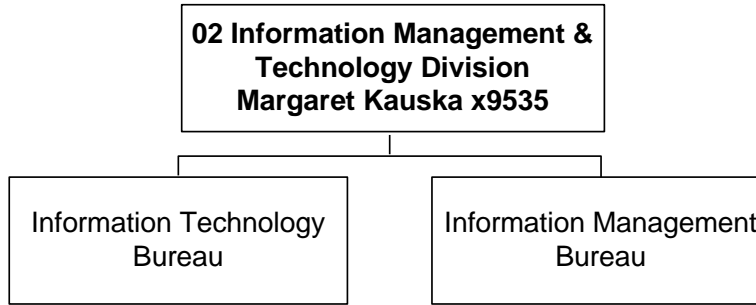
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$5,137)	(\$5,137)
FY 2015	(\$5,137)	(\$5,137)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$5,137 in FY 2014 and \$5,137 in FY 2015 from general fund for the department's allocation of the fixed cost.

**DEPARTMENT OF REVENUE-5801
INFORMATION MANAGEMENT & TECHNOLOGY DIV-02**



Program Description - The Information Management and Technology Division serves as the operational foundation for the department's business units. Timely refunds and other key services for taxpayers, effective tax compliance collections, accurate valuation of property, and the timely certification of property values to local governments all depend on the effective operation of this division. The division's timely, accurate deposits of over \$1.7 billion dollars in annual taxpayer payments enhance the state's investment earnings and ensure the fiscal integrity of the state. These services are provided while ensuring the security and protection of confidential taxpayer information, facilitating the department's mission to serve the citizens of Montana in a fair and equitable manner.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	86.75	0.00	5.00	91.75	0.00	5.00	91.75
Personal Services	4,481,208	191,009	294,266	4,966,483	197,923	293,835	4,972,966
Operating Expenses	6,889,877	462,939	343,821	7,696,637	492,736	35,646	7,418,259
Equipment & Intangible Assets	25,050	0	0	25,050	0	0	25,050
Total Costs	\$11,396,135	\$653,948	\$638,087	\$12,688,170	\$690,659	\$329,481	\$12,416,275
General Fund	11,134,395	537,157	638,087	12,309,639	579,306	329,481	12,043,182
State/Other Special	124,805	(1)	0	124,804	(1)	0	124,804
Proprietary	136,935	116,792	0	253,727	111,354	0	248,289
Total Funds	\$11,396,135	\$653,948	\$638,087	\$12,688,170	\$690,659	\$329,481	\$12,416,275

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$500,000	\$500,000
FY 2015	\$500,000	\$500,000

PL - 201 - Ongoing System Maintenance and Support Increase -

The Department of Revenue, Information Management and Technology Division requests \$1,000,000 in general fund for the 2015 biennium to pay for ongoing system maintenance and support for its' core tax administration system GenTax, which handles 80% of the state general fund revenue; 100% of liquor functions; and portions of the property tax system.

**DEPARTMENT OF REVENUE-5801
INFORMATION MANAGEMENT & TECHNOLOGY DIV-02**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$17,601	\$17,601
FY 2015	\$35,767	\$35,767

PL - 205 - Rent and Parking -

The executive requests \$53,368 in general fund for the 2015 biennium to pay for contractual rent increases for existing lease obligations and increases in rates for downtown parking.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$636,276	\$636,276
FY 2015	\$327,670	\$327,670

NP - 203 - Enhance E-Services for Property and State Taxes -

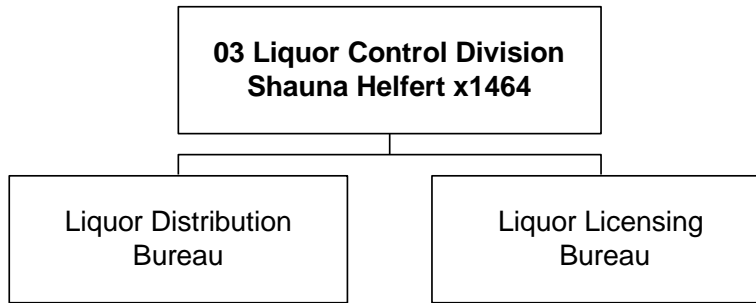
The Department of Revenue, Information Management and Technology Division requests 5.00 FTE and \$963,946 in general fund for the 2015 biennium to improve and enhance electronic services for Montana citizens and businesses while providing better use and management of data within the department to fulfill its public mission. \$308,175 of this request is for one-time-only funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,811	\$1,811
FY 2015	\$1,811	\$1,811

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$1,811 in FY 2014 and \$1,811 in FY 2015 from general fund for the department's allocation of the fixed cost.

**DEPARTMENT OF REVENUE-5801
LIQUOR CONTROL DIVISION-03**



Program Description - The Liquor Control Division provides effective and efficient administration of the Montana alcoholic beverage code with an emphasis on customer service and public safety. This is accomplished by applying uniform and fair regulations while ensuring an orderly system for the convenient distribution and responsible consumption of alcoholic beverages. The division consists of the Liquor Distribution Bureau, which efficiently maintains a regulated channel of distribution to fulfill the public demand for distilled spirits and fortified wine through agency liquor stores; and the Liquor Licensing Bureau, which protects the welfare and safety of the public by regulating liquor licensing laws in a uniform and fair manner.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	29.75	2.00	0.00	31.75	2.00	0.00	31.75
Personal Services	1,667,801	173,929	0	1,841,730	174,936	0	1,842,737
Operating Expenses	593,584	(54,455)	470	539,599	(61,470)	470	532,584
Equipment & Intangible Assets	99,461	(44,865)	0	54,596	(68,907)	0	30,554
Debt Service	0	31,925	0	31,925	31,925	0	31,925
Total Costs	\$2,360,846	\$106,534	\$470	\$2,467,850	\$76,484	\$470	\$2,437,800
Proprietary	2,360,846	106,534	470	2,467,850	76,484	470	2,437,800
Total Funds	\$2,360,846	\$106,534	\$470	\$2,467,850	\$76,484	\$470	\$2,437,800

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$143,080	\$0
FY 2015	\$112,822	\$0

PL - 301 - Production Capacity Increase -

The budget includes funding of \$255,902 in proprietary funds for the 2015 biennium to meet the growing liquor case volume demand with the projected growth rate. The liquor control division has experienced a significant increase in liquor case volume sold over the last ten years. To continue at the same growth rate and at the current production capacity, 2.00 FTE are necessary to meet the case volume demand.

**DEPARTMENT OF REVENUE-5801
LIQUOR CONTROL DIVISION-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$101,765)	\$0
FY 2015	(\$101,765)	\$0

PL - 304 - Adjust for Operating Plan Change -

The Department of Revenue, Liquor Control Division reduces its base budget by \$203,530 in proprietary funds in the 2015 biennium. In FY 2012, the division moved personal services budget authority into operating expense and equipment budget to pay for essential expenditures. To maintain the base budget at the level appropriated by the last legislature, this amount should be removed from the division's base budget.

-----**New Proposals**-----

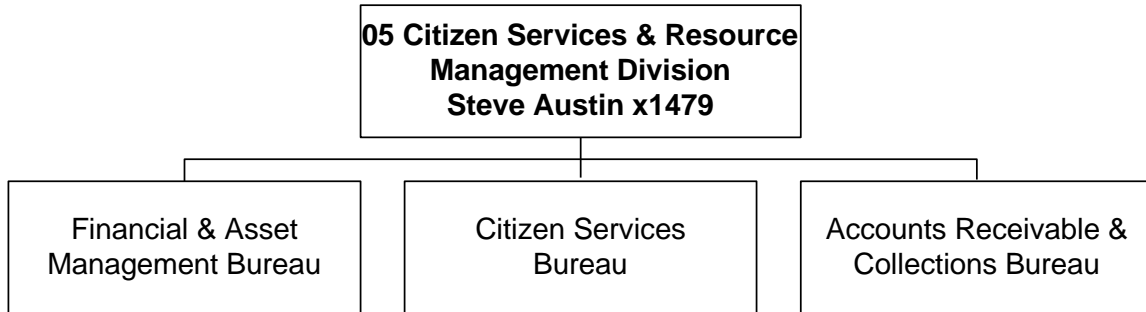
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$470	\$0
FY 2015	\$470	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$470 in FY 2014 and \$470 in FY 2015 from proprietary funds for the department's allocation of the fixed cost.

**DEPARTMENT OF REVENUE-5801
CITIZEN SERVICES & RESOURCE MGMT-05**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Citizen Services and Resource Management Division focuses on providing services to citizens, including the advancement of free electronic filing, and support services to the other divisions of the department. The division integrates the department's accounting, purchasing, safety and security, and statewide facility functions through the Financial and Asset Management Bureau. This bureau ensures state tax collections and department expenses are properly accounted for, supports the efficient and safe operation of department facilities, and conducts disaster and emergency preparedness and continuity of government activities. The division's Citizen Services Bureau assists taxpayers by answering questions through the department's call center, coordinates the one-stop business licensing program to create efficiencies and reduced costs to businesses, returns unclaimed property that has been remitted to the state to the rightful owners, and strives to create tax forms and instructions that are thorough and understandable. The Accounts Receivable and Collection Bureau establishes payment plans or initiates collections using legal actions to resolve delinquent tax liabilities. They provide collection services to other state and local agencies for recovery of bad debts. The bureau includes the Bankruptcy Unit responsible for filing and recoveries of debt through bankruptcy proceedings.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	53.50	0.00	0.00	53.50	0.00	0.00	53.50
Personal Services	2,764,229	107,767	0	2,871,996	107,678	0	2,871,907
Operating Expenses	765,677	48,483	1,056	815,216	20,166	1,056	786,899
Equipment & Intangible Assets	19,254	(19,254)	0	0	(19,254)	0	0
Total Costs	\$3,549,160	\$136,996	\$1,056	\$3,687,212	\$108,590	\$1,056	\$3,658,806
General Fund	3,318,565	118,892	1,056	3,438,513	90,485	1,056	3,410,106
State/Other Special	187,410	24,428	0	211,838	24,713	0	212,123
Proprietary	43,185	(6,324)	0	36,861	(6,608)	0	36,577
Total Funds	\$3,549,160	\$136,996	\$1,056	\$3,687,212	\$108,590	\$1,056	\$3,658,806

**DEPARTMENT OF REVENUE-5801
CITIZEN SERVICES & RESOURCE MGMT-05**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$32,900	\$32,900
FY 2015	\$11,500	\$11,500

PL - 501 - Web-Based Application Portal for 1-Stop Licensing -

The Department of Revenue requests \$44,400 general fund in the 2015 biennium to develop a secure web-based application for businesses to apply for licenses coordinated through the One-Stop Licensing Program via the internet. The estimated one-time cost for the development is \$32,900 and \$11,500 for annual maintenance and system storage costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$19,254)	(\$19,254)
FY 2015	(\$19,254)	(\$19,254)

PL - 502 - Adjust for Operating Plan Change -

The Department of Revenue, Citizen Services and Resource Management Division reduces its base budget by \$38,508 general fund in the 2015 biennium. In FY 2012, the division utilized budget authority to invest in an upgraded telephone system for the Accounts Receivable and Collections Bureau. To maintain the base budget at the level appropriated by the last legislature, this amount should be removed from the division's base budget.

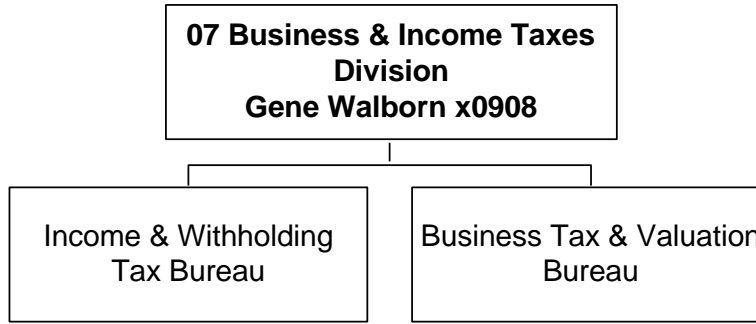
-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,056	\$1,056
FY 2015	\$1,056	\$1,056

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$1,056 in FY 2014 and \$1,056 in FY 2015 from general fund for the department's allocation of the fixed cost.

**DEPARTMENT OF REVENUE-5801
BUSINESS AND INCOME TAXES DIVISION-07**



Program Description - The Business and Income Taxes Division is responsible for ensuring that Montana citizens and businesses pay the appropriate amount of taxes. This is done by providing tax expertise and ensuring tax compliance for 38 of Montana's taxes and fees. The tax types include but are not limited to corporation license, natural resource, withholding, individual income, lodging facilities, cigarette, contractor's gross receipts, and telecommunications taxes. The tax types account for approximately \$1.5 billion of state revenue. The division also values all industrial and centrally assessed property in the state which generates over \$350 million in state and local revenue annually. Some of the duties associated with the division's tax administration responsibilities include: tax expertise, taxpayer education, auditing, identification of non-compliant taxpayers, property appraisals, and overall program management and compliance.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	133.45	5.00	0.00	138.45	5.00	0.00	138.45
Personal Services	8,139,328	139,752	0	8,279,080	144,136	0	8,283,464
Operating Expenses	1,313,986	180,578	6,229	1,500,793	155,220	6,229	1,475,435
Total Costs	\$9,453,314	\$320,330	\$6,229	\$9,779,873	\$299,356	\$6,229	\$9,758,899
General Fund	8,653,778	211,311	6,229	8,871,318	190,170	6,229	8,850,177
State/Other Special	543,928	113,016	0	656,944	113,315	0	657,243
Federal Special	255,608	(3,997)	0	251,611	(4,129)	0	251,479
Total Funds	\$9,453,314	\$320,330	\$6,229	\$9,779,873	\$299,356	\$6,229	\$9,758,899

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$179,876	\$0
FY 2015	\$179,609	\$0

PL - 701 - Tobacco Tax Compliance Program -

The Department of Revenue, Business and Income Taxes Division requests \$359,485 in state special revenue authority and 3.00 FTE in the 2015 biennium to continue the Tobacco Tax Compliance Program. Last biennium, the legislature approved spending authority with no FTE for this program. The department used 3.00 modified FTE to continue the program; however funds spent on modified FTE are removed from a department's base budget and therefore must be requested again.

**DEPARTMENT OF REVENUE-5801
BUSINESS AND INCOME TAXES DIVISION-07**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$108,618	\$0
FY 2015	\$108,468	\$0

PL - 702 - Unclaimed Property Compliance Program -

The budget includes \$217,086 in state special revenue authority and 2.00 FTE in the 2015 biennium to continue funding for the department's Unclaimed Property Program's increased workload (which administers both unclaimed property and un-locatable mineral trust laws). This staffing is needed to protect the state from liability for claims for failing to properly manage unclaimed property and un-locatable mineral trusts. The last two legislatures have approved this request on a temporary basis.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,118	\$3,118
FY 2015	\$3,118	\$3,118

NP - 704 - Funding the Purchase of Cigarette Tax Stamps -

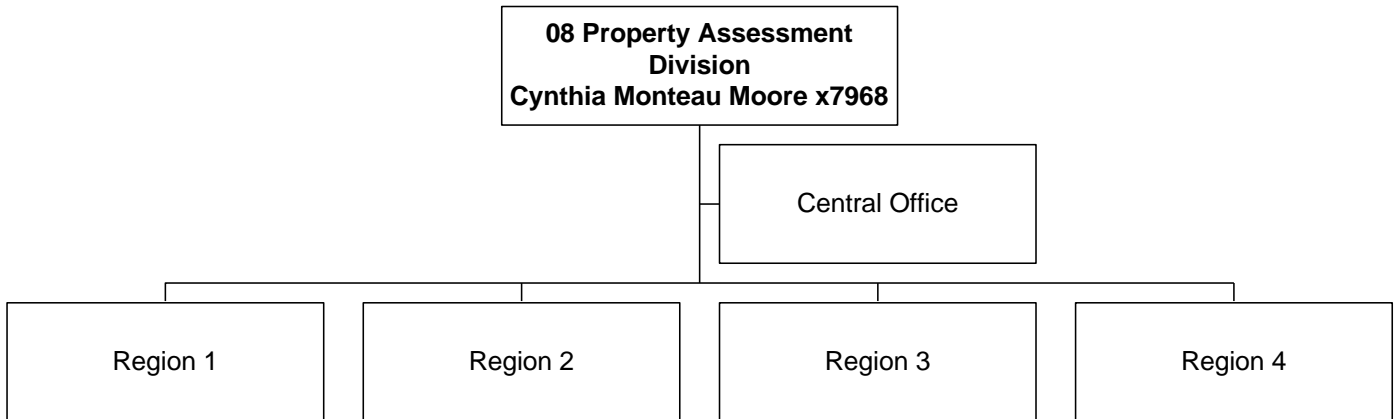
The Department of Revenue, Business and Income Taxes Division, requests \$6,236 general fund for the 2015 biennium to pay for the increased costs of cigarette tax stamps.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,111	\$3,111
FY 2015	\$3,111	\$3,111

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$3,111 in FY 2014 and \$3,111 in FY 2015 from general funds for the department's allocation of the fixed cost.

DEPARTMENT OF REVENUE-5801 PROPERTY ASSESSMENT DIVISION-08



Program Description - The Property Assessment Division effectively and efficiently administers the state's real and personal property tax laws while emphasizing customer service. It accomplishes this through uniform and equitable valuation and assessment regulations for residential, commercial, agricultural, forestland, and business equipment property. The division discovers, appraises, and assesses real and personal property for the local governing bodies that include about 1,200 levy districts and another 1,200 individual taxing jurisdictions. The division provides accurate and proficient tax billing information to the local county treasurers for their generation of more than a half million tax bills and \$1 billion in taxes for all classes of property. The division consists of the Central Office Bureau and four regions. The Central Office Bureau provides technical and administrative support to the department's local office staff in each of the four regions. The department's local office staff provides the property taxpayers with information and assistance.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	306.35	0.00	7.00	313.35	0.00	7.00	313.35
Personal Services	15,399,290	449,455	789,254	16,637,999	461,503	788,855	16,649,648
Operating Expenses	3,720,741	155,786	78,729	3,955,256	127,840	305,034	4,153,615
Total Costs	\$19,120,031	\$605,241	\$867,983	\$20,593,255	\$589,343	\$1,093,889	\$20,803,263
General Fund	19,066,860	605,241	867,983	20,540,084	589,343	1,093,889	20,750,092
State/Other Special	53,171	0	0	53,171	0	0	53,171
Total Funds	\$19,120,031	\$605,241	\$867,983	\$20,593,255	\$589,343	\$1,093,889	\$20,803,263

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$137,349	\$137,349
FY 2015	\$122,338	\$122,338

PL - 801 - Rent -

The Department of Revenue, Property Assessment Division requests \$259,687 in general fund for the 2015 biennium to pay for rent increases and building costs for division office space. State law requires property tax offices in each county. The division employs over 300 employees and maintains offices in all 56 Montana counties and a Helena based central office providing technical and administrative support to every county office. This proposal pays for space that the Property Assessment Division needs to fulfill the statutory obligation for offices in each and every county.

**DEPARTMENT OF REVENUE-5801
PROPERTY ASSESSMENT DIVISION-08**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$860,318	\$860,318
FY 2015	\$1,086,224	\$1,086,224

NP - 802 - 6-Year Reappraisal Cycle Needs (Rst/Bien/OTO) -

The Department of Revenue, Property Assessment Division requests 7.00 FTE and \$1,946,542 general fund for the 2015 biennium in order to ensure that the constitutionally required statewide appraisal cycle is completed on time and is accurate, fair, and uniform. With the next reappraisal cycle occurring in the 2015 biennium, the division needs additional resources to complete the work.

This entire decision package is requested as a restricted, biennial, and one-time-only appropriation in order to have the necessary resources to successfully complete the current six year cycle. This decision package provides funding for additional personal services resources in the next biennium as well as additional printing and postage costs that are incurred at the end of each six-year reappraisal cycle.

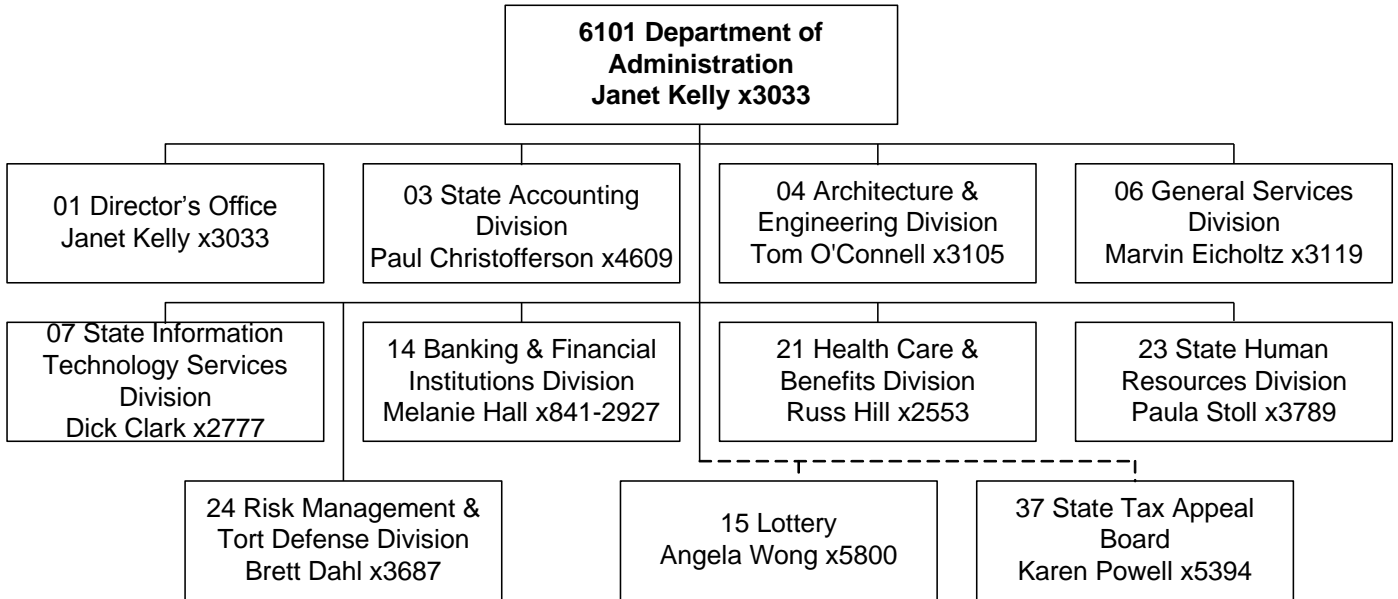
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$7,665	\$7,665
FY 2015	\$7,665	\$7,665

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$7,665 in FY 2014 and \$7,665 in FY 2015 from general fund for the department's allocation of the fixed cost.

DEPARTMENT OF ADMINISTRATION-6101

Please note that this agency also contains proprietary funding (see Section P).



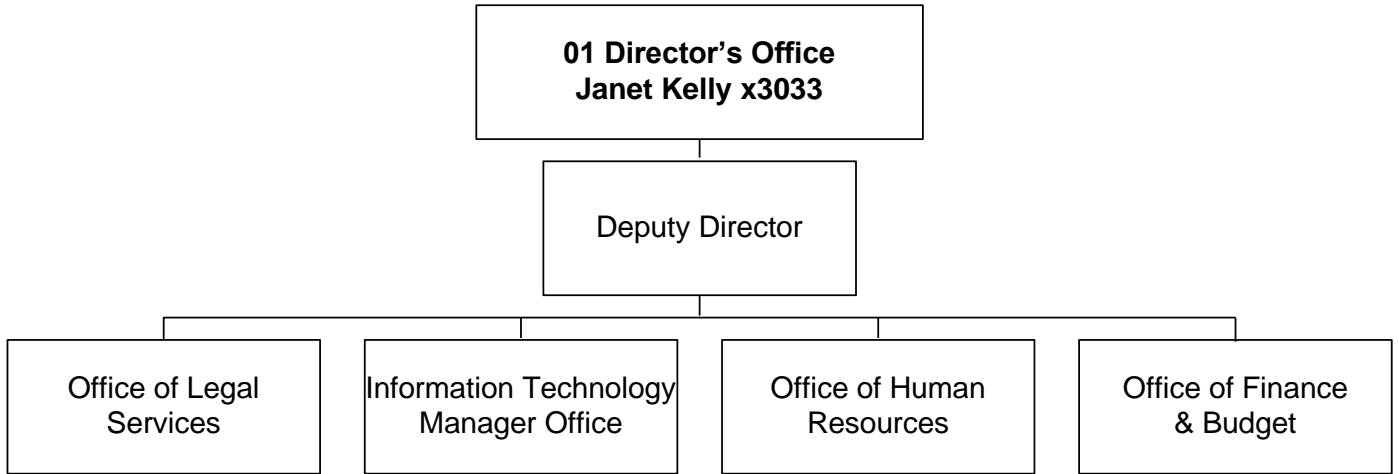
Mission Statement - The Department of Administration's mission is to serve, satisfy, and support our customers.

Statutory Authority - Title 2, Chapters 7, 15, 17 and 18; Title 15, Chapter 2; Title 17; Title 18; Title 23, Chapter 7, Title 47, Chapter 1 MCA.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	151.63	0.00	(2.50)	149.13	0.00	(2.50)	149.13
Personal Services	9,462,117	893,082	(182,502)	10,172,697	898,697	(182,232)	10,178,582
Operating Expenses	9,343,096	720,971	70,570	10,134,637	495,099	70,532	9,908,727
Equipment & Intangible Assets	19,500	0	0	19,500	0	0	19,500
Local Assistance	32,228	0	0	32,228	0	0	32,228
Transfers	761,110	0	(761,110)	0	0	(761,110)	0
Debt Service	122,027	(32,050)	0	89,977	(32,050)	0	89,977
Total Costs	\$19,740,078	\$1,582,003	(\$873,042)	\$20,449,039	\$1,361,746	(\$872,810)	\$20,229,014
General Fund	5,776,947	597,389	(20,685)	6,353,651	490,213	(20,699)	6,246,461
State/Other Special	6,430,943	481,392	(852,069)	6,060,266	478,678	(851,815)	6,057,806
Federal Special	17,530	0	0	17,530	(30)	0	17,500
Proprietary	7,514,658	503,222	(288)	8,017,592	392,885	(296)	7,907,247
Total Funds	\$19,740,078	\$1,582,003	(\$873,042)	\$20,449,039	\$1,361,746	(\$872,810)	\$20,229,014

**DEPARTMENT OF ADMINISTRATION-6101
DIRECTOR'S OFFICE-01**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Director's Office (office) provides overall leadership and management support to the Department of Administration's divisions and offers administrative support to attached boards and commissions. The office acts as a liaison among the agency's divisions, administratively attached boards and commissions, the Cabinet, the legislature, and the Governor's office.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	1.00	0.00	0.00	1.00	0.00	0.00	1.00
Personal Services	60,356	(1,577)	0	58,779	(1,643)	0	58,713
Operating Expenses	53,551	15,931	0	69,482	(41,510)	0	12,041
Local Assistance	16,464	0	0	16,464	0	0	16,464
Total Costs	\$130,371	\$14,354	\$0	\$144,725	(\$43,153)	\$0	\$87,218
General Fund	113,907	14,354	0	128,261	(43,123)	0	70,784
Federal Special	16,464	0	0	16,464	(30)	0	16,434
Total Funds	\$130,371	\$14,354	\$0	\$144,725	(\$43,153)	\$0	\$87,218

-----Present Law Adjustments-----

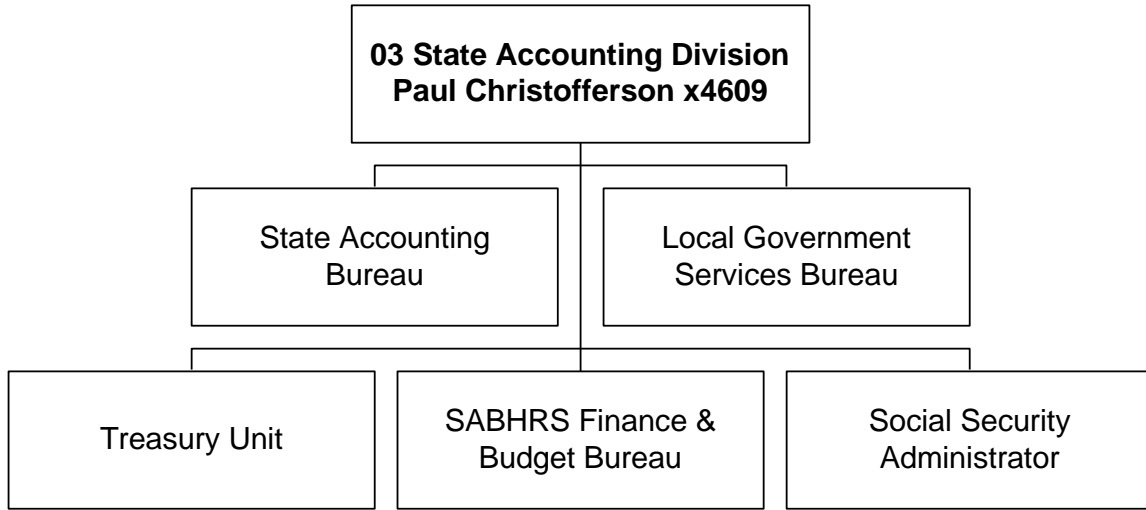
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$7,000	\$7,000
FY 2015	\$7,000	\$7,000

PL - 101 - Burial Board -

The department requests \$7,000 general fund for each year of the 2015 biennium to cover costs associated with repatriation hearings. The board is responsible for these hearings. Because no repatriation hearings were required in FY 2012, the base budget does not include any funding for them.

**DEPARTMENT OF ADMINISTRATION-6101
STATE ACCOUNTING DIVISION-03**

Please note that this program also contains proprietary funding (see Section P).



Program Description – The State Accounting Division consists of several programs/activities funded from the general, federal special and proprietary funds. The general and federal funded programs are described below.

The State Accounting Bureau is the process owner of the financial portion of the Statewide Budgeting, Accounting and Human Resource Systems (SABHRS), establishes state accounting policies and procedures, administers the federal Cash Management Improvement Act, prepares and negotiates the Statewide Cost Allocation Plan (SWCAP), and prepares the state Comprehensive Annual Financial Report (CAFR). Additionally, the bureau provides accounting assistance and training to state agencies. The warrant writer activity (internal service funded) which is part of the Accounting Bureau, is discussed in the proprietary fund section below.

The Local Government Services Bureau provides technical assistance and training to local government accounting and financial personnel. The bureau maintains and publishes the local government Budgetary, Accounting and Reporting System (BARS) chart of accounts and the county collection and accounting manuals. The bureau provides local government financial information to the public, legislature, federal government and other public entities. The audit function (Enterprise funded) is discussed in the proprietary fund section below.

The Treasury Unit provides the central banking function for state agencies, reconciles the state bank accounts (approximately 60 banks), and insures the collateralization of these bank accounts is maintained at the proper level.

The State Social Security Administrator manages the Social Security Act Section 218 program for the State of Montana. The program is responsible for administering all aspects of Section 218 coverage, including interpreting its provisions, and insuring proper application of Social Security coverage to all State and political subdivision employees. The Administrator provides extensive education and outreach to local governments to support them in this function.

**DEPARTMENT OF ADMINISTRATION-6101
STATE ACCOUNTING DIVISION-03**

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	18.67	0.00	0.00	18.67	0.00	0.00	18.67
Personal Services	1,082,891	102,953	0	1,185,844	102,011	0	1,184,902
Operating Expenses	236,172	14,307	(1,769)	248,710	13,341	(1,773)	247,740
Total Costs	\$1,319,063	\$117,260	(\$1,769)	\$1,434,554	\$115,352	(\$1,773)	\$1,432,642
General Fund	1,269,360	110,793	(1,769)	1,378,384	108,965	(1,773)	1,376,552
Federal Special	1,066	0	0	1,066	0	0	1,066
Proprietary	48,637	6,467	0	55,104	6,387	0	55,024
Total Funds	\$1,319,063	\$117,260	(\$1,769)	\$1,434,554	\$115,352	(\$1,773)	\$1,432,642

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,366	\$3,366
FY 2015	\$3,142	\$3,142

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

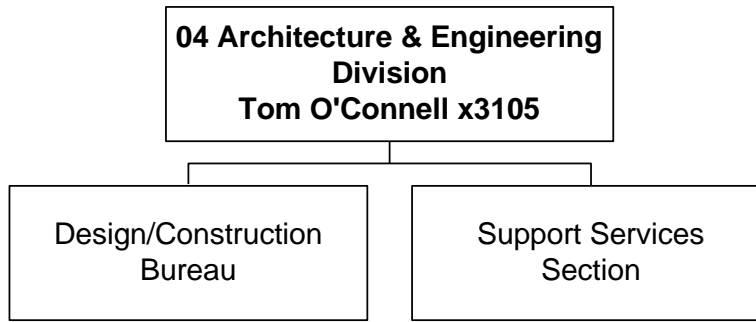
-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,769)	(\$1,769)
FY 2015	(\$1,773)	(\$1,773)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget is reduced by \$1,769 in FY 2014 and by \$1,773 in FY 2015 from the general fund for the department's allocation of the fixed cost.

**DEPARTMENT OF ADMINISTRATION-6101
ARCHITECTURE & ENGINEERING PGM-04**



Program Description - The Architecture and Engineering Division (A&E) manages remodeling and construction of state buildings. Its functions include planning new projects and remodeling projects; advertising, bidding, and awarding construction contracts; administering contracts with architects, engineers, and contractors; disbursing building construction payments; and providing design services for small projects. The division also formulates a long-range building plan for legislative consideration each session. This division operates under the authority found in Titles 17 and 18, MCA, as well as other state mandates.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	17.00	0.00	0.00	17.00	0.00	0.00	17.00
Personal Services	1,295,638	36,807	0	1,332,445	37,192	0	1,332,830
Operating Expenses	580,784	(62,317)	76	518,543	(63,719)	71	517,136
Total Costs	\$1,876,422	(\$25,510)	\$76	\$1,850,988	(\$26,527)	\$71	\$1,849,966
State/Other Special	1,876,422	(25,510)	76	1,850,988	(26,527)	71	1,849,966
Total Funds	\$1,876,422	(\$25,510)	\$76	\$1,850,988	(\$26,527)	\$71	\$1,849,966

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$10,219	\$0
FY 2015	\$9,921	\$0

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

-----New Proposals-----

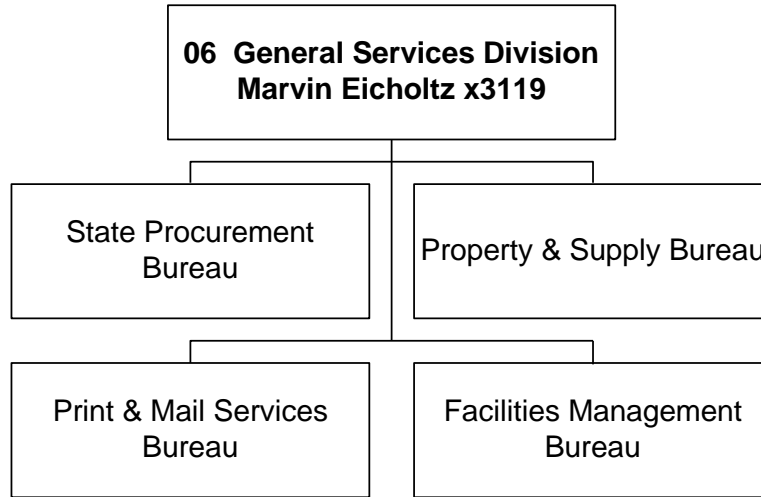
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$76	\$0
FY 2015	\$71	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$76 in FY 2014 and \$71 in FY 2015 from state special revenue funds for the division's allocation of the fixed cost.

DEPARTMENT OF ADMINISTRATION-6101 GENERAL SERVICES PROGRAM-06

Please note that this program also contains proprietary funding (see Section P).



Program Description - The General Services Division is composed of four bureaus responsible for providing certain internal services to government agencies and the public.

The Facilities Management Bureau manages the following services for state agencies in the capitol complex and several state-owned buildings in the Helena area either directly or through the administration of service contracts: repair, maintenance, construction, energy consumption, disaster response and recovery, space allocation, lease negotiation, security, janitorial, recycling, pest control, grounds maintenance, and garbage collection.

The State Procurement Bureau procures or supervises the procurement of all supplies and services, and provides technical assistance to government agencies and the public to ensure compliance with the Montana Procurement Act. The bureau also manages the state's energy procurement, vehicle fueling and procurement card programs.

The Print and Mail Services Bureau provides print and mail services to state agencies. Services include internal and external (contracted) printing, photocopy pool services, mail preparation, central mail operations, and inter-agency (deadhead) mail. The bureau also operates the United States post office in the Capitol and provides two quick copy locations on the Capitol Complex.

The Property and Supply Bureau manages the central stores program and the state and federal surplus property programs.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	11.25	0.00	0.00	11.25	0.00	0.00	11.25
Personal Services	631,242	50,104	0	681,346	49,789	0	681,031
Operating Expenses	1,339,564	45,258	(87)	1,384,735	(2,580)	(91)	1,336,893
Debt Service	32,050	(32,050)	0	0	(32,050)	0	0
Total Costs	\$2,002,856	\$63,312	(\$87)	\$2,066,081	\$15,159	(\$91)	\$2,017,924
General Fund	1,949,942	54,053	84	2,004,079	6,100	81	1,956,123
State/Other Special	52,914	9,259	(171)	62,002	9,059	(172)	61,801
Total Funds	\$2,002,856	\$63,312	(\$87)	\$2,066,081	\$15,159	(\$91)	\$2,017,924

**DEPARTMENT OF ADMINISTRATION-6101
GENERAL SERVICES PROGRAM-06**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,916	\$2,973
FY 2015	\$2,776	\$2,842

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$32,050)	(\$32,050)
FY 2015	(\$32,050)	(\$32,050)

PL - 606 - Eliminate General Fund Installment Purchase Budget -

This request is to reduce the base budget for the installment purchase of the OPI building that was completed June 30, 2012. This general fund reduction is for \$64,100 in the 2015 biennium.

-----New Proposals-----

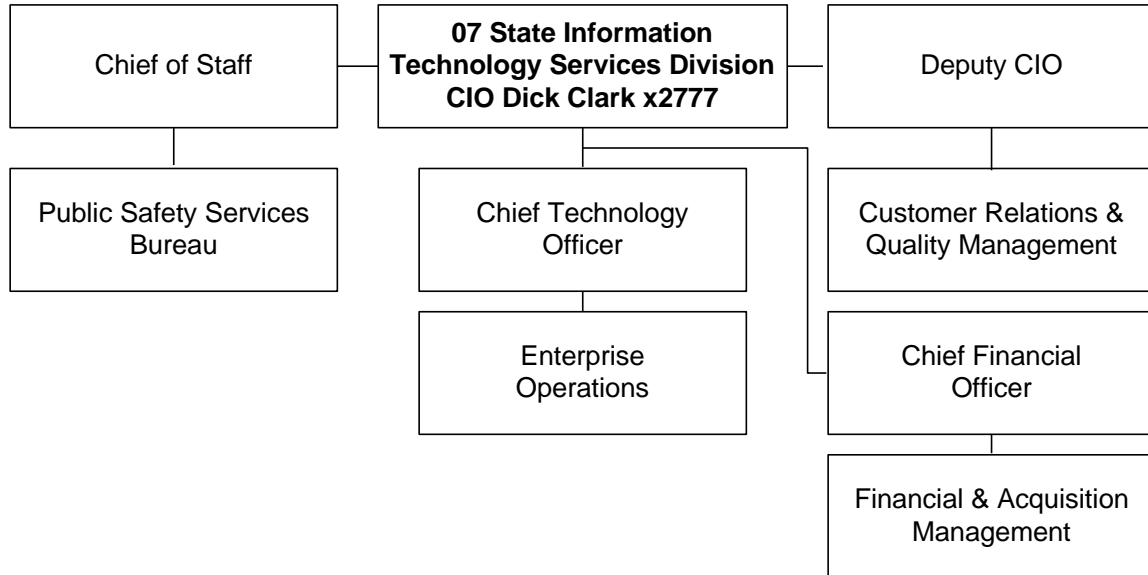
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$87)	\$84
FY 2015	(\$91)	\$81

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction \$87 in FY 2014 and \$91 in FY 2015 from general and state special revenue funds for the department's allocation of the fixed cost.

DEPARTMENT OF ADMINISTRATION-6101 STATE INFORMATION TECHNOLOGY DIVISION-07

Please note that this program also contains proprietary funding (see Section P).



Program Description - The State Information Technology Services Division (SITSD) is a proprietary program that manages central computing, data network and telecommunications services for state government. SITSD provides central mainframe and mid-tier computer services, and manages the statewide data network SummitNet, used by all agencies located throughout the state. SITSD provides local and long distance telephone network services used by all agencies, including the university system, and manages the state's video network. SITSD coordinates electronic government services for the state, and manages the states Internet presence mt.gov. SITSD also manages the Security and Continuity and IT PM Enterprise Offices.

The division manages the Public Safety Services Office that includes the state's 911, public safety radio and Montana broadband programs. These programs are funded by state special, federal special and general funds.

Through the office of the Chief Information Officer, the division develops the Statewide Strategic IT Plan, coordinates information technology (IT) for the state, and reviews and approves IT acquisitions. The division also provides statewide IT training, and establishes hardware, software, and consulting services contracts used by agencies.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	9.50	0.00	(2.50)	7.00	0.00	(2.50)	7.00
Personal Services	585,595	126,918	(182,502)	530,011	129,825	(182,232)	533,188
Operating Expenses	174,109	137,543	0	311,652	136,736	0	310,845
Transfers	761,110	0	(761,110)	0	0	(761,110)	0
Total Costs	\$1,520,814	\$264,461	(\$943,612)	\$841,663	\$266,561	(\$943,342)	\$844,033
General Fund	404,563	53,991	0	458,554	56,260	0	460,823
State/Other Special	1,116,251	210,470	(943,612)	383,109	210,301	(943,342)	383,210
Total Funds	\$1,520,814	\$264,461	(\$943,612)	\$841,663	\$266,561	(\$943,342)	\$844,033

**DEPARTMENT OF ADMINISTRATION-6101
STATE INFORMATION TECHNOLOGY DIVISION-07**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$8,582	\$4,592
FY 2015	\$8,481	\$4,538

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

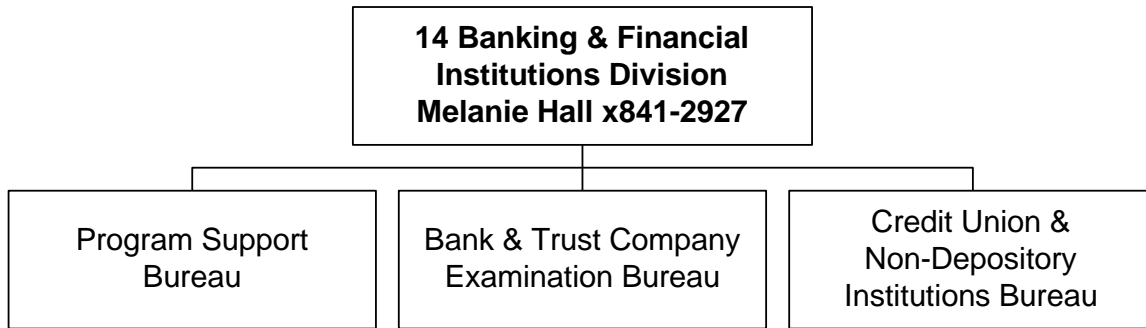
-----Other Legislation Required to Implement HB 2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$943,612)	\$0
FY 2015	(\$943,342)	\$0

NP - 703 - Montana Land Information Act - Housekeeping -

The purpose of the Montana Land Information Act (MLIA) - housekeeping proposal is to finalize the transfer of the Base Map Service Center and administration of the MLIA from the Department of Administration, State Information Technology Services Division (SITSD) to the Montana State Library (MSL). This proposal will reduce 2.5 permanent FTE at SITSD, and eliminate \$943,612 appropriation in SITSD transfers for the 2015 biennium. The proposal is contingent upon passage and approval of LC 212.

**DEPARTMENT OF ADMINISTRATION-6101
BANKING AND FINANCIAL DIVISION-14**



Program Description - The Division of Banking and Financial Institutions licenses, supervises, regulates, and examines financial institutions doing business in Montana. Those institutions include 58 banks and trust companies, with 267 branch banks; 7 credit unions; 43 consumer finance companies; 112 sales finance companies; 1 deferred deposit lender; and 9 escrow companies. The division also licenses and examines 116 mortgage brokers and broker branch offices, 214 mortgage lenders and lender branch offices, 155 mortgage servicers and mortgage servicer branch offices, and 814 mortgage loan originators. All program functions are statutorily mandated in Title 32, Chapters 1-11 and Title 31, Chapter 1, Parts 7 & 8, MCA.

Supervision of regulated financial institutions is accomplished primarily through examinations. The safety and soundness of Montana State chartered banks and credit unions, which hold over \$25 billion in assets as of July, 2012, is supervised by the division. Banks are statutorily required to be examined at least once every 24 months. Credit unions are examined at least once in every 18-month intervals. Consumer loan, mortgage broker, deferred deposit loan and title loan companies may be examined at any time. Escrow companies and sales finance companies may be examined as necessary.

The State Banking Board is administratively attached to the division. The board is responsible for making final determinations of applications for new bank charters and trust companies; hearing appeals of division decisions on branch bank, merger, or relocation applications; and also acts in an advisory capacity with respect to the duties and powers given by statute to the department.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	37.00	0.00	0.00	37.00	0.00	0.00	37.00
Personal Services	2,464,400	281,423	0	2,745,823	282,770	0	2,747,170
Operating Expenses	920,956	5,750	91,638	1,018,344	3,075	91,628	1,015,659
Total Costs	\$3,385,356	\$287,173	\$91,638	\$3,764,167	\$285,845	\$91,628	\$3,762,829
State/Other Special	3,385,356	287,173	91,638	3,764,167	285,845	91,628	3,762,829
Total Funds	\$3,385,356	\$287,173	\$91,638	\$3,764,167	\$285,845	\$91,628	\$3,762,829

**DEPARTMENT OF ADMINISTRATION-6101
BANKING AND FINANCIAL DIVISION-14**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$6,431	\$0
FY 2015	\$5,874	\$0

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$92,000	\$0
FY 2015	\$92,000	\$0

NP - 1401 - Licensing and Enforcement System Maintenance -

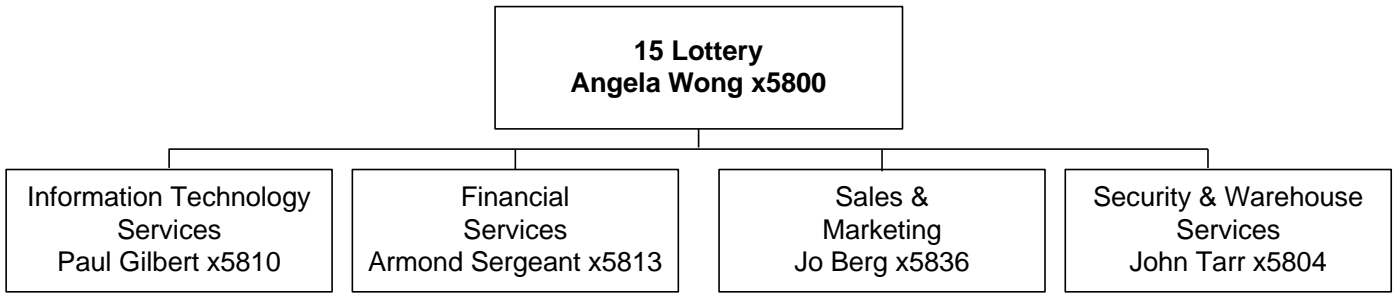
The Division of Banking and Financial Institutions is requesting \$184,000 for the 2015 biennium for ongoing support, maintenance, and hosting of a database.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$362)	\$0
FY 2015	(\$372)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$362 in FY 2014 and a reduction of \$372 in FY 2015 from state special revenue funds for the department's allocation of the fixed cost.

**DEPARTMENT OF ADMINISTRATION-6101
MONTANA STATE LOTTERY-15**



Program Description - The Lottery was created in November 1986 by a referendum vote of the people of Montana. The general purpose is to allow lottery games in which players purchase from the State, through the administration of the Lottery, a chance to win a prize. A five-member Lottery Commission, appointed by the Governor, sets policy and oversees program activities and procedures.

Lottery's operations are accounted for in an enterprise fund type. The Lottery receives no funding from the State of Montana but rather generates money for the state general fund. Lottery is required to transfer its net revenue to the general fund on a quarterly basis.

The Montana Lottery is attached to the Department of Administration for administrative purposes only.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	31.50	0.00	0.00	31.50	0.00	0.00	31.50
Personal Services	1,791,766	2,812	0	1,794,578	4,232	0	1,795,998
Operating Expenses	5,564,778	493,943	(288)	6,058,433	382,266	(296)	5,946,748
Equipment & Intangible Assets	19,500	0	0	19,500	0	0	19,500
Debt Service	89,977	0	0	89,977	0	0	89,977
Total Costs	\$7,466,021	\$496,755	(\$288)	\$7,962,488	\$386,498	(\$296)	\$7,852,223
State/Other Special	0	0	0	0	0	0	0
Proprietary	7,466,021	496,755	(288)	7,962,488	386,498	(296)	7,852,223
Total Funds	\$7,466,021	\$496,755	(\$288)	\$7,962,488	\$386,498	(\$296)	\$7,852,223

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$2,552)	\$0
FY 2015	(\$3,130)	\$0

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

**DEPARTMENT OF ADMINISTRATION-6101
MONTANA STATE LOTTERY-15**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$448,000	\$0
FY 2015	\$448,000	\$0

PL - 1501 - Montana Lottery Coronis MP Terminals - OTO -

The Montana Lottery is requesting a one-time-only authorization of \$896,000 to lease 150 additional Coronis MP Terminals for the 2015 biennium. The Lottery would acquire the terminals from its gaming contractor, Intralot, under an operating lease. Increasing the availability of these terminals will afford a viable and profitable opportunity to increase sales and net proceeds for the State. In addition, these terminals have generated substantial retailer interest with small business owners to the point that demand has out run the current accessibility to equipment.

-----**New Proposals**-----

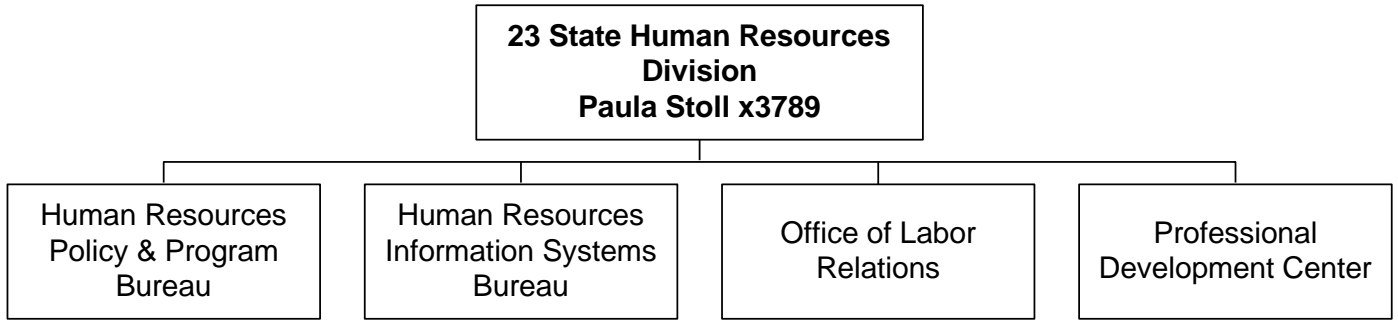
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$288)	\$0
FY 2015	(\$296)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$288 in FY 2014 and a reduction of \$296 in FY 2015 from state enterprise funds for the department's allocation of the fixed cost.

**DEPARTMENT OF ADMINISTRATION-6101
STATE HUMAN RESOURCES DIVISION-23**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The State Human Resources Division provides statewide human resource services and programs under the authority of Title 2, Chapter 18, and 39-31-301, MCA. The division houses:

- The Human Resources Policy and Programs (HRPP) Bureau which establishes the human resource rules, policies and standards for Montana's executive branch.
- The State Office of Labor Relations which represents the governor's office in all matters relating to collective bargaining.
- The Professional Development Center (PDC) offers training and other professional development services to Montana state government and other organizations.
- The Human Resources Information Services Bureau supplies payroll and other HR information systems for all branches of state government.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	18.21	0.00	0.00	18.21	0.00	0.00	18.21
Personal Services	1,165,887	214,940	0	1,380,827	215,110	0	1,380,997
Operating Expenses	396,099	60,252	(19,228)	437,123	57,859	(19,233)	434,725
Total Costs	\$1,561,986	\$275,192	(\$19,228)	\$1,817,950	\$272,969	(\$19,233)	\$1,815,722
General Fund	1,561,986	275,192	(19,228)	1,817,950	272,969	(19,233)	1,815,722
Total Funds	\$1,561,986	\$275,192	(\$19,228)	\$1,817,950	\$272,969	(\$19,233)	\$1,815,722

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$5,993	\$5,993
FY 2015	\$5,703	\$5,703

PL - 102 - Allocate department indirect/admin costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

-----New Proposals-----

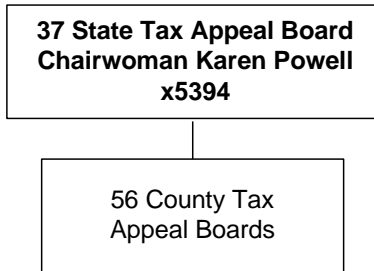
**DEPARTMENT OF ADMINISTRATION-6101
STATE HUMAN RESOURCES DIVISION-23**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$19,228)	(\$19,228)
FY 2015	(\$19,233)	(\$19,233)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$19,228 in FY 2014 and a reduction of \$19,233 in FY 2015 from state general funds for the department's allocation of the fixed cost. The budget includes \$592 in FY 2014 and \$585 in FY 2015 from state internal service funds for the department's allocation of the fixed cost.

**DEPARTMENT OF ADMINISTRATION-6101
STATE TAX APPEAL BOARD-37**



Program Description - The State Tax Appeal Board, established by Article VIII, Section 7, of the Montana Constitution and 15-2-101, MCA, provides a tax appeal system for all actions of the Department of Revenue and other taxing agencies. The Board consists of three members, appointed by the Governor and approved by the Senate, who hear appeals as full time state employees with two support staff. The Board hears appeals from decisions of the 56 county tax appeal boards, primarily involving residential and commercial property valuation, and takes original jurisdiction in matters involving income taxes, corporate taxes, severance taxes, centrally-assessed property and new industry property, motor fuels taxes, vehicle taxes, and cabin site leases. The State Tax Appeal Board directs the county tax appeal board secretaries and pays their salaries and employee benefits from its personal services appropriation. In addition, the board pays the Board member stipends and clerical-related expenses for all 56 county tax appeal boards, including supplies, postage and copies, but excluding office equipment.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	7.50	0.00	0.00	7.50	0.00	0.00	7.50
Personal Services	384,342	78,702	0	463,044	79,411	0	463,753
Operating Expenses	77,083	10,304	228	87,615	9,631	226	86,940
Local Assistance	15,764	0	0	15,764	0	0	15,764
Total Costs	\$477,189	\$89,006	\$228	\$566,423	\$89,042	\$226	\$566,457
General Fund	477,189	89,006	228	566,423	89,042	226	566,457
Total Funds	\$477,189	\$89,006	\$228	\$566,423	\$89,042	\$226	\$566,457

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,299	\$3,299
FY 2015	\$3,205	\$3,205

PL - 102 - Allocate Department Indirect/Admin Costs -

This request funds the division's share of department indirect/administrative costs for services provided by proprietary funded centralized service functions of the agency.

-----New Proposals-----

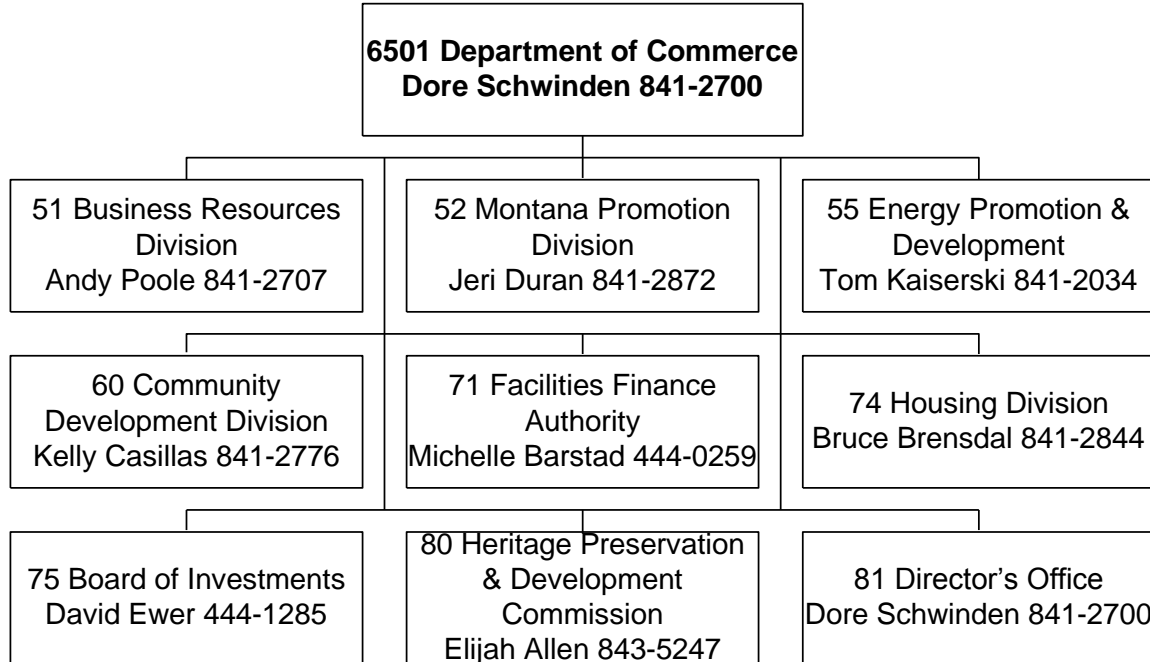
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$228	\$228
FY 2015	\$226	\$226

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$228 in FY 2014 and \$226 in FY 2015 from general fund for the department's allocation of the fixed cost.

DEPARTMENT OF COMMERCE-6501

Please note that this agency also contains proprietary funding (see Section P).



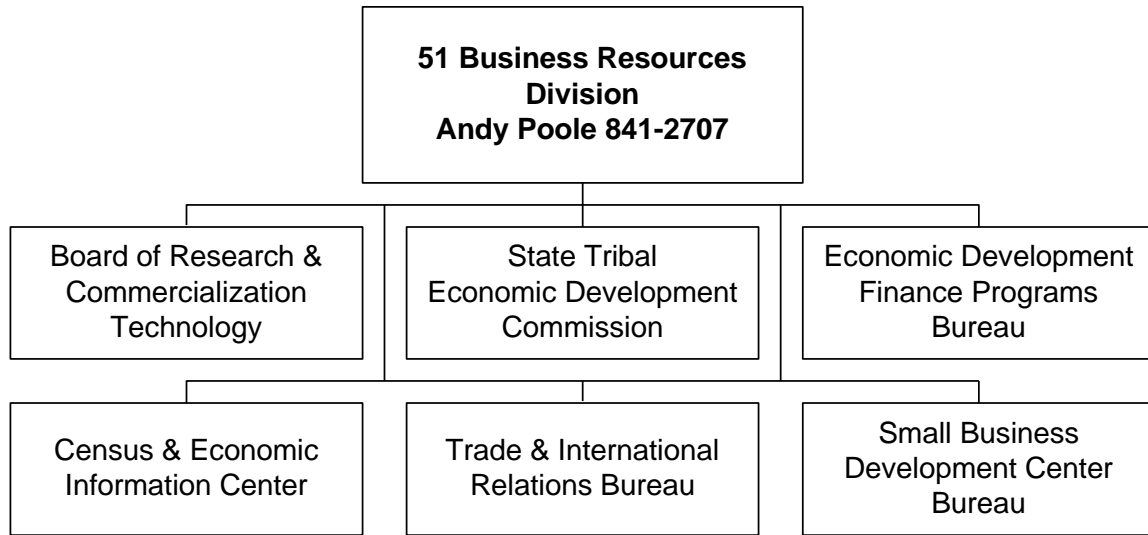
Mission Statement - The Department of Commerce through its employees, community partners, public outreach, and media contacts enhances economic prosperity in Montana; fosters community lead diversification and sustainability of a growing economy; maintains and improves our infrastructure, housing and facilities; and promotes and enhances Montana’s positive national and international image.

“The Department of Commerce will enhance and sustain a healthy economy so Montana businesses, communities, and people can prosper.”

Statutory Authority - The Department is mandated in 2-15-18, MCA.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	52.00	1.00	3.00	56.00	1.00	3.00	56.00
Personal Services	2,934,154	764,081	184,736	3,882,971	764,516	184,462	3,883,132
Operating Expenses	3,753,374	3,178,184	117,766	7,049,324	3,346,764	117,738	7,217,876
Grants	10,039,832	6,426,140	1,496,647	17,962,619	6,048,179	1,496,949	17,584,960
Benefits & Claims	183,921	175,000	0	358,921	175,000	0	358,921
Total Costs	\$16,911,281	\$10,543,405	\$1,799,149	\$29,253,835	\$10,334,459	\$1,799,149	\$29,044,889
General Fund	3,166,889	517,497	1,799,895	5,484,281	517,933	1,799,895	5,484,717
State/Other Special	3,556,214	2,606,665	(104)	6,162,775	2,179,219	(104)	5,735,329
Federal Special	10,188,178	7,419,243	(642)	17,606,779	7,637,307	(642)	17,824,843
Total Funds	\$16,911,281	\$10,543,405	\$1,799,149	\$29,253,835	\$10,334,459	\$1,799,149	\$29,044,889

**DEPARTMENT OF COMMERCE-6501
BUSINESS RESOURCES DIVISION-51**



Program Description - The Business Resources Division is comprised of a variety of programs aimed at improving, enhancing, and diversifying Montana's economic and business climate. Working closely with the private sector, the Governor's Office, the Legislature, economic and community development partners, other department divisions, state agencies, and federal and private programs; the division strives to enhance the economic base of Montana through business creation, expansion, and retention efforts. Business Resources Division responsibilities are mandated primarily in Title 15, Chapter 35, Section 108; Title 30, Chapter 16; Title 17, Chapter 6; and Title 90, Chapters 1 and 3, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	20.84	0.00	3.00	23.84	0.00	3.00	23.84
Personal Services	1,174,751	351,805	184,736	1,711,292	352,541	184,462	1,711,754
Operating Expenses	2,417,014	1,676,589	118,342	4,211,945	1,889,493	118,314	4,424,821
Grants	941,092	1,550,000	1,496,647	3,987,739	1,550,000	1,496,949	3,988,041
Total Costs	\$4,532,857	\$3,578,394	\$1,799,725	\$9,910,976	\$3,792,034	\$1,799,725	\$10,124,616
General Fund	1,844,043	111,796	1,800,027	3,755,866	111,747	1,800,027	3,755,817
State/Other Special	1,064,998	1,132,050	0	2,197,048	1,131,638	0	2,196,636
Federal Special	1,623,816	2,334,548	(302)	3,958,062	2,548,649	(302)	4,172,163
Total Funds	\$4,532,857	\$3,578,394	\$1,799,725	\$9,910,976	\$3,792,034	\$1,799,725	\$10,124,616

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,619,642	(\$38,226)
FY 2015	\$1,839,995	(\$36,713)

PL - 5103 - BRD Administrative Costs Adjustments -

This request adjusts for normal ongoing expenses on grants received by the Business Resources Division. Included in the adjustment are contracts with three eastern Montana Certified Regional Development Corporations (CRDC) to provide a plan for impacts of energy development in eastern Montana, per diem for the Economic Development Advisory Council board members, costs for recording revolving loans, and cost associated with adjusting ongoing federal appropriations for grants received by the Business Resources Division. The adjustments total \$1,619,642 in FY 2014 and \$1,839,995 in FY 2015.

**DEPARTMENT OF COMMERCE-6501
BUSINESS RESOURCES DIVISION-51**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,600,000	\$0
FY 2015	\$1,600,000	\$0

PL - 5104 - BRD Federal Grants Adjustments -

This decision package adjusts ongoing federal appropriations for grants received by the Business Resources Division to match estimated available federal funds for the 2015 biennium for federally funded programs. The request for both fiscal years is \$1,600,000.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$800,000	\$800,000
FY 2015	\$800,000	\$800,000

NP - 5101 - BRD Indian Country Economic Development -

The Tribal Economic Development Program provides resources to existing and new tribal businesses to expand operations and facilities, train and employ new workers. The Tribal Economic Development Program assists by helping tribal members in Montana get hired into permanent full-time jobs, start their own businesses, and improve their economic circumstance. Projects funded will allow the tribal governments over the long term to provide more employment opportunities and greater wages to their citizens. The request remains at the same funding level of \$800,000 per fiscal year as was approved for the 2013 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,000,000	\$1,000,000
FY 2015	\$1,000,000	\$1,000,000

NP - 5102 - BRD Primary Business Sector Training – OTO/BIEN

The Primary Sector Business Training Program provides grant funds to new and existing Montana businesses to train new employees. This economic development tool is a catalyst for creating new, good jobs in Montana that pay benefits. A seven member Grant Review Committee consisting of both public and private members, reviews application and allocates funding through the Department of Commerce. The funding request for \$1,000,000 per year of the 2015 biennium one-time-only is the same level as the 2013 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$275)	\$27
FY 2015	(\$275)	\$27

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, the funding balance reflects a reduction of \$275 in FY 2014 and \$275 in FY 2015.

**DEPARTMENT OF COMMERCE-6501
MONTANA PROMOTION DIVISION-52**



Program Description - The Montana Promotion Division strives to strengthen Montana’s economy through increased visitor travel, visitor expenditures, and film production in the state. The Division is responsible for implementing and promoting a positive brand image for Montana as a vacation destination and works to ensure brand consistency among its marketing and promotional efforts. The Division focuses on attracting high value, low impact geo-traveler visitors, who contribute to Montana’s economic and social prosperity while respecting and appreciating Montana’s authentic natural and cultural assets. This program goal is accomplished through various marketing efforts, networking with the state’s public and private sector tourism and recreation industry and agencies, along with education and development assistance. The division works to project a positive image of the state through consumer advertising, electronic marketing, public relations efforts, international and domestic group travel marketing, printing and distribution of literature, staffing support and training of professional travel counselors, assisting in the development of tourism infrastructure and marketing to motion picture and television production companies. The division provides training and assistance to the Montana tourism industry, administers, and distributes event marketing and infrastructure grants and oversees expenditures of six regional non-profit corporations and the twelve qualified convention and visitors bureaus.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses	173,344	612,885	0	786,229	576,656	0	750,000
Total Costs	\$173,344	\$612,885	\$0	\$786,229	\$576,656	\$0	\$750,000
State/Other Special	173,344	612,885	0	786,229	576,656	0	750,000
Total Funds	\$173,344	\$612,885	\$0	\$786,229	\$576,656	\$0	\$750,000

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$585,742	\$0
FY 2015	\$585,718	\$0

PL - 5201 - MPD Private Funds & Audit Adjustments - -

The Montana Promotion Division has historically adjusted its HB 2 private funds appropriations each year of the biennium. This request is for \$585,742 in FY 2014 and \$585,718 in FY 2015.

DEPARTMENT OF COMMERCE-6501 ENERGY PROMOTION & DEV DIVISION-55

55 Energy Promotion & Development
Tom Kaiserski 841-2034

Program Description - The Energy Promotion and Development Division (EPDD) was created in 2007 as a result of the state's commitment to 'clean and green' energy development in Montana. EPDD staff conducts the analysis of complex energy issues, balancing the interests of both private developers with those of the public sector, and prepares and delivers written and oral communications that seek to resolve conflicts and achieve resolutions to problems that can delay or prevent energy development projects. The goal of this work is to create jobs and increase tax base, statewide by facilitating the development of clean and responsible energy projects in Montana.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	5.00	0.00	0.00	5.00	0.00	0.00	5.00
Personal Services	264,501	67,373	0	331,874	68,102	0	332,603
Operating Expenses	184,859	(23,239)	(112)	161,508	(22,567)	(112)	162,180
Total Costs	\$449,360	\$44,134	(\$112)	\$493,382	\$45,535	(\$112)	\$494,783
General Fund	449,360	44,134	(112)	493,382	45,535	(112)	494,783
Total Funds	\$449,360	\$44,134	(\$112)	\$493,382	\$45,535	(\$112)	\$494,783

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$22,718)	(\$22,718)
FY 2015	(\$22,088)	(\$22,088)

PL - 5501 - EPDD Administrative Cost Adjustments -

The request includes adjustments for rent, agency indirect costs, and contracted services based upon anticipated costs in the next biennium. Overall, the decision package reflects a reduction of \$44,806 for the biennium.

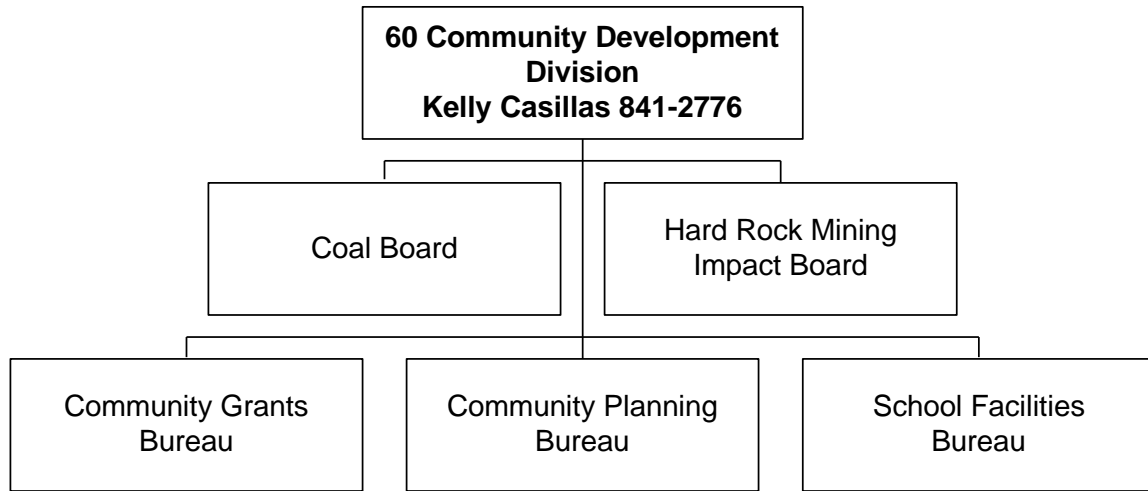
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$112)	(\$112)
FY 2015	(\$112)	(\$112)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, the funding balance reflects a reduction of \$112 in FY 2014 and \$112 in FY 2015.

**DEPARTMENT OF COMMERCE-6501
COMMUNITY DEVELOPMENT DIVISION-60**



Program Description - The missions of the Community Development Division (CDD) are set forth in Title 90, Chapters 1 and 6, MCA. CDD is funded primarily through federal funds and state-special revenue account grant programs with additional direct appropriations provided in HB 2.

The CDD administers four programs directly: Community Development Block Grant Program (CDBG); Community Technical Assistance Program (CTAP); Neighborhood Stabilization Program (NSP - Budget Amendment); and Treasure State Endowment Program (TSEP).

Two citizen boards, appointed by the Governor, are attached to CDD for administrative purposes. The division provides office facilities, staff, and administrative support for the two boards Montana Coal Board, and Montana Hard Rock Mining Impact Board.

Overall, the six programs of the CDD seek to assure viable, sustainable communities and the provision of cost-effective and efficient community services and facilities by encouraging well-planned community growth and development.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	20.33	1.00	0.00	21.33	1.00	0.00	21.33
Personal Services	1,163,894	320,395	0	1,484,289	319,135	0	1,483,029
Operating Expenses	582,250	253,882	(384)	835,748	240,836	(384)	822,702
Grants	4,661,752	2,587,202	0	7,248,954	2,209,241	0	6,870,993
Total Costs	\$6,407,896	\$3,161,479	(\$384)	\$9,568,991	\$2,769,212	(\$384)	\$9,176,724
General Fund	873,486	361,567	(20)	1,235,033	360,651	(20)	1,234,117
State/Other Special	2,317,872	711,730	(104)	3,029,498	320,925	(104)	2,638,693
Federal Special	3,216,538	2,088,182	(260)	5,304,460	2,087,636	(260)	5,303,914
Total Funds	\$6,407,896	\$3,161,479	(\$384)	\$9,568,991	\$2,769,212	(\$384)	\$9,176,724

**DEPARTMENT OF COMMERCE-6501
COMMUNITY DEVELOPMENT DIVISION-60**

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$150,000	\$150,000
FY 2015	\$150,000	\$150,000

PL - 6001 - CDD Main Street - OTO -

The purpose of this proposal is to provide for the renewal of the one-time-only Montana Main Street Program within the Montana Department of Commerce with minimal additional funding to continue current program operations and increase technical assistance to local governments impacted by oil and gas development. Main Street Program helps communities strengthen and preserve their historic downtowns by focusing on economic development through organization, design, and promotion. The request is for \$150,000 per fiscal year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$754,364	\$65,639
FY 2015	\$369,100	\$67,741

PL - 6002 - CDD Administrative Costs Adjustments -

This adjustment includes per diem for the Hard Rock Mining Impact Board and Coal Board and the maintenance of a reserve account that is set forth in statute for the Hard Rock Mining Impact Board. Additional costs of the decision package includes the hire of a consulting service to perform the designation study for allocation of Coal Board grants, publication costs, computer equipment, public notice, and printing costs. The adjustment is for \$754,364 in FY 2014 and \$369,100 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,000,000	\$0
FY 2015	\$2,000,000	\$0

PL - 6003 - CDD Federal Grants Adjustments -

This decision package adjusts ongoing federal appropriations for grants received by the Community Development Division to match available federal funds for the 2015 Biennium.

-----**New Proposals**-----

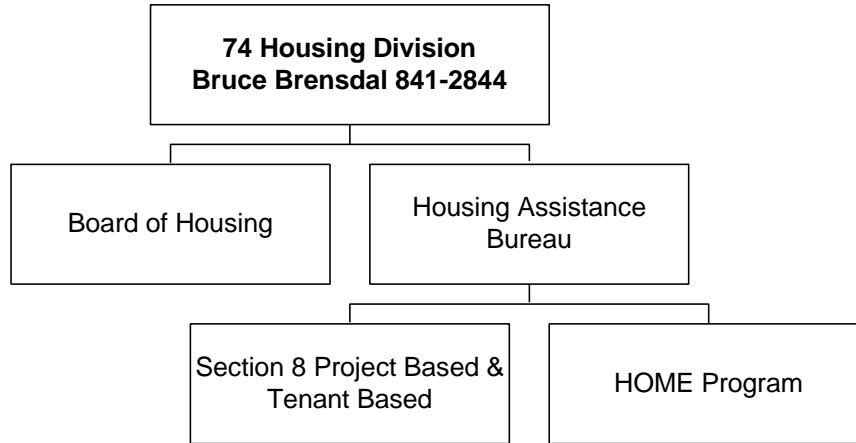
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$384)	(\$20)
FY 2015	(\$384)	(\$20)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, the funding balance reflects a reduction of \$384 in FY 2014 and \$384 in FY 2015.

**DEPARTMENT OF COMMERCE-6501
HOUSING DIVISION-74**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Housing Division established on July 1, 1995, consolidated housing programs within the Department of Commerce into one division. The division includes the Housing and Urban Development (HUD) HOME Investment Partnerships program, the HUD Tenant Based and Project Based Section 8 Housing programs, and the Board of Housing and its programs.

Housing Division responsibilities are mandated primarily in Title 2, Chapter 15; Title 90, Chapter 1, and Chapter 6, MCA; 24 CFR 91, and 92; 24 CFR 5, 792, 813, 887, 982, and 984; and the Governor's Executive Order 27-81.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	5.83	0.00	0.00	5.83	0.00	0.00	5.83
Personal Services	331,008	24,508	0	355,516	24,738	0	355,746
Operating Expenses	395,907	658,067	(80)	1,053,894	662,346	(80)	1,058,173
Grants	4,175,926	2,000,000	0	6,175,926	2,000,000	0	6,175,926
Benefits & Claims	183,921	175,000	0	358,921	175,000	0	358,921
Total Costs	\$5,086,762	\$2,857,575	(\$80)	\$7,944,257	\$2,862,084	(\$80)	\$7,948,766
State/Other Special	0	150,000	0	150,000	150,000	0	150,000
Federal Special	5,086,762	2,707,575	(80)	7,794,257	2,712,084	(80)	7,798,766
Total Funds	\$5,086,762	\$2,857,575	(\$80)	\$7,944,257	\$2,862,084	(\$80)	\$7,948,766

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$203,965	\$0
FY 2015	\$211,859	\$0

PL - 7401 - HD Administrative Costs Adjustments -

This decision package annualized the cost annual maintenance fees for HOME programs, lease agreements, and indirect cost to the Director's Office.

**DEPARTMENT OF COMMERCE-6501
HOUSING DIVISION-74**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,625,000	\$0
FY 2015	\$2,625,000	\$0

PL - 7402 - HD Federal Grants Adjustments -

In order to adjust for normal ongoing federal appropriations, the Housing Division requests adjustments for grants received by the Housing Assistance Bureau's HOME Program to match available federal funds for the 2015 biennium.

-----**New Proposals**-----

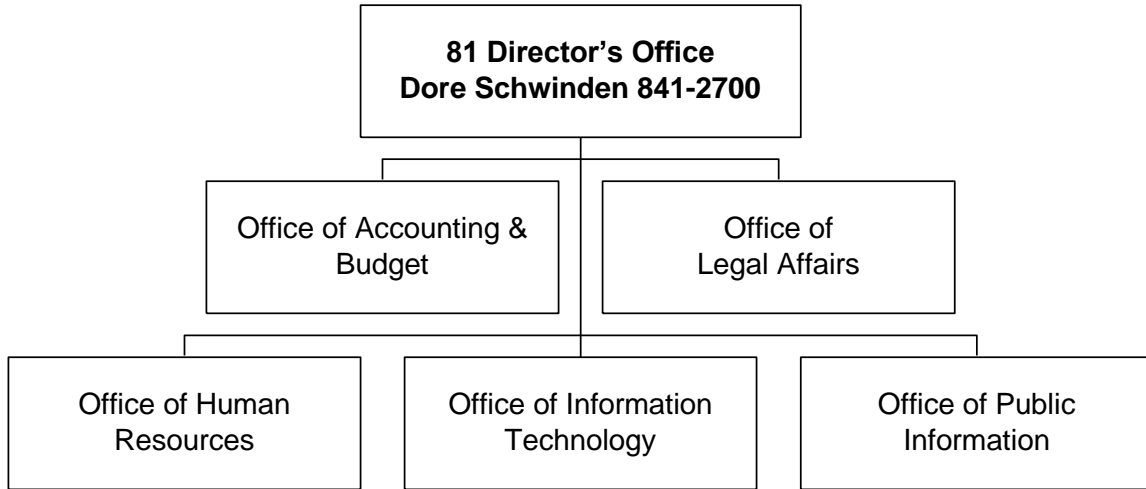
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$80)	\$0
FY 2015	(\$80)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$80 each year funds for the department's allocation of the fixed cost.

**DEPARTMENT OF COMMERCE-6501
DIRECTOR'S OFFICE-81**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Director's Office consists of three programs:

The Director's Office provides overall leadership, communication, and management support to the Department of Commerce staff, programs, bureaus, divisions and administratively attached boards. The office provides executive, administrative, legal, and policy direction along with offering problem-solving guidance. The office keeps abreast of department related issues and acts in a public relations and informational capacity to ensure a positive image of the Department. The office works closely with economic and community development organizations, businesses, communities, governmental entities, elected official and the public to diversify and expand the state's economic base. The office acts as the liaison with private business, local governments, administratively attached boards, public and private interest groups, the legislature, Indian tribes, individuals, other governmental agencies, and the Governor's Office.

The Director's Office also provides effective and efficient internal support to Department of Commerce staff, programs, bureaus, divisions and administratively attached boards in a positive customer service oriented manner. Services are provided by the Offices of Accounting and Budget, Legal Affairs, Human Resources, Information Technology, and Public Information. The Director's Office responsibilities are mandated primarily in Title 2, Chapter 15 and Title 90, Chapter 1, MCA.

The Quality Schools Grant Program (Quality Schools) is a competitive grant program created to provide infrastructure grants, matching planning grants, and emergency grants to public school districts in Montana. The statute creating the Program was passed by the 61st Legislature and signed into law by Governor Schweitzer on April 28, 2009 (Sections 90-6-801, *et seq.*, MCA).

The Montana Council on Developmental Disabilities is a citizen based advocacy group. It's members, appointed by the Governor work to provide increased independence, integration and productivity for persons with developmental disabilities. MCDD responsibilities are mandated primarily in Title 53, Chapter 20, MCA.

**DEPARTMENT OF COMMERCE-6501
DIRECTOR'S OFFICE-81**

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants	261,062	288,938	0	550,000	288,938	0	550,000
Total Costs	\$261,062	\$288,938	\$0	\$550,000	\$288,938	\$0	\$550,000
Federal Special	261,062	288,938	0	550,000	288,938	0	550,000
Total Funds	\$261,062	\$288,938	\$0	\$550,000	\$288,938	\$0	\$550,000

-----Present Law Adjustments-----

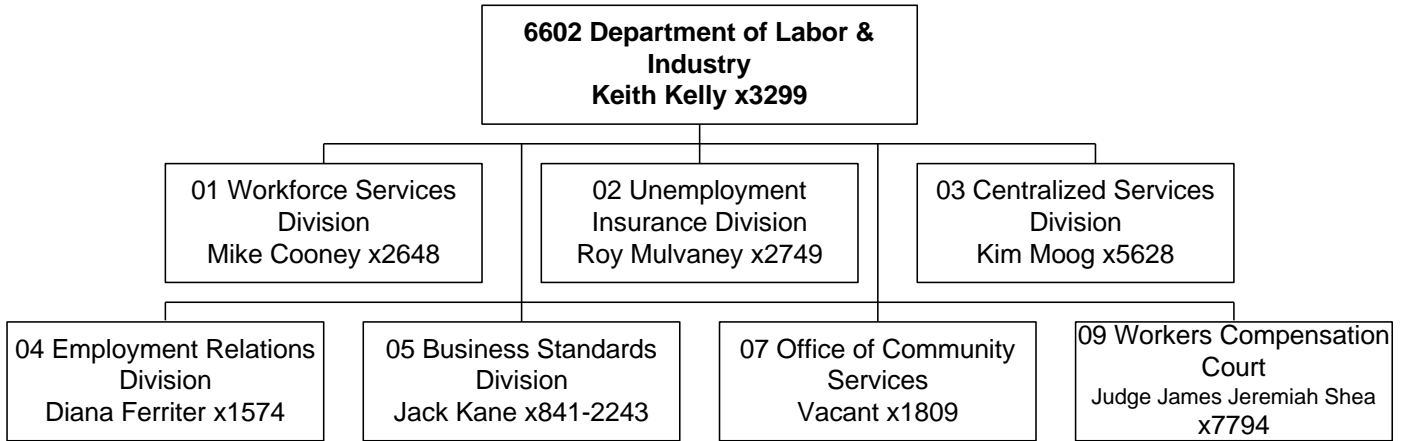
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$288,938	\$0
FY 2015	\$288,938	\$0

PL - 8101 - DO Federal Grants Adjustments -

This decision package adjusts federal appropriations for grants received by the Director's Office to match estimated available federal funds for the 2015 biennium for the Montana Council on Developmental Disabilities.

DEPARTMENT OF LABOR & INDUSTRY-6602

Please note that this agency also contains proprietary funding (see Section P).



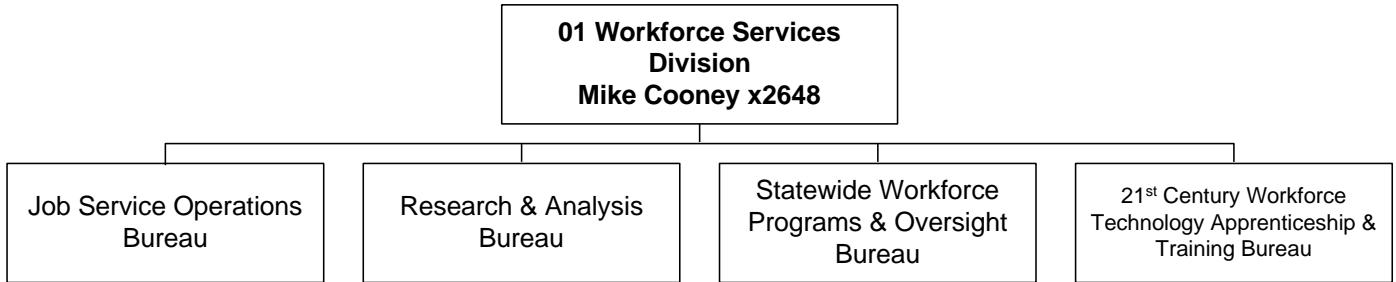
Mission Statement - The purpose of the Department of Labor and Industry is to promote and protect the well-being of Montana's workers, employers, and citizens, and to uphold their rights and responsibilities.

Statutory Authority - Primarily Titles 18, 30, 37, 39, 49, 50, and 90, MCA, and the federal Corporation for National Service.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	756.58	0.00	(5.00)	751.58	0.00	(5.00)	751.58
Personal Services	40,122,529	3,611,611	(519,134)	43,215,006	3,658,471	(521,859)	43,259,141
Operating Expenses	21,438,114	1,001,345	477,192	22,916,651	1,235,605	361,588	23,035,307
Equipment & Intangible Assets	122,027	224,400	90,175	436,602	186,800	90,159	398,986
Grants	11,535,458	578,472	0	12,113,930	578,544	0	12,114,002
Benefits & Claims	91,464	0	0	91,464	0	0	91,464
Transfers	484,630	(30,431)	0	454,199	(30,431)	0	454,199
Debt Service	3,889	9,214	0	13,103	9,214	0	13,103
Total Costs	\$73,798,111	\$5,394,611	\$48,233	\$79,240,955	\$5,638,203	(\$70,112)	\$79,366,202
General Fund	1,474,826	59,054	979,242	2,513,122	59,959	979,260	2,514,045
State/Other Special	38,439,794	2,492,799	(835,549)	40,097,044	2,570,015	(953,004)	40,056,805
Federal Special	33,823,455	2,833,751	(26,417)	36,630,789	2,998,645	(26,748)	36,795,352
Proprietary	60,036	9,007	(69,043)	0	9,584	(69,620)	0
Total Funds	\$73,798,111	\$5,394,611	\$48,233	\$79,240,955	\$5,638,203	(\$70,112)	\$79,366,202

**DEPARTMENT OF LABOR & INDUSTRY-6602
WORKFORCE SERVICES DIVISION-01**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Workforce Services Division (WSD) is a gateway to government services that include retraining and reemployment services for laid-off workers and employment and training services for people transitioning from welfare to work, as well as for youth, veterans, seasonal/migrant farm workers, and general job seekers. WSD operates through four bureaus. The Job Service Operations Bureau coordinates and guides the delivery of workforce development services to communities through a network of 25 Job Service Centers across the state. The 21st Century Workforce Technology, Apprenticeship & Training Bureau administers the Apprenticeship and Training Program, Jobs for Montana Graduates, Incumbent Worker Training Program, and the State Workforce Investment Board (SWIB). The Statewide Workforce Programs and Oversight Bureau performs oversight, regulatory, fiscal, tracking, registration, and support functions statewide for both State and Federal programs such as the State Displaced Homemaker Program, Employee Protection Act, Workforce Investment Act (WIA), Trade Adjustment Assistance (TAA) and MontanaWorks which is the automated system for Labor Exchange and Program Management. Finally, the Research and Analysis Bureau works in partnership with the US Department of Labor to provide labor market information that is used at the national and state level by businesses, policy makers, and educators. The bureau also provides k-adult career resources for use by educators, students, workforce development agencies, and job seekers.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	293.95	0.00	0.00	293.95	0.00	0.00	293.95
Personal Services	14,375,781	1,514,907	0	15,890,688	1,535,330	0	15,911,111
Operating Expenses	6,255,553	640,649	11,685	6,907,887	636,990	11,685	6,904,228
Equipment & Intangible Assets	9,209	0	0	9,209	0	0	9,209
Grants	9,031,994	0	0	9,031,994	0	0	9,031,994
Transfers	333,399	0	0	333,399	0	0	333,399
Debt Service	3,889	9,214	0	13,103	9,214	0	13,103
Total Costs	\$30,009,825	\$2,164,770	\$11,685	\$32,186,280	\$2,181,534	\$11,685	\$32,203,044
General Fund	0	3,246	841,577	844,823	3,246	841,748	844,994
State/Other Special	9,558,551	204,965	(829,126)	8,934,390	205,635	(829,297)	8,934,889
Federal Special	20,451,274	1,956,559	(766)	22,407,067	1,972,653	(766)	22,423,161
Total Funds	\$30,009,825	\$2,164,770	\$11,685	\$32,186,280	\$2,181,534	\$11,685	\$32,203,044

**DEPARTMENT OF LABOR & INDUSTRY-6602
WORKFORCE SERVICES DIVISION-01**

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$28,742	\$3,246
FY 2015	\$28,742	\$3,246

PL - 104 - WSD Rent Adjustment -

The Workforce Services Division is requesting \$28,742 in each year of the biennium for an increase in off campus rent. The operating request is \$3,246 general fund, \$11,633 state special and \$13,863 federal funds in each year of the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$244,614	\$0
FY 2015	\$244,614	\$0

PL - 105 - Reinstate for Appropriation Transfer -

This request is to restore the appropriation transferred to the Architecture & Engineering Division in the Department of Administration for building maintenance. The Workforce Services Division owns a number of office buildings which require ongoing maintenance. The amount requested is \$244,614 state special revenue in each year of the biennium.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$16,443	\$0
FY 2015	\$16,443	\$0

NP - 101 - Legal Funding Switch -

The Department of Labor and Industry requests a funding switch to formalize a reorganization of the department's legal structure. The legal fund switch includes an increase of \$16,443 state special revenue in both years of the biennium of state special revenue. The Legal Unit was operating under two different methodologies and now operates under one, sharing resources and expertise to provide the most efficient and knowledgeable service to the department. This request affects five programs within the department, reducing HB 2 authority in the Centralized Services Division and increasing HB 2 authority in the other divisions in order to pay for legal services provided.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$0	\$841,577
FY 2015	\$0	\$841,748

NP - 103 - WSD Funding Correction -

The Workforce Services Division is requesting \$841,577 in FY 2014 and \$841,748 in FY 2015 to reinstate general fund in place of state special revenue for the 21st Century Workforce Bureau Jobs for Montana Graduates program and the Research and Analysis Bureau. A fund switch occurred in the 2011 Legislative Session, and the use of the Employment Security Account funds authorized by 39-581-409, MCA, for these programs is not appropriate or sustainable. This decision package seeks to restore these programs to their original general fund source to ensure the long term sustainability of these programs.

**DEPARTMENT OF LABOR & INDUSTRY-6602
WORKFORCE SERVICES DIVISION-01**

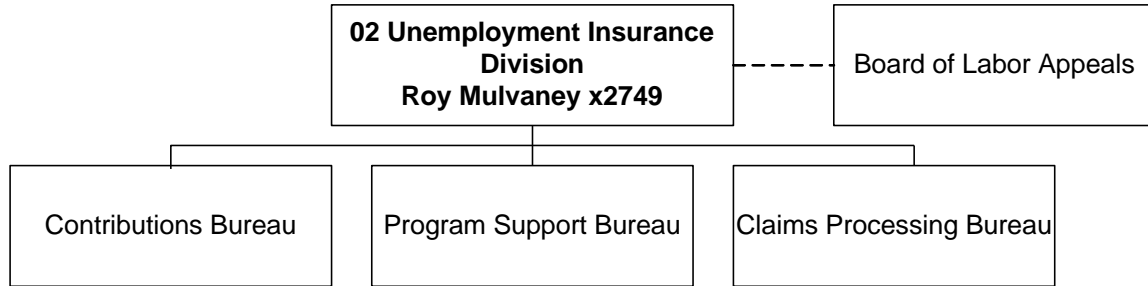
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$4,758)	\$0
FY 2015	(\$4,758)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$4,758 in FY 2014 and \$4,758 in FY 2015 from state and federal special revenue funds for the department's allocation of the fixed cost.

DEPARTMENT OF LABOR & INDUSTRY-6602 UNEMPLOYMENT INSURANCE DIVISION-02

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Unemployment Insurance (UI) Division administers the state unemployment insurance law and related federal programs, which provide temporary, partial wage replacement to unemployed workers. The bureaus are: Contributions, Claims Processing, and Program Support. The Contributions Bureau is responsible for UI employer registration, contribution rate assignments, tax and wage report collection, wage revisions, and employer audits. The Claims Processing Bureau has two claims processing centers (Billings and Helena) that file and process claims (monetary eligibility, issue investigation, adjudication, and employer charging), and respond to all UI claim related inquires. The Claims Processing Bureau is also responsible for Trade Readjustment Assistance, military, federal, and multi-state claims. The Program Support Bureau manages the information technology systems and infrastructure, the division budget and accounting, and the UI trust fund. They also provide management analysis and research for economic, program management, reporting, and legislative purposes in addition to operating tax and benefit quality control, benefit payment control, and integrity programs.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	153.00	0.00	0.00	153.00	0.00	0.00	153.00
Personal Services	7,971,387	314,829	0	8,286,216	316,405	0	8,287,792
Operating Expenses	4,790,355	184,976	185,132	5,160,463	331,658	185,132	5,307,253
Transfers	87,345	0	0	87,345	0	0	87,345
Total Costs	\$12,849,087	\$499,805	\$185,132	\$13,534,024	\$648,063	\$185,132	\$13,682,282
State/Other Special	3,502,688	344,968	0	3,847,656	344,968	0	3,847,656
Federal Special	9,346,399	154,837	185,132	9,686,368	303,095	185,132	9,834,626
Total Funds	\$12,849,087	\$499,805	\$185,132	\$13,534,024	\$648,063	\$185,132	\$13,682,282

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$187,921	\$0
FY 2015	\$187,921	\$0

NP - 201 - Legal Funding Switch -

The Department of Labor and Industry requests a funding switch to formalize a reorganization of the department's legal structure. The legal fund switch includes an increase of \$187,921 in both years of the biennium of federal special revenue. The Legal Unit was operating under two different methodologies and now operates under one, sharing resources and expertise to provide the most efficient and knowledgeable service to the department. This request affects five programs within the department, reducing HB 2 authority in the Centralized Services Division and increasing HB 2 authority in the other divisions in order to pay for legal services provided.

**DEPARTMENT OF LABOR & INDUSTRY-6602
UNEMPLOYMENT INSURANCE DIVISION-02**

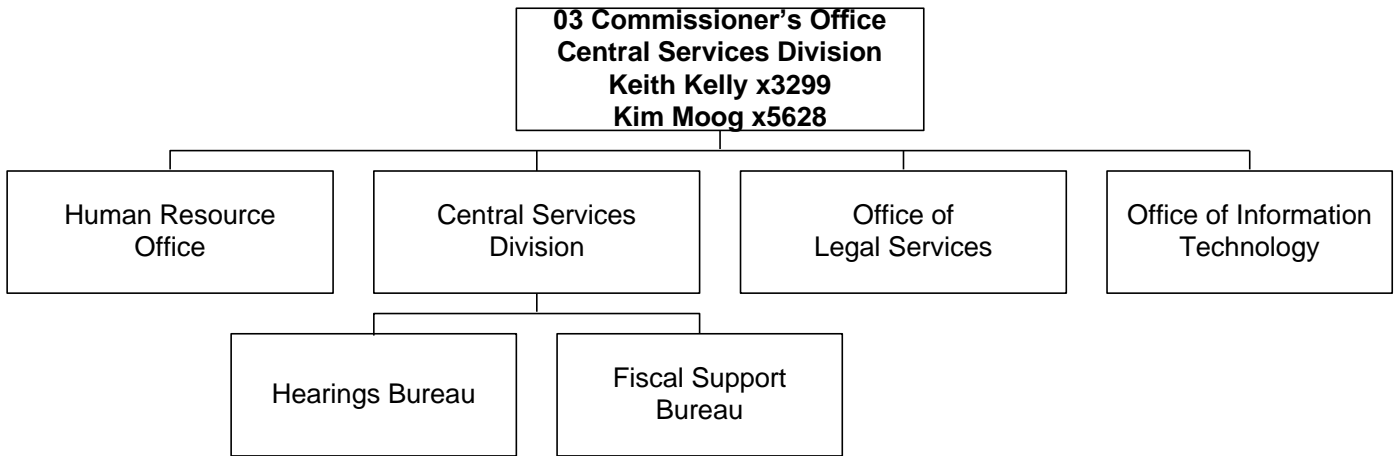
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$2,789)	\$0
FY 2015	(\$2,789)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$2,789 in FY 2014 and \$2,789 in FY 2015 from federal special revenue funds for the department's allocation of the fixed cost.

**DEPARTMENT OF LABOR & INDUSTRY-6602
COMMISSIONER'S OFFICE/CSD-03**

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Commissioner's Office and the Centralized Services Division provide program direction, legal, administration, and support services to the department's five programs and two administratively attached entities.

Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	17.00	0.00	(8.00)	9.00	0.00	(8.00)	9.00
Personal Services	1,138,658	169,357	(694,018)	613,997	171,603	(696,486)	613,775
Operating Expenses	324,338	(6,828)	(142,294)	175,216	(8,224)	(141,505)	174,609
Total Costs	\$1,462,996	\$162,529	(\$836,312)	\$789,213	\$163,379	(\$837,991)	\$788,384
General Fund	277,929	8,731	(103,200)	183,460	8,609	(103,353)	183,185
State/Other Special	583,520	79,410	(441,358)	221,572	79,983	(441,976)	221,527
Federal Special	541,511	65,381	(222,711)	384,181	65,203	(223,042)	383,672
Proprietary	60,036	9,007	(69,043)	0	9,584	(69,620)	0
Total Funds	\$1,462,996	\$162,529	(\$836,312)	\$789,213	\$163,379	(\$837,991)	\$788,384

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$836,087)	(\$103,143)
FY 2015	(\$837,766)	(\$103,296)

NP - 301 - Legal Funding Switch -

The Department of Labor and Industry requests a funding switch to formalize a reorganization of the department's legal structure. The legal fund switch includes an increase of \$836,087 proprietary funds in FY 2014 and \$837,766 proprietary funds in FY 2015. The Legal Unit was operating under two different methodologies and now operates under one, sharing resources and expertise to provide the most efficient and knowledgeable service to the department. This request affects five programs within the department, reducing HB 2 authority in the Centralized Services Division and increasing HB 2 authority in the other divisions in order to pay for legal services provided.

**DEPARTMENT OF LABOR & INDUSTRY-6602
COMMISSIONER'S OFFICE/CSD-03**

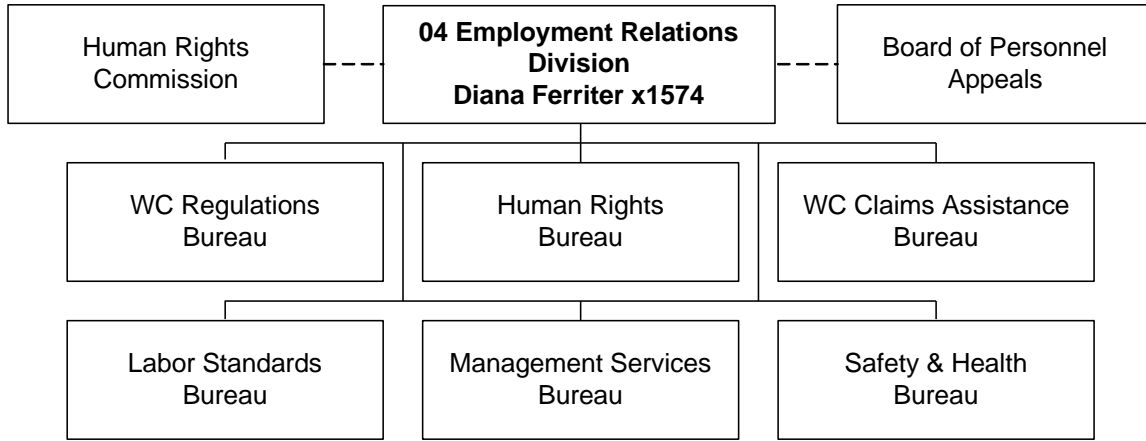
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$225)	(\$57)
FY 2015	(\$225)	(\$57)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$225 each year from general fund, state special revenue, and federal special revenue.

DEPARTMENT OF LABOR & INDUSTRY-6602 EMPLOYMENT RELATIONS DIVISION-04

Please note that this program also contains proprietary funding (see Section P).



Program Description - The Employment Relations Division (ERD) provides five service areas to the public: 1) Workers' Compensation (WC) Regulation Bureau, which regulates WC insurance coverage requirements, policy compliance, medical regulations, contractor registration, and independent contractor exemptions; 2) WC Claims Assistance Bureau, which assists organizations and individuals to arrive at early, less expensive settlements of their disputes, and provides management information on the workers' compensation system; 3) Labor Standards Bureau (and administratively attached Board of Personnel Appeals), which enforces state and federal labor laws related to the payment of wages and provides collective bargaining mediation; 4) Safety and Health Bureau, which administers federal and state industrial safety laws; and 5) Human Rights Bureau (and administratively attached Human Rights Commission), which enforces the Montana Human Rights Act and Governmental Code of Fair Practices through investigations, conciliation, hearings, and education. ERD also has one bureau, Management Services Bureau, which provides administrative and IT support to the other five bureaus.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	130.60	0.00	0.00	130.60	0.00	0.00	130.60
Personal Services	7,338,563	974,542	0	8,313,105	983,945	0	8,322,508
Operating Expenses	3,918,106	(41,169)	561,803	4,438,740	(36,261)	561,803	4,443,648
Equipment & Intangible Assets	90,810	0	0	90,810	0	0	90,810
Benefits & Claims	91,464	0	0	91,464	0	0	91,464
Total Costs	\$11,438,943	\$933,373	\$561,803	\$12,934,119	\$947,684	\$561,803	\$12,948,430
General Fund	1,073,320	46,483	140,881	1,260,684	47,486	140,881	1,261,687
State/Other Special	9,744,309	789,662	408,638	10,942,609	802,872	408,638	10,955,819
Federal Special	621,314	97,228	12,284	730,826	97,326	12,284	730,924
Total Funds	\$11,438,943	\$933,373	\$561,803	\$12,934,119	\$947,684	\$561,803	\$12,948,430

**DEPARTMENT OF LABOR & INDUSTRY-6602
EMPLOYMENT RELATIONS DIVISION-04**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$33,632	\$811
FY 2015	\$35,947	\$833

PL - 402 - ERD Rent Adjustment -

The Employment Relations Division is requesting \$33,632 in FY 2014 and \$35,947 in FY 2015 for an increase in off campus rent. The operating request is \$811 general fund, \$32,329 state special, \$492 federal special revenue in FY 2014, and \$833 general fund, \$34,609 state special, \$505 federal special revenue in FY 2015.

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$562,956	\$141,266
FY 2015	\$562,956	\$141,266

NP - 401 - Legal Funding Switch -

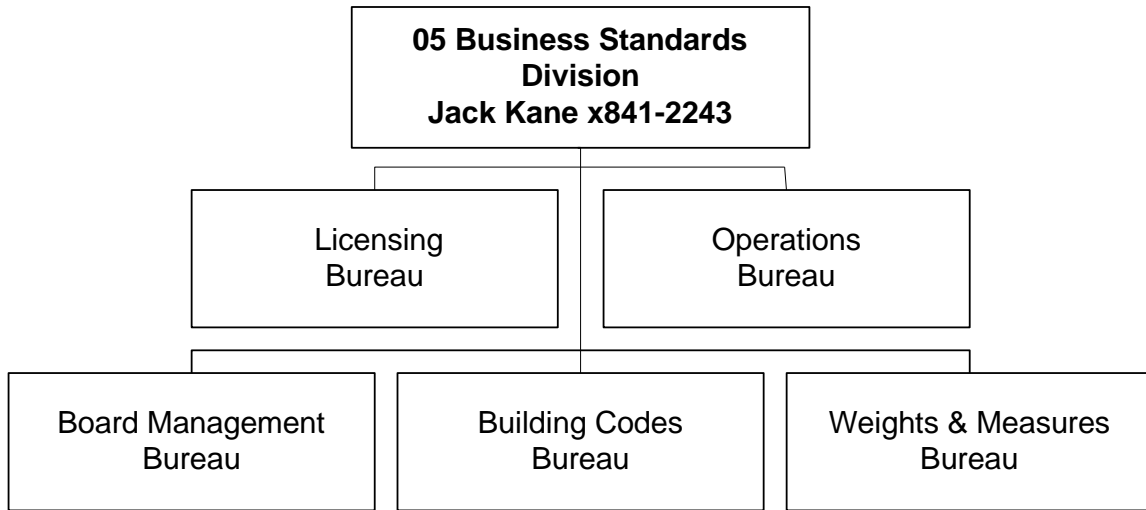
The Department of Labor and Industry requests a funding switch to formalize a reorganization of the legal structure. The legal fund switch includes an increase of \$562,956 in both years of the biennium of general fund, state special and federal special revenue. The Legal Unit was operating under two different methodologies and now operates under one, sharing resources and expertise to provide the most efficient and knowledgeable service to the department. This request affects five programs within the department, reducing HB 2 authority in the Centralized Services Division and increasing HB 2 authority in the divisions in order to pay for legal services provided.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,153)	(\$385)
FY 2015	(\$1,153)	(\$385)

NP - 6101 - Professional Development Center Fee Allocation -

Professional Development Center Training Fee Allocation - The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$1,153 in FY 2014 and \$1,153 in FY 2015 from general fund and state special revenue funds for the department's allocation of the fixed cost.

**DEPARTMENT OF LABOR & INDUSTRY-6602
BUSINESS STANDARDS DIVISION-05**



Program Description - The Business Standards Division consists of five bureaus: Building Codes Bureau, Weights & Measures Bureau, Board Management Bureau, Licensing Bureau, and Operations Bureau. The Building Codes Bureau establishes and enforces minimum building, plumbing, mechanical, electrical, energy, elevator, and boiler codes. The bureau also provides support for five licensing programs. The Weights & Measures Bureau is responsible for licensing, inspecting, testing, and certifying all weighing and measuring devices used in making commercial transactions in Montana and enforces laws and regulations pertaining to the quantity control of prepackaged goods, petroleum products, and is responsible for operating the State Metrology Laboratory. The Licensing Bureau and Board Management Bureau provide support for 33 licensing boards, two programs, and the Prescription Drug Registry. The Licensing and Board Management Bureaus include 208 board members and eight advisory council members appointed by the Governor. The Operations Bureau has three units within the Business Standards Division that provide support to the other bureaus and the division.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	151.03	0.00	3.00	154.03	0.00	3.00	154.03
Personal Services	8,523,619	623,344	174,884	9,321,847	634,707	174,627	9,332,953
Operating Expenses	5,803,038	209,043	(138,677)	5,873,404	297,181	(255,070)	5,845,149
Equipment & Intangible Assets	22,008	224,400	90,175	336,583	186,800	90,159	298,967
Grants	8,582	0	0	8,582	0	0	8,582
Transfers	33,455	0	0	33,455	0	0	33,455
Total Costs	\$14,390,702	\$1,056,787	\$126,382	\$15,573,871	\$1,118,688	\$9,716	\$15,519,106
General Fund	0	0	100,000	100,000	0	100,000	100,000
State/Other Special	14,388,649	1,058,840	26,382	15,473,871	1,120,741	(90,284)	15,419,106
Federal Special	2,053	(2,053)	0	0	(2,053)	0	0
Total Funds	\$14,390,702	\$1,056,787	\$126,382	\$15,573,871	\$1,118,688	\$9,716	\$15,519,106

**DEPARTMENT OF LABOR & INDUSTRY-6602
BUSINESS STANDARDS DIVISION-05**

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$382,957	\$0
FY 2015	\$372,113	\$0

PL - 502 - BSD General Operating Adjustment -

The Business Standards Division is requesting \$382,957 in FY 2014 and \$372,113 in FY 2015 for an increase in off campus rent, in state travel, repair and maintenance, and needed operational costs in the FY 2015 biennium. This operating request is funded by state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$65,850	\$0
FY 2015	\$65,850	\$0

PL - 503 - BSD - Other General -

This Business Standards Division is requesting \$65,850 in each year of the biennium for Professional Consulting for the Board of Real Estate Appraisers to cover the anticipated costs of certified appraiser reviews, the Board of Veterinarians to cover consultant's exam costs, and the Board of Realty Regulations education programs. The funding source is state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$126,917	\$0
FY 2015	\$182,557	\$0

PL - 504 - BSD - Online Processing -

The Business Standards Division is requesting \$126,917 in FY 2014 and \$182,557 in FY 2015 for the Montana Interactive e-check and credit card processing fees to accept and process online applications for license and permit applicants. This operating increase is funded by state special revenue.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$39,106	\$0
FY 2015	\$39,106	\$0

NP - 501 - Legal Funding Switch -

The Department of Labor and Industry requests a funding switch to formalize a reorganization of the department's legal structure. The legal fund switch includes an increase of \$39,106 in both year of the biennium of state special revenue. The Legal Unit was operating under two different methodologies and now operates under one, sharing resources and expertise to provide the most efficient and knowledgeable service to the department. This request affects five programs within the department, reducing HB 2 authority in the Centralized Services Division and increasing HB 2 authority in the other divisions in order to pay for legal services provided.

**DEPARTMENT OF LABOR & INDUSTRY-6602
BUSINESS STANDARDS DIVISION-05**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$100,000	\$100,000
FY 2015	\$100,000	\$100,000

NP - 505 - BSD Weights & Measures OTO Biennial/ Restricted -

The Business Standards Division is requesting \$100,000 in OTO general fund for FY 2014 and FY 2015. The Weights and Measures Bureau needs to replace outdated equipment and update the metrology laboratory in order to fulfill its statutory requirement to inspect and test all commercial devices statewide. Current equipment is in excess of 15 years old and can no longer be maintained with routine repair. State special revenue in Weights and Measures is not sufficient to cover these equipment purchases.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$6,331	\$0
FY 2015	\$6,634	\$0

NP - 506 - POL Motor Pool Lease -

The Business Standards Division is requesting \$6,331 in FY 2014 and \$6,634 in FY 2015 for one motor pool leased vehicle. This request is funded by state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$17,737)	\$0
FY 2015	(\$134,706)	\$0

NP - 508 - BSD Medical Impairment Program -

This is a request for a decrease of \$17,737 in FY 2014 and \$134,706 in FY 2015 for the Business Standards Division Medical Impairment Program 7-3-203, MCA. This comes as a result of eliminating contracts for the medical impairment program and providing the service in house. Currently the Business Standards Division spends \$401,318 annually on this service with an expected increase of \$70,000 in each year of the 2015 biennium. The addition of 3.00 FTE and associated operating expenditures has the net effect of decreasing anticipated expenditures by \$98,000 in FY 2014 and \$204,000 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,318)	\$0
FY 2015	(\$1,318)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$1,318 in FY 2014 and \$1,318 in FY 2015 from state special revenue funds for the department's allocation of the fixed cost.

**DEPARTMENT OF LABOR & INDUSTRY-6602
OFFICE OF COMMUNITY SERVICES-07**

07 Office of Community Services Vacant x1809

Program Description - The Office of Community Services provides administration for the Corporation for National and Community Service AmeriCorps state programs, community service, and volunteer efforts statewide. The office was created by the 1993 Legislature, at the request of the Governor, to engage citizens in service and support volunteer opportunities focused on critical community needs. The office works with the Montana Commission on Community Service to promote civic engagement, particularly among youth and older Montanans.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00
Personal Services	280,230	5,014	0	285,244	6,136	0	286,366
Operating Expenses	206,074	9,468	(375)	215,167	8,926	(375)	214,625
Grants	2,494,882	578,472	0	3,073,354	578,544	0	3,073,426
Transfers	30,431	(30,431)	0	0	(30,431)	0	0
Total Costs	\$3,011,617	\$562,523	(\$375)	\$3,573,765	\$563,175	(\$375)	\$3,574,417
General Fund	123,577	594	(16)	124,155	618	(16)	124,179
State/Other Special	27,136	130	(3)	27,263	136	(3)	27,269
Federal Special	2,860,904	561,799	(356)	3,422,347	562,421	(356)	3,422,969
Total Funds	\$3,011,617	\$562,523	(\$375)	\$3,573,765	\$563,175	(\$375)	\$3,574,417

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$548,041	\$0
FY 2015	\$548,113	\$0

PL - 702 - AmeriCorps Grants -

The Office of Community Service is requesting \$548,041 in FY 2014 and \$548,113 in FY 2015 for AmeriCorps grant funding. The request is 100% federal special revenue and supports AmeriCorps program grants for local communities.

-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$375)	(\$16)
FY 2015	(\$375)	(\$16)

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$375 in FY 2014 and \$375 in FY 2015 from general fund, state special revenue fund, and state federal revenue funds for the department's allocation of the fixed cost.

**DEPARTMENT OF LABOR & INDUSTRY-6602
WORKERS COMPENSATION COURT-09**

09 Workers Compensation Court Judge James Jeremiah Shea x7794
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Program Description - The Workers' Compensation Court, created on July 1, 1975, provides a forum for Montana employees, employers, and the insurance industry to resolve disputes arising from work-related injuries and occupational diseases. The court is attached to the department for administrative purposes only.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2012	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015
FTE	7.00	0.00	0.00	7.00	0.00	0.00	7.00
Personal Services	494,291	9,618	0	503,909	10,345	0	504,636
Operating Expenses	140,650	5,206	(82)	145,774	5,335	(82)	145,903
Total Costs	\$634,941	\$14,824	(\$82)	\$649,683	\$15,680	(\$82)	\$650,539
State/Other Special	634,941	14,824	(82)	649,683	15,680	(82)	650,539
Total Funds	\$634,941	\$14,824	(\$82)	\$649,683	\$15,680	(\$82)	\$650,539

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$10,000	\$0
FY 2015	\$10,000	\$0

PL - 901 - WCC General Operating Adjustment -

The Workers' Compensation Court is requesting \$10,000 in each year of the biennium for an increase in off-campus rent and operational costs. The funding source is state special revenue.

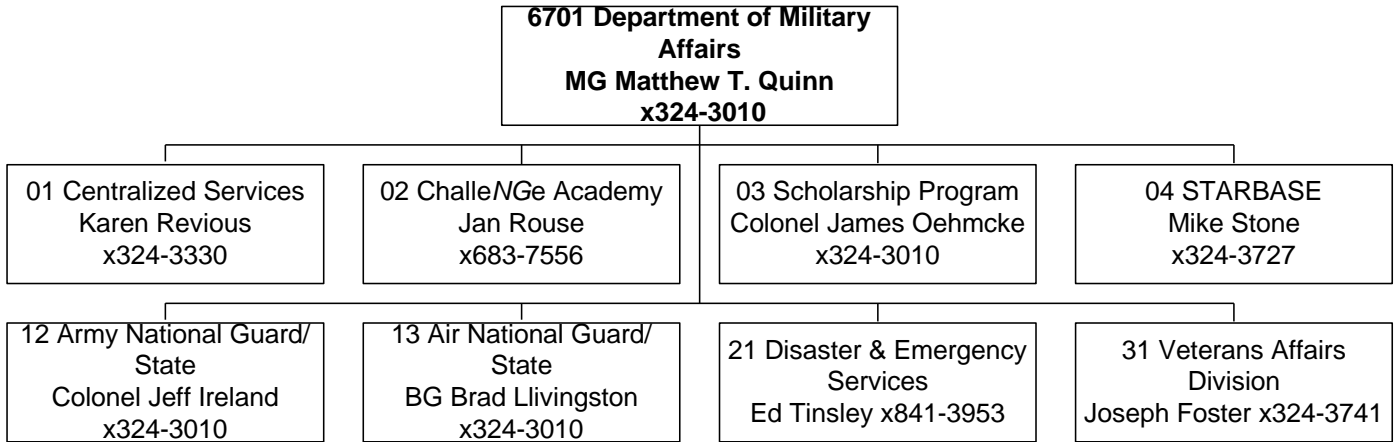
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$82)	\$0
FY 2015	(\$82)	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes a reduction of \$82 in FY 2014 and \$82 in FY 2015 from state special revenue funds for the department's allocation of the fixed cost.

DEPT OF MILITARY AFFAIRS-6701



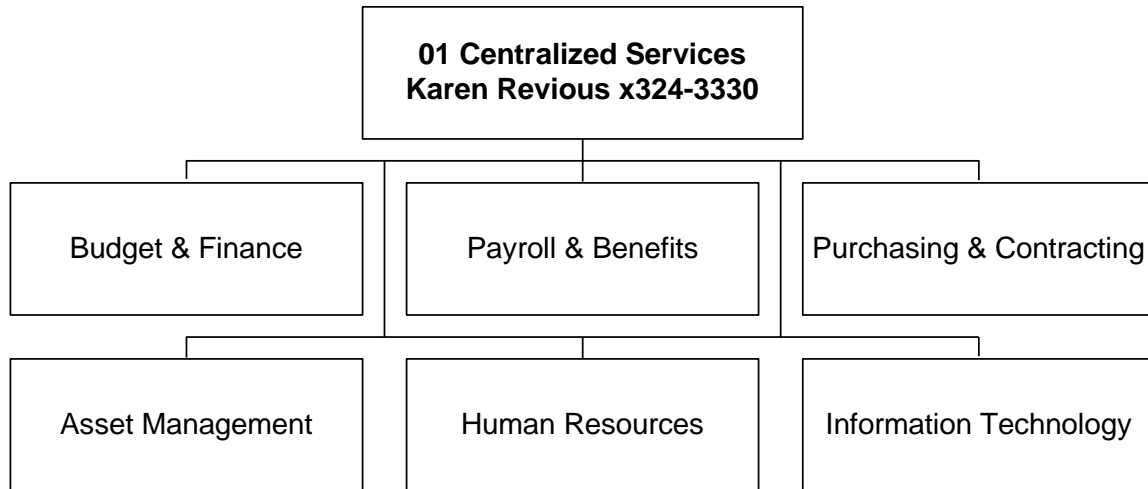
Mission Statement - The mission of the Department of Military Affairs has three components:

- Federal – To serve as the primary federal reserve force in support of the national security objectives when called upon by the President of the United States;
- State – Protection of life property, preservation of peace, order, and public safety for Montana’s citizens, when called upon by the Governor;
- Community – Participate in local, state, and national programs that add value to America.

Statutory Authority - Article I, U.S. Constitution;
 Article VI, Section 13, Montana Constitution;
 Title 10, MCA

Agency Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	199.21	0.00	0.00	199.21	0.00	0.00	199.21
Personal Services	11,462,034	290,549	0	11,752,583	308,395	0	11,770,429
Operating Expenses	15,179,930	719,012	2,684	15,901,626	612,777	2,684	15,795,391
Equipment & Intangible Assets	552,065	0	0	552,065	0	0	552,065
Grants	3,767,443	9,568,000	0	13,335,443	7,968,000	0	11,735,443
Benefits & Claims	2,280	0	0	2,280	0	0	2,280
Transfers	570,674	2,362,000	0	2,932,674	1,962,000	0	2,532,674
Total Costs	\$31,534,426	\$12,939,561	\$2,684	\$44,476,671	\$10,851,172	\$2,684	\$42,388,282
General Fund	5,601,891	305,482	542	5,907,915	298,377	542	5,900,810
State/Other Special	1,071,157	(130,968)	360	940,549	(228,956)	360	842,561
Federal Special	24,861,378	12,765,047	1,782	37,628,207	10,781,751	1,782	35,644,911
Total Funds	\$31,534,426	\$12,939,561	\$2,684	\$44,476,671	\$10,851,172	\$2,684	\$42,388,282

**DEPT OF MILITARY AFFAIRS-6701
CENTRALIZED SERVICES DIVISION-01**



Program Description - The Centralized Services Division provides departmental administration through the Office of the Adjutant General and department-wide support for accounting, fiscal management, personnel, labor relations, and purchasing and property management oversight. The program operates in accordance with Title 2, Chapter 15, part 12 and Title 10, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	11.76	0.00	0.00	11.76	0.00	0.00	11.76
Personal Services	851,658	56,409	0	908,067	55,843	0	907,501
Operating Expenses	95,075	31,191	162	126,428	21,279	162	116,516
Benefits & Claims	2,280	0	0	2,280	0	0	2,280
Total Costs	\$949,013	\$87,600	\$162	\$1,036,775	\$77,122	\$162	\$1,026,297
General Fund	635,181	89,633	162	724,976	79,155	162	714,498
Federal Special	313,832	(2,033)	0	311,799	(2,033)	0	311,799
Total Funds	\$949,013	\$87,600	\$162	\$1,036,775	\$77,122	\$162	\$1,026,297

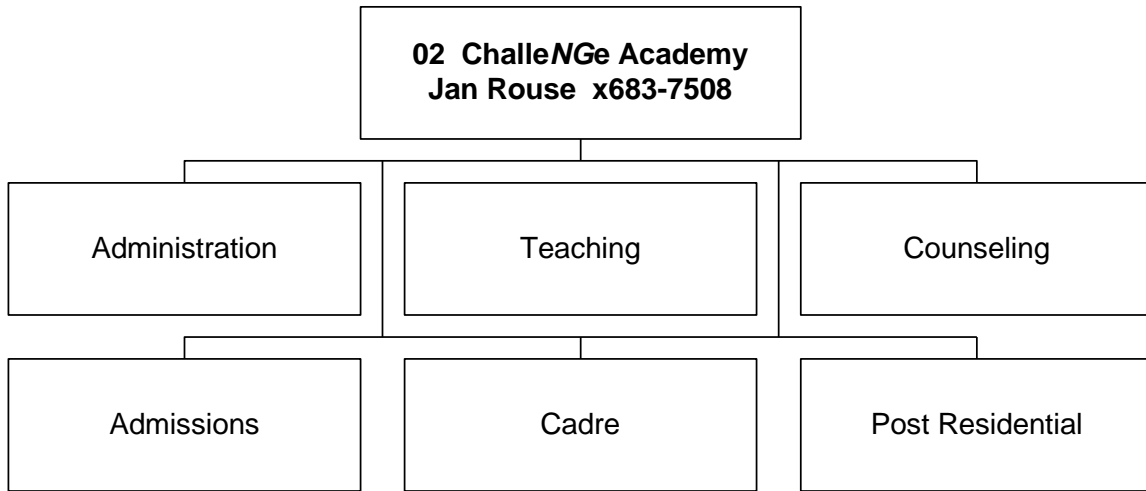
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$162	\$162
FY 2015	\$162	\$162

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$162 in FY 2014 and \$162 in FY 2015 from general fund for the division's allocation of the fixed cost.

**DEPT OF MILITARY AFFAIRS-6701
CHALLENGE PROGRAM-02**



Program Description - The Montana National Guard Youth Challenge Program is a volunteer program for youth ages 16 to 18 who have stopped attending secondary school before graduating. Challenge is a 17-month, voluntary two-phased military modeled training program targeting unemployed, drug-free, and crime-free high school dropouts. The program provides an opportunity for high school "at risk" youth to enhance their life skills, increase their educational levels, and their employment potential. Phase I of the program is a 22 week residential stay on the campus of Western Montana College of the University of Montana in Dillon focusing on physical training, classroom instruction, personal development, and life skills. Phase II is a year-long mentoring relationship with a specially-trained member of the community where the youth resides to provide a positive role model and to assist the student in gaining employment or enrolling in post-secondary schooling.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	51.15	0.00	0.00	51.15	0.00	0.00	51.15
Personal Services	2,281,477	44,985	0	2,326,462	50,693	0	2,332,170
Operating Expenses	1,200,818	77,660	770	1,279,248	72,304	770	1,273,892
Total Costs	\$3,482,295	\$122,645	\$770	\$3,605,710	\$122,997	\$770	\$3,606,062
General Fund	832,471	26,839	192	859,502	26,248	192	858,911
Federal Special	2,649,824	95,806	578	2,746,208	96,749	578	2,747,151
Total Funds	\$3,482,295	\$122,645	\$770	\$3,605,710	\$122,997	\$770	\$3,606,062

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$40,000	\$10,000
FY 2015	\$40,000	\$10,000

PL - 201 - Funding for Challenge 24/7 Overtime. -

The Montana Youth Challenge Academy is requesting \$40,000 in each year of the biennium to support overtime and holiday salaries. These costs are zero based and not included in the program's base budget. The program is required to have staff coverage 24 hour a day, 7 days a week.

**DEPT OF MILITARY AFFAIRS-6701
CHALLENGE PROGRAM-02**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$50,000	\$0
FY 2015	\$50,000	\$0

PL - 202 - Federal Spending Authority for ChalleNGe Training -

This 100% federal spending request for authority is for ChalleNGe employees to participate in essential training classes required by the National Guard Bureau.

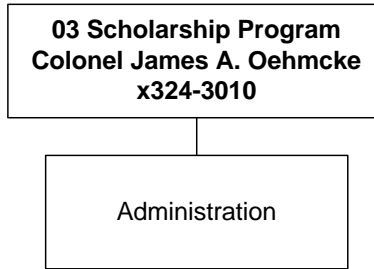
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$770	\$192
FY 2015	\$770	\$192

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$770 in FY 2014 and FY 2015 from general and federal funds for the division's allocation of the fixed cost.

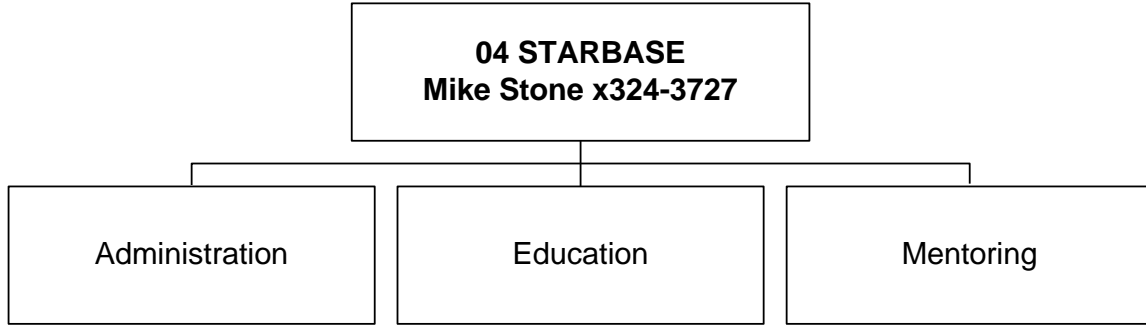
**DEPT OF MILITARY AFFAIRS-6701
SCHOLARSHIP PROGRAM-03**



Program Description - The Montana National Guard Scholarship Program provides scholarships to eligible Montana National Guard personnel enrolled as undergraduate students in Montana colleges, universities, or training programs. The program assists Montana in recruiting and retaining personnel in both the Army and Air National Guard and in enhancing its operational readiness to assume both state and federal active duty missions. Scholarships also reward guard members for their service to the state by helping defray their educational costs at Montana post-secondary institutions.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses	209,409	0	0	209,409	0	0	209,409
Total Costs	\$209,409	\$0	\$0	\$209,409	\$0	\$0	\$209,409
General Fund	209,409	0	0	209,409	0	0	209,409
Total Funds	\$209,409	\$0	\$0	\$209,409	\$0	\$0	\$209,409

**DEPT OF MILITARY AFFAIRS-6701
STARBASE-04**



Program Description - The Montana STARBASE “Big Sky” Program is a program for elementary school aged children to raise the interest and improve the knowledge and skills of at-risk youth in math, science, and technology. The program exposes students and their teachers to real world applications of math and science through experimental learning, simulations, experiments in aviation and space-related fields as it deals with a technological environment and by utilizing the positive role models found on military bases and installations. The program also addresses drug use prevention, health, self esteem, and life skills with a math and science based program.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	2.00	1.00	0.00	3.00	1.00	0.00	3.00
Personal Services	107,355	142,774	0	250,129	142,388	0	249,743
Operating Expenses	206,376	201,775	38	408,189	200,578	38	406,992
Total Costs	\$313,731	\$344,549	\$38	\$658,318	\$342,966	\$38	\$656,735
Federal Special	313,731	344,549	38	658,318	342,966	38	656,735
Total Funds	\$313,731	\$344,549	\$38	\$658,318	\$342,966	\$38	\$656,735

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$300,000	\$0
FY 2015	\$300,000	\$0

PL - 401 - Funding for STARBASE Great Falls -

The STARBASE (Science, Technology, Academy, Reinforcing, Basic, Aviation, and Space Exploration) program in Great Falls was started in Fiscal Year 2012. This decision package continues the program in Great Falls with federal funds of \$300,000 for each year of the 2015 biennium. The opportunity for the students of Great Falls to attend a high technology classroom provides for students to experience math and science in a different atmosphere.

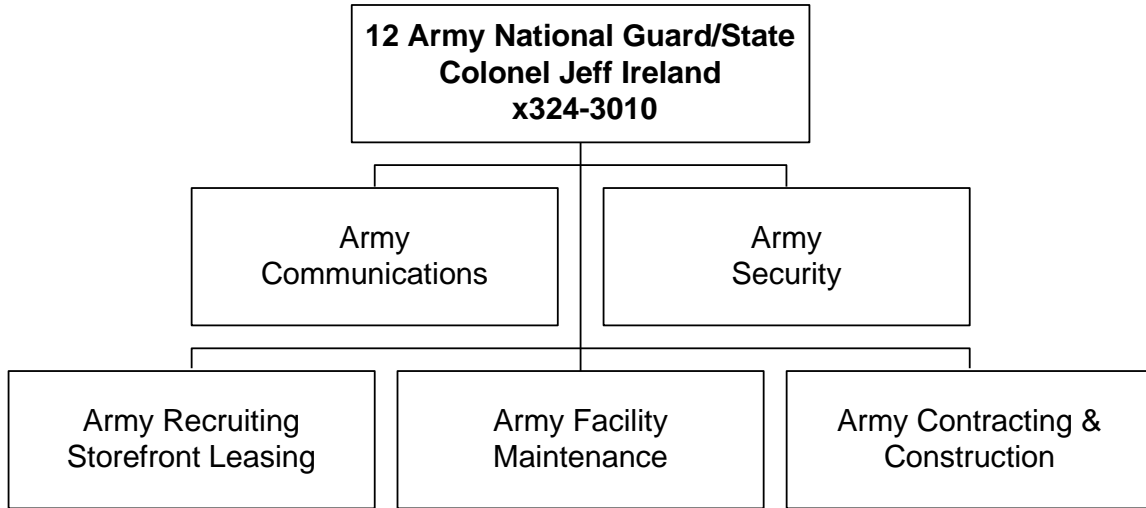
-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$38	\$0
FY 2015	\$38	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$38 in FY 2014 and FY 2015 from federal funds for the department's allocation of the fixed cost.

**DEPT OF MILITARY AFFAIRS-6701
ARMY NATIONAL GUARD PGM-12**



Program Description – Until federalized, the Army National Guard is a state military organization, which provides trained and equipped military units for use in the event of a state or national emergency. The federal/state cooperative agreement provides funding for facilities management, environmental, and communications support to the organization by: 1) providing professional and skilled personnel for the administration, planning, and execution of statewide repair and maintenance functions in facilities and training areas; 2) planning, programming, and contracting for construction; 3) ensuring all activities and facilities comply with environmental regulations; and 4) providing statewide communication services, security contracts, and leases for buildings and land used by the Army National Guard. The program is mandated by the U.S. and Montana Constitutions and Title 10, Chapters 1-3, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	42.30	3.00	0.00	45.30	3.00	0.00	45.30
Personal Services	2,704,807	178,192	0	2,882,999	180,693	0	2,885,500
Operating Expenses	10,855,098	86,406	558	10,942,062	102,475	558	10,958,131
Equipment & Intangible Assets	552,065	0	0	552,065	0	0	552,065
Total Costs	\$14,111,970	\$264,598	\$558	\$14,377,126	\$283,168	\$558	\$14,395,696
General Fund	1,621,054	18,061	60	1,639,175	22,585	60	1,643,699
State/Other Special	0	2,000	0	2,000	2,000	0	2,000
Federal Special	12,490,916	244,537	498	12,735,951	258,583	498	12,749,997
Total Funds	\$14,111,970	\$264,598	\$558	\$14,377,126	\$283,168	\$558	\$14,395,696

**DEPT OF MILITARY AFFAIRS-6701
ARMY NATIONAL GUARD PGM-12**

-----**Present Law Adjustments**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$142,597	\$0
FY 2015	\$142,397	\$0

PL - 1201 - Army National Guard Mission Support -

This request is for 3.00 additional FTE to support the Army National Guard (ARNG) mission. The first 1.00 FTE will provide support for the Installations Status Report (ISR) requirements of the ARNG. Each state is mandated by the federal government to document, establish, implement, update, and maintain data collected for ISR requirements. The next 1.00 FTE will provide purchasing support to the Construction and Facilities Management Office of the ARNG in the administration and management of approximately 150 on-going contracts. The third 1.00 FTE will change a modified position to permanent. This position assists with administrative and financial duties within the ARNG that have increasing requirements for federal budgets.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$24,498	\$0
FY 2015	\$33,548	\$4,525

PL - 1202 - Army National Guard Operations & Maintenance -

Additional funding is required to support the operating costs of buildings which will come on line after the base year. This will be a request for \$24,498 for FY 2014 and \$33,548 for FY 2015. The buildings coming online will be the Miles City Readiness Center and the Great Falls Armed Forces Reserve Center addition.

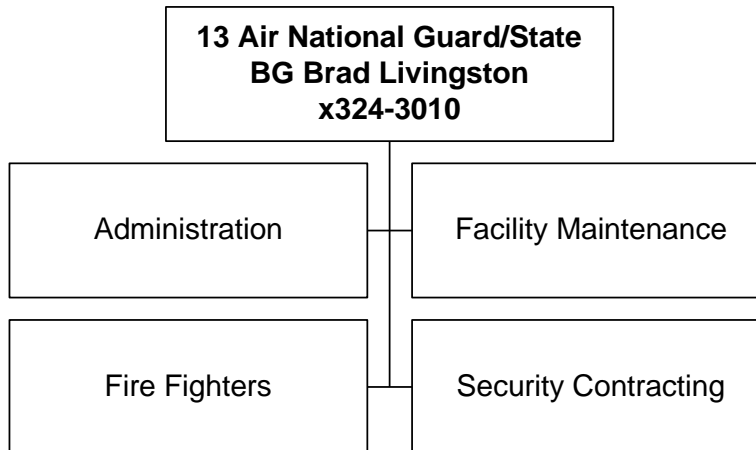
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$558	\$60
FY 2015	\$558	\$60

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$558 in FY 2014 and \$558 in FY 2015 from general and federal funds for the program's allocation of the fixed cost

**DEPT OF MILITARY AFFAIRS-6701
AIR NATIONAL GUARD PGM-13**



Program Description – Until federalized, the Air National Guard is a state military organization which provides trained and equipped military units for use in the event of a state or national emergency. The federal/state cooperative agreement provides for administrative, facilities maintenance, security, and fire protection support to the Air National Guard base at Gore Hill near Great Falls. The Air National Guard program operates under both federal and state mandates in accordance with its dual missions and is mandated by the United States and Montana Constitutions and Title 10, Chapter 1-3, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	40.00	0.00	0.00	40.00	0.00	0.00	40.00
Personal Services	2,620,408	61,721	0	2,682,129	67,322	0	2,687,730
Operating Expenses	1,732,490	103,116	510	1,836,116	112,371	510	1,845,371
Total Costs	\$4,352,898	\$164,837	\$510	\$4,518,245	\$179,693	\$510	\$4,533,101
General Fund	374,869	21,795	28	396,692	24,591	28	399,488
Federal Special	3,978,029	143,042	482	4,121,553	155,102	482	4,133,613
Total Funds	\$4,352,898	\$164,837	\$510	\$4,518,245	\$179,693	\$510	\$4,533,101

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$417,930	\$0
FY 2015	\$424,025	\$0

PL - 1301 - Federal Authority for Firefighter Overtime -

This is a request to provide 100% Federal spending authority for the overtime salary and benefit costs incurred by the Air National Guard firefighters in Great Falls. Overtime costs are zero based and are not captured in the personnel services snapshot used for the initial budget preparation. Each biennium this authority is requested through the budget process.

**DEPT OF MILITARY AFFAIRS-6701
AIR NATIONAL GUARD PGM-13**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$20,250	\$0
FY 2015	\$20,250	\$0

PL - 1302 - Federal Authority for Firefighter Training -

Aircraft live fire training is mandatory training required by federal regulations. The aircraft live fire training is conducted at the Helena Regional Airport on specialized aircraft and spill trainers for three days. The federally funded costs are \$20,250 each year for a total of \$40,500 for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$22,000	\$0
FY 2015	\$22,000	\$0

PL - 1303 - Federal Authority for Natural Gas -

This is a request for 100% federal spending authority to cover the yearly additional natural gas distribution lines maintenance costs the Air Guard will pay. The recurring utility maintenance costs are a new cost for MANG, and will be 100% federally reimbursed to the State of Montana through the Master Cooperative Agreement. The costs are estimated to approximate \$22,000 per year, based on recent tariff rates approved by the Public Service Commission.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$21,800	\$0
FY 2015	\$21,800	\$0

PL - 1306 - Federal Authority for Security Contract Increase -

This is a request for a 100% federally-funded increase in the existing security protection services contract at the Montana Air National Guard base in Great Falls. The contract price is for \$21,800 for each year of the biennium, for a total federally-funded increase of \$43,600 for the biennium.

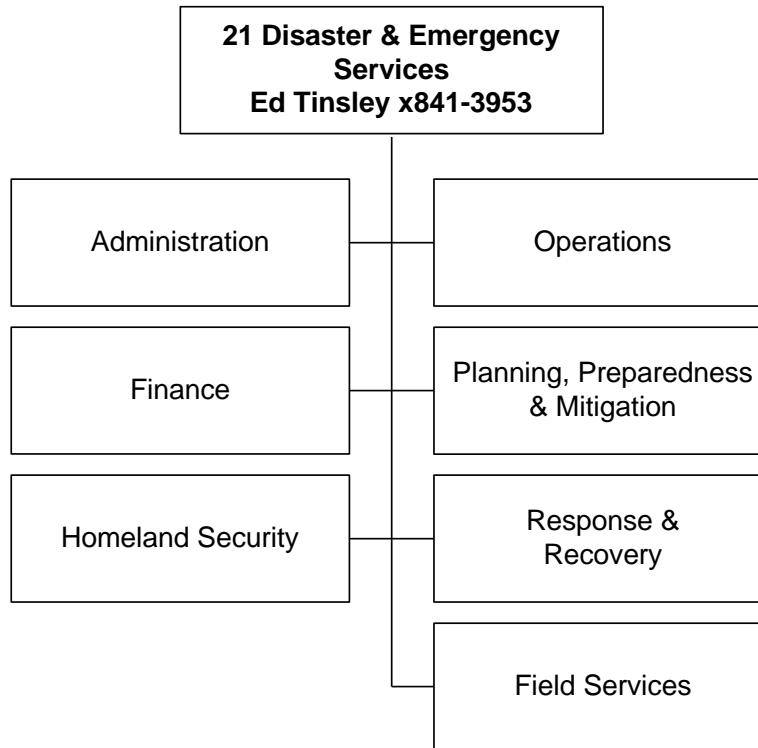
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$510	\$28
FY 2015	\$510	\$28

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$510 in FY 2014 and \$510 in FY 2015 from Air Guard State/Federal funds for the department's allocation of the fixed cost.

**DEPT OF MILITARY AFFAIRS-6701
DISASTER & EMERGENCY SERVICES-21**



Program Description - The Disaster and Emergency Services Division duties and responsibilities are provided for under Title 10, Chapter 3, MCA. The division is responsible for the coordination, development and implementation of emergency management planning, mitigation, response, and recovery statewide. This responsibility includes the administration and disbursement of federal Homeland Security and Emergency Management funds to eligible political subdivisions and tribal nations across the state. The division maintains a 24 hour a day point of contact to coordinate the volunteer, state, and federal response for assistance to political subdivisions and tribal nations in the event of an incident, emergency, or disaster.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	23.00	1.00	0.00	24.00	1.00	0.00	24.00
Personal Services	1,434,854	78,829	0	1,513,683	82,123	0	1,516,977
Operating Expenses	602,199	110,342	286	712,827	97,928	286	700,413
Grants	3,767,443	9,568,000	0	13,335,443	7,968,000	0	11,735,443
Transfers	570,674	2,362,000	0	2,932,674	1,962,000	0	2,532,674
Total Costs	\$6,375,170	\$12,119,171	\$286	\$18,494,627	\$10,110,051	\$286	\$16,485,507
General Fund	1,044,104	148,295	100	1,192,499	144,937	100	1,189,141
State/Other Special	216,020	31,730	0	247,750	34,730	0	250,750
Federal Special	5,115,046	11,939,146	186	17,054,378	9,930,384	186	15,045,616
Total Funds	\$6,375,170	\$12,119,171	\$286	\$18,494,627	\$10,110,051	\$286	\$16,485,507

**DEPT OF MILITARY AFFAIRS-6701
DISASTER & EMERGENCY SERVICES-21**

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$54,660	\$27,330
FY 2015	\$54,580	\$27,290

PL - 2101 - Federal Homeland Security Exercise & Evaluation -

The Homeland Security Exercise & Evaluation Program (HSEEP) is requesting an additional 1.00 FTE. This request would replace the modified FTE in the current position. To continue to receive Emergency Management Assistance Grants (EMPG), HSEEP exercise guidelines must be followed. This position will help ensure guidelines are met. The request is for \$54,600 in FY 2014 and \$54,580 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$30,000	\$15,000
FY 2015	\$30,000	\$15,000

PL - 2102 - Systems for State Emergency Coordination Center -

The State Emergency Coordination Center (SECC) needs funding to maintain the crisis management system that tracks and records all activities. The annual maintenance costs are \$13,000 per year, which covers upgrades and end user support. There is a \$7,000 per year cost for hosting the system. In addition, there is a need for continued outreach and training with local, tribal, and state end users for an estimated \$10,000 per year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$12,000,000	\$0
FY 2015	\$10,000,000	\$0

PL - 2103 - Spending Authority for Homeland Security Program -

The Homeland Security Grant Program manages US Department of Homeland Security (DHS) anti-terrorism grant funds to pay for local, tribal, and state projects to strengthen the state's ability to prevent and respond to any hazard events. These Homeland Security grants are in HB 2 and are non-continuing. However, the grants end dates run past the biennium. Homeland Security Grant Program is requesting authority to continue these grants \$12,000,000 in FY 2014 and \$10,000,000 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$38,976	\$19,488
FY 2015	\$38,976	\$19,488

PL - 2104 - DES Overtime -

This is a request to provide funding for the overtime salary and benefits costs incurred by the DES Duty Officers to provide 24 hour, 7 day a week disaster and emergency response. Overtime costs are zero based and not captured in the personnel services snapshot used for the initial budget preparation. Requested funds include \$38,976 for FY 2014 and \$38,976 for FY 2015.

**DEPT OF MILITARY AFFAIRS-6701
DISASTER & EMERGENCY SERVICES-21**

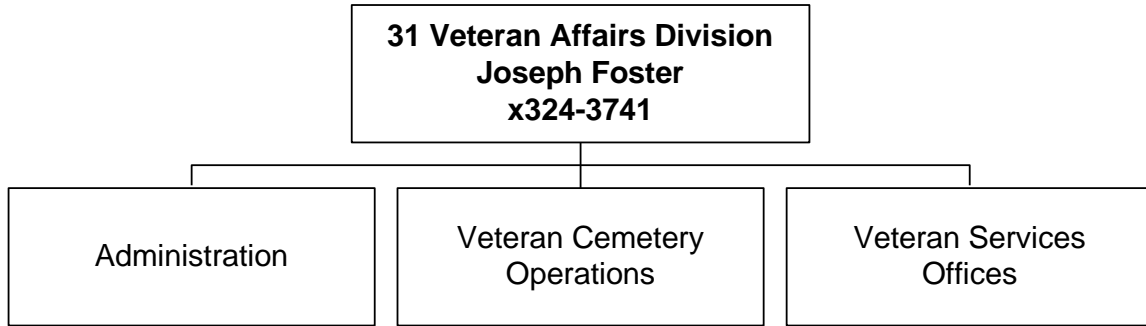
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$286	\$100
FY 2015	\$286	\$100

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$286 in FY 2014 and FY 2015 from general and federal funds for the division's allocation of the fixed cost.

**DEPT OF MILITARY AFFAIRS-6701
VETERANS AFFAIRS PROGRAM-31**



Program Description - The Veterans Affairs Division assists discharged veterans and their families, cooperates with state and federal agencies, promotes the general welfare of veterans, and provides information on veterans' benefits. The program also administers the veterans' cemeteries located at Miles City, Fort Harrison, in Helena and Missoula. The Board of Veterans' Affairs is administratively attached to the Department of Military Affairs, and operates under a state mandate provided in Title 10, Chapter 2, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015
FTE	29.00	(5.00)	0.00	24.00	(5.00)	0.00	24.00
Personal Services	1,461,475	(272,361)	0	1,189,114	(270,667)	0	1,190,808
Operating Expenses	278,465	108,522	360	387,347	5,842	360	284,667
Total Costs	\$1,739,940	(\$163,839)	\$360	\$1,576,461	(\$264,825)	\$360	\$1,475,475
General Fund	884,803	859	0	885,662	861	0	885,664
State/Other Special	855,137	(164,698)	360	690,799	(265,686)	360	589,811
Total Funds	\$1,739,940	(\$163,839)	\$360	\$1,576,461	(\$264,825)	\$360	\$1,475,475

-----Present Law Adjustments-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$312,716)	\$0
FY 2015	(\$311,951)	\$0

PL - 3101 - Move Cemetery Positions and Expenses to SA -

This request moves the State Veterans Cemetery Program from HB 2 to a statutory appropriation, as recommended by the Legislative Finance Committee. This adjustment removes the personal services budget for 5.0 FTE and related expenses of the program.

The reduction in HB 2 is \$312,716 in FY 2014 and \$311,951 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$100,000	\$0
FY 2015	\$0	\$0

PL - 3102 - Spending Authority for Patriotic Plates -

The division is requesting biennial spending authority of \$100,000 from the patriot license plate state special revenue account. The funding will be used for staff training, operational support, and state veterans service organization projects of mutual support such as homeless veteran stand downs and outreach programs. The authority is requested as a biennial appropriation.

**DEPT OF MILITARY AFFAIRS-6701
VETERANS AFFAIRS PROGRAM-31**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$360	\$0
FY 2015	\$360	\$0

NP - 6101 - Professional Development Center Fee Allocation -

The Professional Development Center at the Department of Administration has been funded for many years by fees assessed for individual training courses. For the 2015 biennium and beyond, the program will be funded via a fixed cost allocation. Because the allocation represents a funding switch, it must be presented as a new proposal for the next biennium. The budget includes \$360 in FY 2014 and \$360 in FY 2015 from state special revenue for the division's allocation of the fixed cost.