



GOVERNOR
BRIAN SCHWEITZER
STATE OF MONTANA

SECTION C: NATURAL RESOURCES & TRANSPORTATION

Dept of Fish, Wildlife & Parks
Dept of Environmental Quality
Dept of Transportation

Dept of Livestock
Dept of Natural Resources & Conservation
Dept of Agriculture

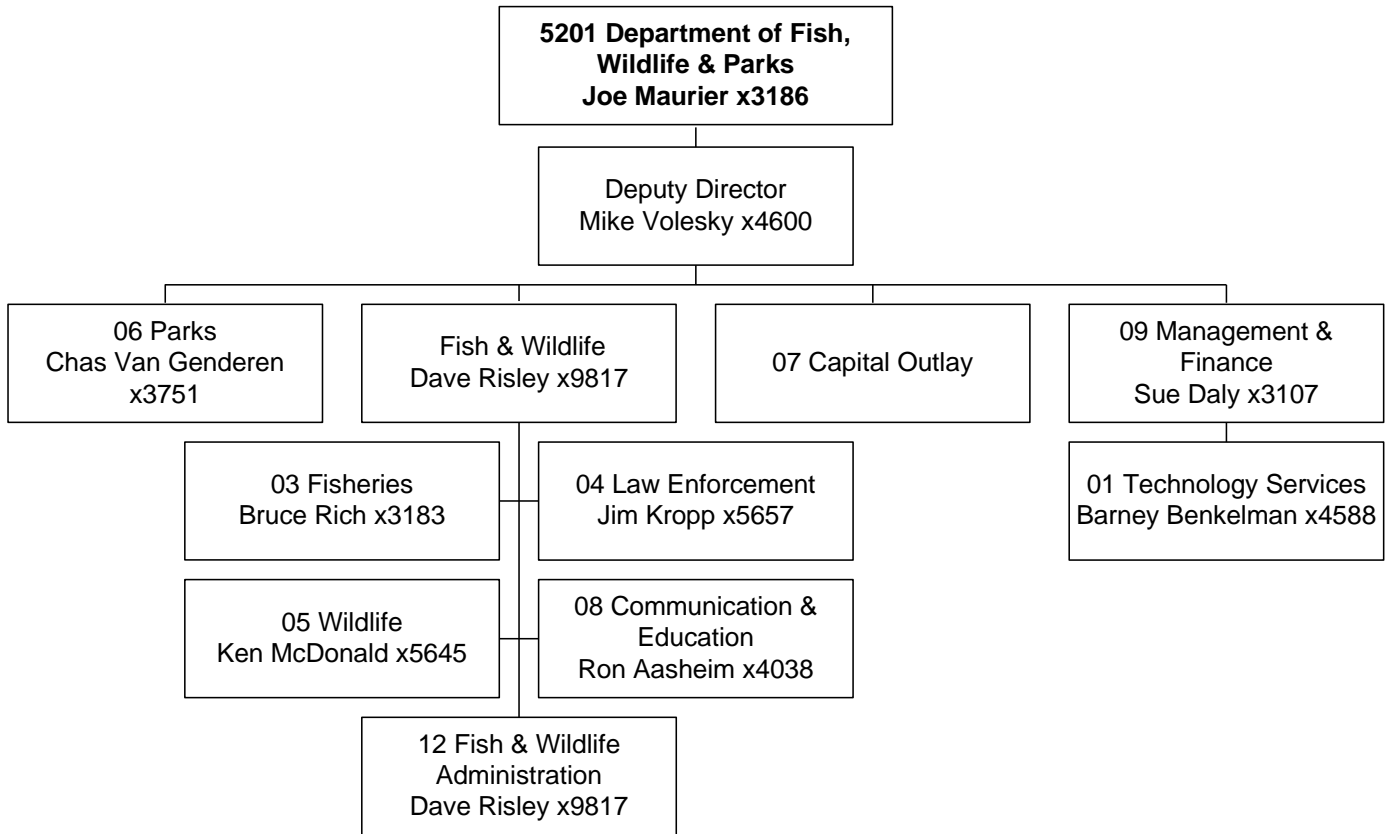
OBPP Staff:

Gerry Murphy x 3191
Shawn Graham x 0054



DEPT OF FISH, WILDLIFE & PARKS-5201

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

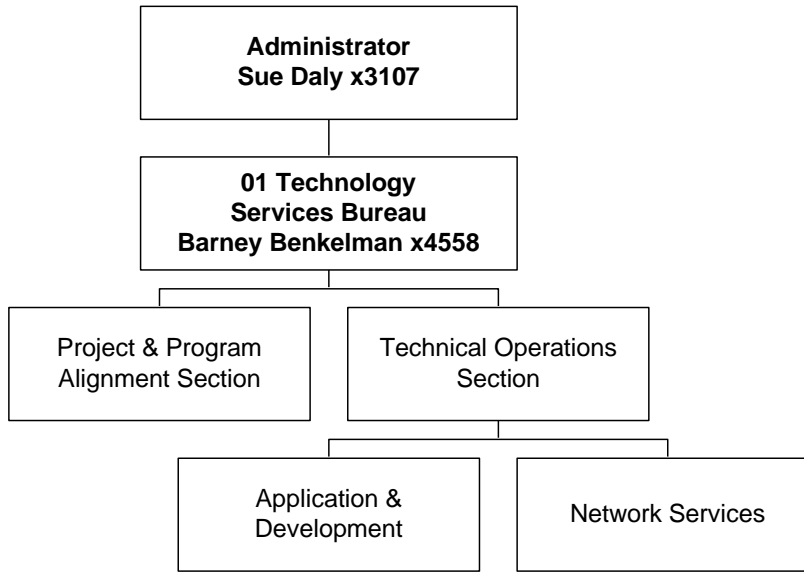


Mission Statement - Montana Fish, Wildlife & Parks, through its employees and citizen commission, provides for the stewardship of the fish, wildlife, parks, and recreational resources of Montana while contributing to the quality of life for present and future generations.

Statutory Authority - Title 87 and 23, 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	693.60	6.18	5.25	705.03	6.18	7.00	706.78
Personal Services	39,400,159	3,749,175	283,597	43,432,931	3,790,841	380,406	43,571,406
Operating Expenses	28,842,673	619,662	472,848	29,935,183	601,906	524,503	29,969,082
Equipment & Intangible Assets	1,120,538	(170,000)	205,500	1,156,038	(170,000)	205,500	1,156,038
Grants	952,466	0	0	952,466	0	0	952,466
Benefits & Claims	6,225	0	0	6,225	0	0	6,225
Transfers	293,826	43,800	0	337,626	43,800	0	337,626
Debt Service	25,898	1,800	0	27,698	1,800	0	27,698
Total Costs	\$70,641,785	\$4,244,437	\$961,945	\$75,848,167	\$4,268,347	\$1,110,409	\$76,020,541
General Fund	0	309,125	0	309,125	309,125	0	309,125
State/Other Special	55,375,319	2,936,186	(1,692,858)	56,618,647	2,941,362	(1,544,358)	56,772,323
Federal Special	15,266,466	999,126	2,654,803	18,920,395	1,017,860	2,654,767	18,939,093
Total Funds	\$70,641,785	\$4,244,437	\$961,945	\$75,848,167	\$4,268,347	\$1,110,409	\$76,020,541

**DEPT OF FISH, WILDLIFE & PARKS-5201
INFORMATION SERVICES DIVISION-01**



Program Description - Information Services provides information technology and information management services to the entire department including, but not limited to: network creation and administration; hardware and off-the-shelf software procurement and configuration; support of automated license sales and drawings; intranet and Internet communications; and software development, deployment and support.

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	30.00	0.00	0.00	30.00	0.00	0.00	30.00
Personal Services	2,149,625	155,028	0	2,304,653	156,652	0	2,306,277
Operating Expenses	2,176,778	(165,524)	(108)	2,011,146	(165,301)	(108)	2,011,369
Equipment & Intangible Assets	53,111	0	0	53,111	0	0	53,111
Total Costs	\$4,379,514	(\$10,496)	(\$108)	\$4,368,910	(\$8,649)	(\$108)	\$4,370,757
State/Other Special	4,368,822	(10,496)	(108)	4,358,218	(8,649)	(108)	4,360,065
Federal Special	10,692	0	0	10,692	0	0	10,692
Total Funds	\$4,379,514	(\$10,496)	(\$108)	\$4,368,910	(\$8,649)	(\$108)	\$4,370,757

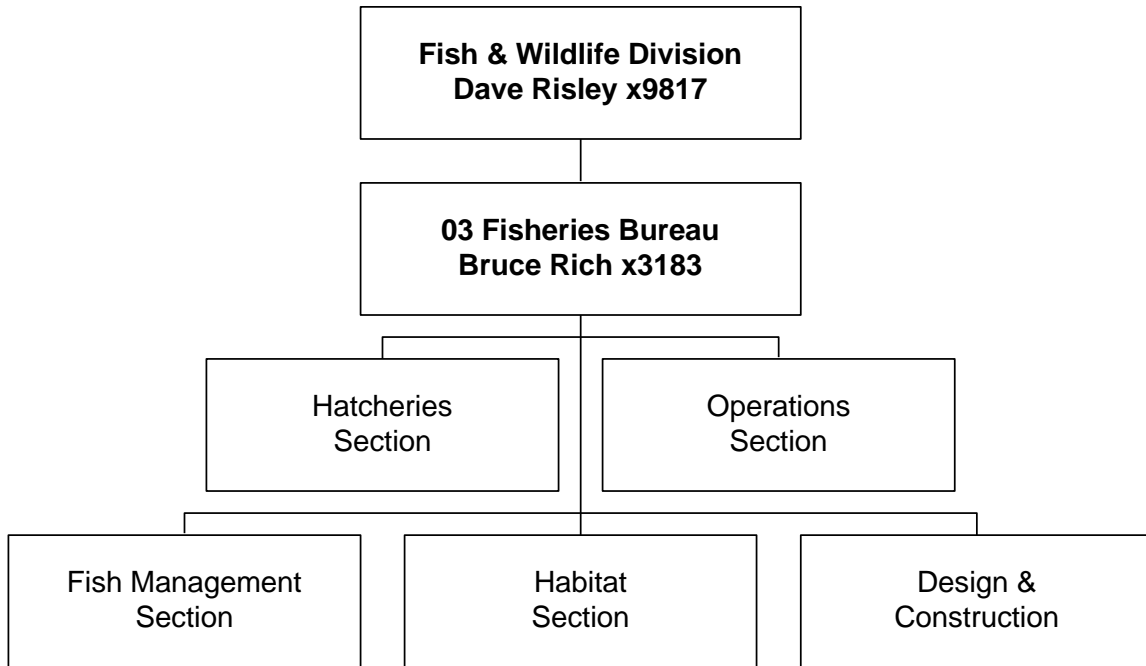
----- **New Proposals** -----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$108)	\$0
FY 2015	(\$108)	\$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. This request includes a reduction of \$108 per year in state special revenue in the Information Services Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF FISH, WILDLIFE & PARKS-5201
FISHERIES DIVISION-03**



Program Description - The Fisheries Division is responsible for preserving and perpetuating aquatic species and their ecosystems and for meeting public demand for fishing opportunities and aquatic wildlife stewardship. The division formulates and implements policies and programs that emphasize management for wild fish populations and the protection and restoration of habitat necessary to maintain these populations. The program: operates a hatchery program to stock lakes and reservoirs where natural reproduction is limited; regulates angler harvests; monitors fish populations; and provides and maintains adequate public access.

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	184.10	3.15	0.00	187.25	3.15	0.00	187.25
Personal Services	9,646,925	1,288,567	0	10,935,492	1,297,713	0	10,944,638
Operating Expenses	5,894,144	250,646	(786)	6,144,004	281,395	(786)	6,174,753
Equipment & Intangible Assets	401,532	35,000	0	436,532	35,000	0	436,532
Transfers	72,896	0	0	72,896	0	0	72,896
Debt Service	6,271	0	0	6,271	0	0	6,271
Total Costs	\$16,021,768	\$1,574,213	(\$786)	\$17,595,195	\$1,614,108	(\$786)	\$17,635,090
General Fund	0	309,125	0	309,125	309,125	0	309,125
State/Other Special	7,520,814	746,206	(425,277)	7,841,743	761,145	(425,277)	7,856,682
Federal Special	8,500,954	518,882	424,491	9,444,327	543,838	424,491	9,469,283
Total Funds	\$16,021,768	\$1,574,213	(\$786)	\$17,595,195	\$1,614,108	(\$786)	\$17,635,090

**DEPT OF FISH, WILDLIFE & PARKS-5201
FISHERIES DIVISION-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$135,335	\$0
FY 2015	\$135,169	\$0

PL - 302 - Fishing Access Site Operations & Maintenance Staff -

This budget request is for \$135,335 in FY 2014 and \$135,169 in FY 2015 of state and federal special revenue and 3.15 FTE for maintaining existing fishing access sites (FAS) around the state. The duties the summer field employees will perform include latrine cleaning, weed control, fencing, vandalism repair, and overall site maintenance. River Rangers manage the FAS on the Beaverhead, Big Hole, and Madison rivers. Groundskeepers and maintenance workers provide services at more than 320 sites statewide.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$309,125	\$309,125
FY 2015	\$309,125	\$309,125

PL - 303 - Aquatic Invasive Species AIS OTO -

This request is for \$309,125 general fund each year for continuation of the aquatic invasive species (AIS) work including multi-agency coordination and the watercraft inspection program. General fund will support seasonal staff and operations allocated to implement the statewide watercraft inspection station program.

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

PL - 304 - Fishing Land Access OTO -

This one-time-only request is for \$10,000 per year in state special revenue and will allow FWP to continue to address access needs and resolve conflict and access issues at bridges. The Fisheries and Enforcement Divisions have worked together to assist landowners and anglers in resolving conflict and providing access at bridge access sites. Funding has been used to construct safe passage for anglers and to resolve parking issues.

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

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

NP - 301 - Funding Switch to Federal Dingell-Johnson -

The department requests a budget neutral shift of \$425,000 per year from state special to federal special revenue. The Fisheries Division will allocate an additional \$850,000 of Dingle Johnson/ Wallop-Breaux Act funds to maximize federal support of base programs while saving the general license funds for other activities that are ineligible for federal funding over the biennium. Federal funds will be used specifically to support the Fort Peck Warm Water Hatchery in eastern Montana and to support boating access site maintenance across the state. Current level FTE will not change, only the funding source will be different.

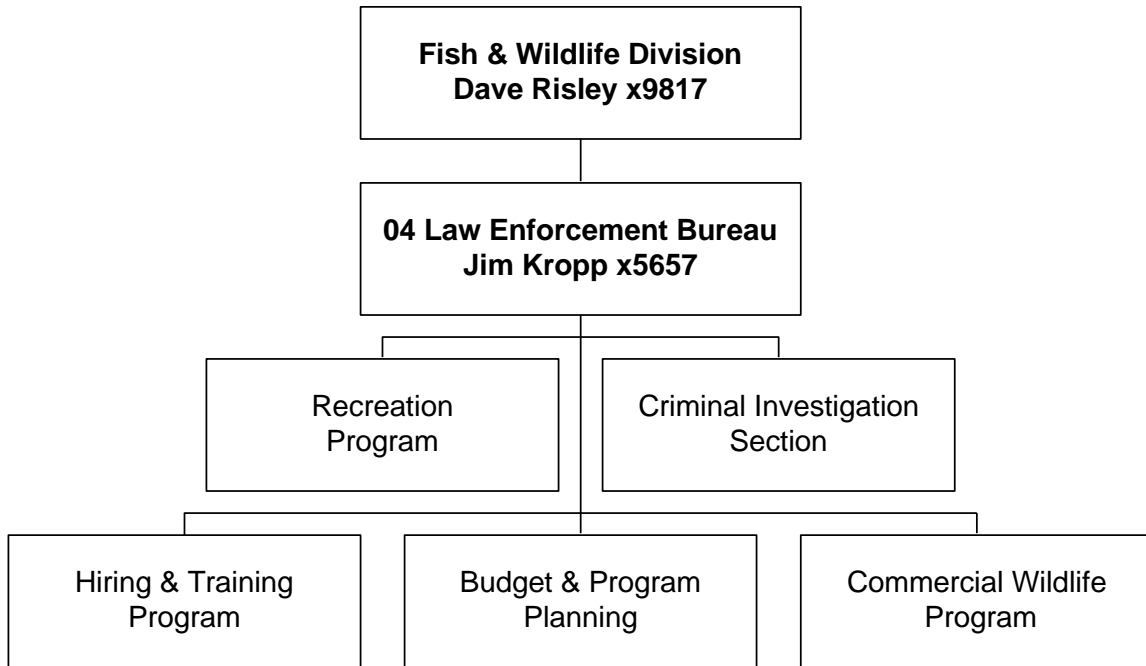
**DEPT OF FISH, WILDLIFE & PARKS-5201
FISHERIES DIVISION-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$786)	\$0
FY 2015	(\$786)	\$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. This request includes a reduction of \$786 per year in state special revenue in the Fisheries Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF FISH, WILDLIFE & PARKS-5201
ENFORCEMENT DIVISION-04**



Program Description - The Law Enforcement Division is responsible for ensuring compliance with laws and regulations pertaining to the protection and preservation of big game animals, fur-bearing animals, fish, game birds, and other protected wildlife species. The division also enforces the laws and regulations relative to lands or waters under agency jurisdiction and the recreation programs associated with the public lands and waters. These include programs such as; state parks, fishing access sites, state lands, boating safety, snowmobiles and off highway vehicles, outfitters/guides, block management patrols, and stream access enforcement. Other duties include commercial wildlife permitting, hunter education, public presentations, license vendor contacts, game damage response, urban wildlife activities, and assisting other law enforcement agencies as requested.

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	113.88	0.00	0.00	113.88	0.00	0.00	113.88
Personal Services	7,247,098	415,824	0	7,662,922	423,183	0	7,670,281
Operating Expenses	1,981,961	(28,708)	(1,867)	1,951,386	(18,170)	(1,867)	1,961,924
Equipment & Intangible Assets	116,256	0	0	116,256	0	0	116,256
Grants	15,200	0	0	15,200	0	0	15,200
Transfers	29,109	0	0	29,109	0	0	29,109
Total Costs	\$9,389,624	\$387,116	(\$1,867)	\$9,774,873	\$405,013	(\$1,867)	\$9,792,770
State/Other Special	9,037,433	356,469	(1,867)	9,392,035	373,538	(1,867)	9,409,104
Federal Special	352,191	30,647	0	382,838	31,475	0	383,666
Total Funds	\$9,389,624	\$387,116	(\$1,867)	\$9,774,873	\$405,013	(\$1,867)	\$9,792,770

**DEPT OF FISH, WILDLIFE & PARKS-5201
ENFORCEMENT DIVISION-04**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$290,000	\$0
FY 2015	\$290,000	\$0

PL - 401 - Game Warden Overtime -

This budget request is recommended to restore state and federal special revenue of \$290,000 each year of the 2015 biennium for overtime compensation for the Law Enforcement Division. The request is necessary because overtime is zero-based in the budgeting process.

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

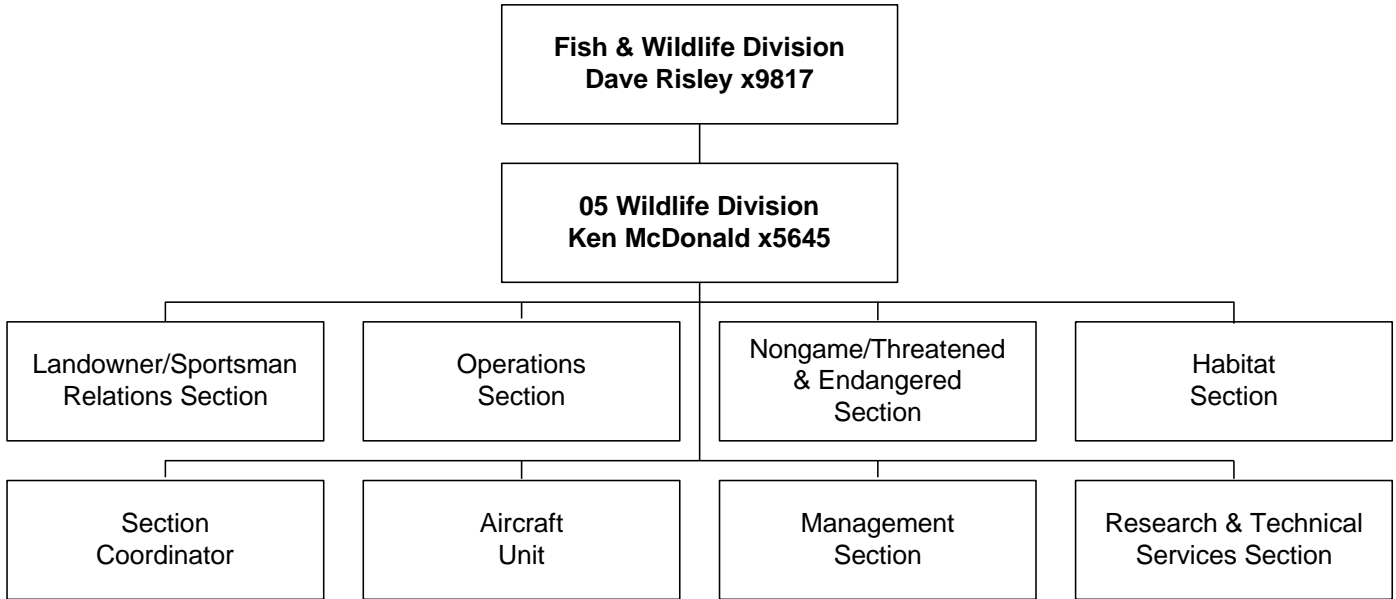
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,867)	\$0
FY 2015	(\$1,867)	\$0

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. This request includes a reduction of \$1,867 per year in state special revenue in the Enforcement Division, which is the expense for program staff having attended PDC training during the base year.

DEPT OF FISH, WILDLIFE & PARKS-5201 WILDLIFE DIVISION-05

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



Program Description - The Wildlife Bureau is responsible for the conservation and management of Montana's 600+ birds, mammals, reptiles, and amphibians and their habitat. Activities include coordination and planning, monitoring the status of wildlife and habitats, conserving and enhancing wildlife habitat, and providing opportunity for public enjoyment of wildlife through hunting, trapping, and viewing. The program manages animals legislatively categorized as big game, nongame wildlife, migratory game birds, upland game, furbearers, and threatened and endangered species.

The program is divided into four areas of responsibility:

- 1) Habitat conservation includes acquisition of fee title lands, conservation easements, leases, and enhancement or restoration of both private and government-owned lands. This also includes reviewing potential land-use projects to help minimize impacts.
- 2) Management is directed towards understanding and managing wildlife, including survey and inventory to monitor wildlife populations; hunter and trapper harvest surveys to determine participation, effort and species harvested; research directed toward answering specific management questions; and season and quota setting.
- 3) Hunting Access Enhancement includes the Block Management program, which provides financial and other incentives to private landowners to offset potential impacts associated with public hunting access; and the Hunter Access Enhancement program that secures access for hunters by purchasing land or easements, secures access to public land, and works to ensure access is maintained. Landowner/Sportsmen Relations staff work with landowners and sportsmen by establishing and maintaining communication with hunter and landowner organizations, and the livestock loss program that provides partial reimbursement to livestock owners for livestock verifiably killed by hunters.
- 4) Wildlife Conflict Prevention is a growing component of the Wildlife program that consists of several differing, divergent components including game damage, wildlife diseases, predation on livestock and domestic animals, and human - urban wildlife conflict. FWP seeks to prevent conflict through technical assistance, outreach, prevention, and if necessary, removal of offending animals.

**DEPT OF FISH, WILDLIFE & PARKS-5201
WILDLIFE DIVISION-05**

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	137.98	0.00	4.75	142.73	0.00	6.50	144.48
Personal Services	7,311,141	902,115	260,627	8,473,883	909,024	357,472	8,577,637
Operating Expenses	9,420,156	297,223	319,711	10,037,090	310,971	321,366	10,052,493
Equipment & Intangible Assets	47,867	0	0	47,867	0	0	47,867
Grants	162,879	0	0	162,879	0	0	162,879
Benefits & Claims	6,225	0	0	6,225	0	0	6,225
Total Costs	\$16,948,268	\$1,199,338	\$580,338	\$18,727,944	\$1,219,995	\$678,838	\$18,847,101
State/Other Special	11,622,284	783,468	(1,618,304)	10,787,448	796,517	(1,519,804)	10,898,997
Federal Special	5,325,984	415,870	2,198,642	7,940,496	423,478	2,198,642	7,948,104
Total Funds	\$16,948,268	\$1,199,338	\$580,338	\$18,727,944	\$1,219,995	\$678,838	\$18,847,101

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$110,000	\$0
FY 2015	\$110,000	\$0

PL - 505 - Habitat Montana O&M -

This request is for \$110,000 per year in state special revenue for developing and maintaining property managed for wildlife habitat.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$11,500	\$0
FY 2015	\$11,500	\$0

PL - 507 - Game Herders for Game Damage Program -

This request is to restore \$11,500 per year of state special revenue for operations in the game damage program. This authority will allow the program to hire local area ranch hands as short-term workers under a modified level FTE to herd game animals away from crops and stored hay/grain in response to private landowner complaints of game damage. The need for herders varies from year to year based upon weather, animal distribution, and landowner ranch operations. With the funding, FWP can respond immediately and effectively to game damage complaints where herding is determined to be the most effective response.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$40,000	\$0
FY 2015	\$40,000	\$0

PL - 508 - Migratory Bird Program Authority -

This request is recommended to restore \$40,000 per year of state special revenue that is statutorily dedicated to the protection of wetlands. The continuation of this funding would allow the agency to implement contracts for wetland habitat project monitoring. Funding for this program is from an earmarked account that can only be spent for the program.

**DEPT OF FISH, WILDLIFE & PARKS-5201
WILDLIFE DIVISION-05**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$164,800	\$0
FY 2015	\$164,800	\$0

PL - 509 - Auction Programs and Non-Game Check Off -

This request is to restore base state special revenue funding of \$164,800, which is consistent with the income from the Elk, Goat, and Sheep Auction and the Non-game Check Off receipts. The funding enables enhanced survey, management, and research efforts.

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

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

NP - 501 - Funding Shift to PR -

The department requests a budget neutral shift of \$1,000,000 per year from state special to federal special revenue. Wildlife will allocate the federal Pittman Robertson funds to maximize federal support of base programs while saving the general license funds for other activities that are ineligible for federal funding.

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

NP - 502 - Funding Shift In Block Management -

The department requests a budget neutral shift of \$1,000,000 per year from state special to federal special revenue. This request will offset reductions in earmarked revenue resulting from reduced nonresident license sales by replacing some Hunting Access Program license dollars with federal Pittman-Robertson dollars.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$150,000	\$0
FY 2015	\$150,000	\$0

NP - 503 - Moose Research -

This budget request is for \$150,000 per year in state and federal special revenue to fund a long-term research project to address concerns about moose populations. Research will be conducted on three different moose populations in the state: the East Cabinets, the upper Big Hole Valley, and the Rocky Mountain Front. Moose auction dollars will be matched with federal Pittman-Robertson dollars to fund the research.

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

NP - 504 - Sage Grouse Research -

This request is for \$100,000 in federal special revenue to fund a long-term research project to evaluate the effectiveness of different grazing systems on sage grouse populations. This work is being accomplished via a working partnership with the USDA Natural Resources Conservation Service (NRCS). Because of the recent finding that sage grouse are warranted for listing under the Endangered Species Act (ESA), with livestock grazing identified as one of the threats to the species, this research is very important and timely. Funding is being requested to leverage license dollars with federal PR dollars at a 3:1 match, versus the current 1:1 match of NRCS dollars.

**DEPT OF FISH, WILDLIFE & PARKS-5201
WILDLIFE DIVISION-05**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$331,696	\$0
FY 2015	\$430,196	\$0

NP - 506 - Wolf Program -

This budget request is for \$331,696 in FY 2014 and \$430,196 in FY 2015 of state special revenue increasing funding to be consistent with income from the sale of wolf licenses. The request includes 4.75 FTE in FY 2014 and 6.50 FTE in FY 2015 in the wolf management program.

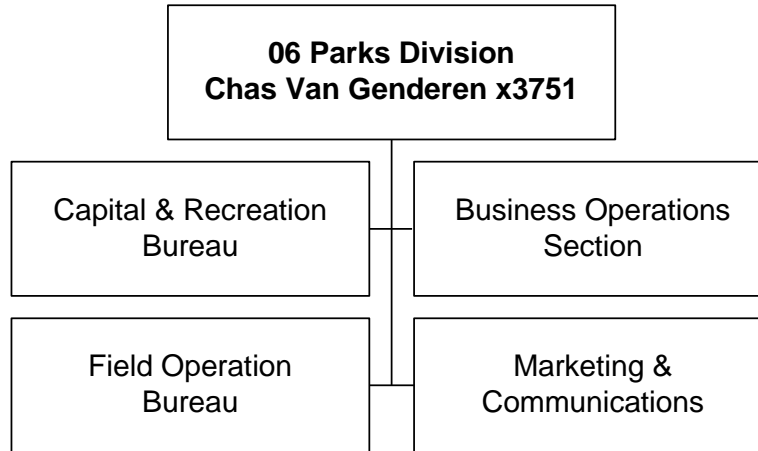
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,358)	\$0
FY 2015	(\$1,358)	\$0

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. This request includes a reduction of \$1,358 per year in state special revenue in the Wildlife Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF FISH, WILDLIFE & PARKS-5201
PARKS DIVISION-06**

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



Program Description - The Parks Division is responsible for conserving the scenic, historic, archaeological, scientific, and recreational resources of the state, and for providing for their use and enjoyment. The program includes 54 parks, 13 affiliated lands such as rifle ranges and recreation sites managed by local and federal agencies, and 334 fishing access sites. Other programs administered by the division include motorized and non-motorized trail grants and local government recreation grants. The division also provides architectural and engineering services for construction and maintenance projects at state parks, state fishing access sites, and administrative facilities.

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	85.01	2.53	0.50	88.04	2.53	0.50	88.04
Personal Services	4,420,026	464,828	22,970	4,907,824	473,291	22,934	4,916,251
Operating Expenses	2,045,511	192,455	134,266	2,372,232	199,874	184,266	2,429,651
Equipment & Intangible Assets	461,748	(205,000)	205,500	462,248	(205,000)	205,500	462,248
Grants	437,605	0	0	437,605	0	0	437,605
Total Costs	\$7,364,890	\$452,283	\$362,736	\$8,179,909	\$468,165	\$412,700	\$8,245,755
State/Other Special	7,237,147	445,827	331,066	8,014,040	461,343	381,066	8,079,556
Federal Special	127,743	6,456	31,670	165,869	6,822	31,634	166,199
Total Funds	\$7,364,890	\$452,283	\$362,736	\$8,179,909	\$468,165	\$412,700	\$8,245,755

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$135,768	\$0
FY 2015	\$135,571	\$0

PL - 602 - Parks Operations & Maintenance Staff -

This budget request is for \$135,768 in FY 2014 and \$135,571 in FY 2015 of state special revenue for state park operations and maintenance. The request includes a cumulative 2.53 FTE in the base, including a modified level park manager as well as maintenance field positions and associated operations authorized in the 2013 biennium.

**DEPT OF FISH, WILDLIFE & PARKS-5201
PARKS DIVISION-06**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$85,143	\$0
FY 2015	\$85,143	\$0

PL - 603 - Land & Water Conservation Fund Program Staff -

This request is for \$85,143 per year in state special revenue for administering grants and providing administrative support for the Recreational Trails Program and the Land & Water Conservation Fund (LWCF), which has been a critical ongoing need in the program since 2001.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$115,063	\$0
FY 2015	\$115,063	\$0

PL - 604 - Program Base Operations -

This request is for \$115,063 per year in state special revenue to restore base funding, ensuring that planned projects and ongoing operations are budgeted at prior year levels and that parks are managed to account for maintenance and safety across the state. This request will also provide funding for recreational trails, snowmobile, and off-highway vehicle programs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$205,000)	\$0
FY 2015	(\$205,000)	\$0

PL - 605 - Snowmobile Program RST/BIEN -

The restricted biennial request reinstates the appropriation of state special revenue for the snowmobile groomer program to \$210,000 per year. The program purchases groomers for local snowmobile clubs to maintain trails during the winter season. The revenue is dedicated funding from the snowmobile fuel tax. Most of the biennial appropriation was spent in the base year of the 2013 biennium, resulting in an over-inflation of the 2015 biennium appropriation based on the way the base budget is calculated. The reduction will correct the budget presentation.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$31,670	\$0
FY 2015	\$31,634	\$0

NP - 606 - Parks Boat Safety -

This request is for \$31,670 in FY 2014 and \$31,634 in FY 2015 of federal special revenue and 0.50 FTE for the promotion of boating safety, education, assistance, and maintenance activities in the Parks Division.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$50,000	\$0
FY 2015	\$100,000	\$0

NP - 607 - Parks Reservation System RST/OTO -

This request is for \$50,000 in FY 2014 and \$100,000 in FY 2015 in state special revenue to fund the Parks reservation system. The current MOU with Idaho State Parks that provides a campsite reservation system for Montana will expire on December 31, 2013. In the event this contract is not renewed, this funding would be used to pay the operating costs of a replacement reservation system.

**DEPT OF FISH, WILDLIFE & PARKS-5201
PARKS DIVISION-06**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$200,000	\$0
FY 2015	\$200,000	\$0

NP - 608 - Parks Equipment OTO -

This request is for \$200,000 per year of state special revenue to purchase heavy equipment needed to maintain and repair infrastructure at parks statewide.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$82,000	\$0
FY 2015	\$82,000	\$0

NP - 609 - Parks O&M -

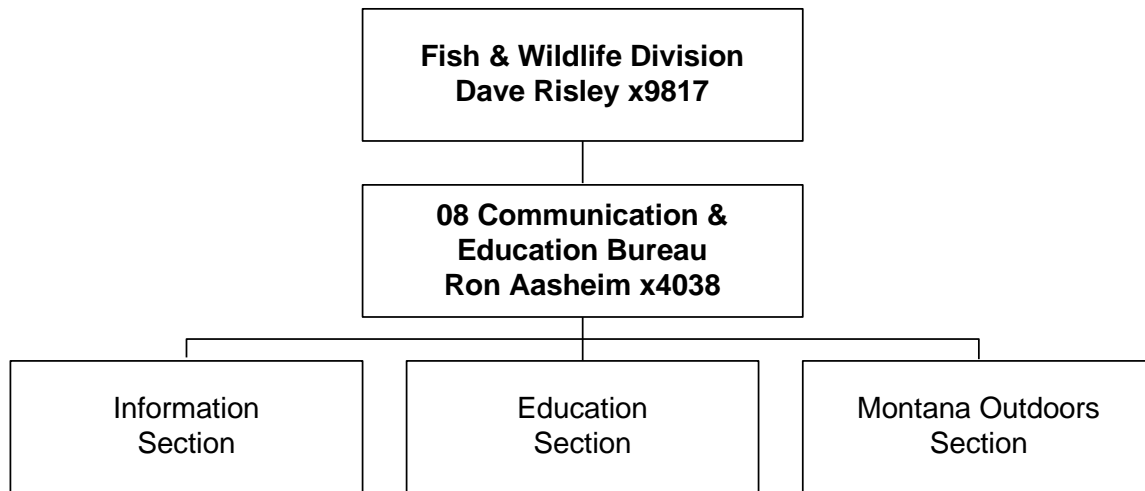
This request is for \$82,000 per year in state special revenue for increasing operating costs statewide. The cost of garbage collection, electricity, latrine pumping, supplies, materials, and repairs and maintenance have increased significantly. Parks with high camping volumes and visitors require additional operations funding to pay for critical services such as park maintenance and safety improvements to ensure visitor enjoyment.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$934)	\$0
FY 2015	(\$934)	\$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. This request includes a reduction of \$934 per year in state special revenue in the Parks Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF FISH, WILDLIFE & PARKS-5201
COMMUNICATION AND EDUCATION DIV-08**



Program Description - The Communication & Education Division, through its Helena office and seven regional information and education managers, coordinates the department's information and education programs, administers a statewide shooting range grants program, and oversees a wild animal rehabilitation center. Specific responsibilities include: distributing public information through news releases, audiovisual materials, brochures, Montana Outdoors Magazine, and public service announcements; coordinating youth education programs; coordinating the production of hunting, fishing, and trapping regulations; coordinating the hunter, bow-hunter, trapper, boat, and safety programs; oversees Montana Wild - an education center; providing reception services including the sale of licenses and disseminating of licensing and regulation information for the department's Helena headquarters.

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	28.05	0.00	0.00	28.05	0.00	0.00	28.05
Personal Services	1,913,282	40,016	0	1,953,298	40,556	0	1,953,838
Operating Expenses	1,402,160	1,987	(105)	1,404,042	6,720	(105)	1,408,775
Grants	336,782	0	0	336,782	0	0	336,782
Total Costs	\$3,652,224	\$42,003	(\$105)	\$3,694,122	\$47,276	(\$105)	\$3,699,395
State/Other Special	2,927,312	36,462	(105)	2,963,669	41,040	(105)	2,968,247
Federal Special	724,912	5,541	0	730,453	6,236	0	731,148
Total Funds	\$3,652,224	\$42,003	(\$105)	\$3,694,122	\$47,276	(\$105)	\$3,699,395

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

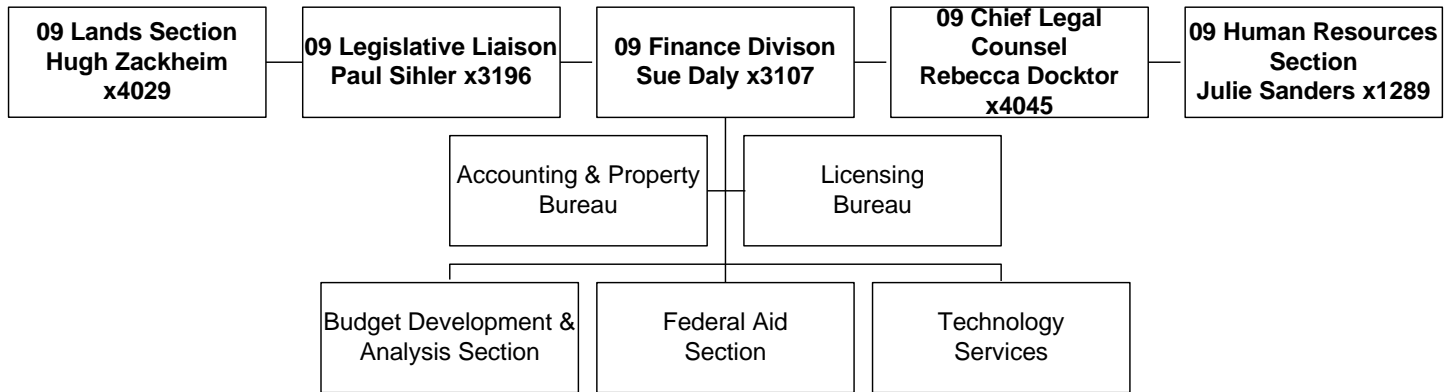
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$105)	\$0
FY 2015	(\$105)	\$0

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. This request includes a reduction of \$105 per year in state special revenue in the Communication and Education Division, which is the expense for program staff having attended PDC training during the base year.

DEPT OF FISH, WILDLIFE & PARKS-5201 MANAGEMENT AND FINANCE-09

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



Program Description – The Management and Finance Division is divided into two sections.

The management sections of the division are responsible for: overall department direction regarding policy, planning, program development, guidelines, and budgets; liaison with the Governor's Office and the Legislature; interaction with the Fish, Wildlife and Parks Commission; decision-making for key resource activities affecting the department; liaison with Montana's Indian tribes and with other state and federal agencies; legal services for the department; human resource management; and real estate functions for the department.

The finance sections of the division provide for: department-wide support for accounting; fiscal management; purchasing and property management; federal aid administration; and the sale of hunting, fishing, and other recreational licenses.

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	65.12	0.50	0.00	65.62	0.50	0.00	65.62
Personal Services	3,855,366	366,910	0	4,222,276	371,415	0	4,226,781
Operating Expenses	4,978,633	79,152	22,855	5,080,640	(10,456)	22,855	4,991,032
Equipment & Intangible Assets	12,640	0	0	12,640	0	0	12,640
Transfers	112,679	52,100	0	164,779	52,100	0	164,779
Total Costs	\$8,959,318	\$498,162	\$22,855	\$9,480,335	\$413,059	\$22,855	\$9,395,232
State/Other Special	8,898,467	481,681	22,855	9,403,003	412,131	22,855	9,333,453
Federal Special	60,851	16,481	0	77,332	928	0	61,779
Total Funds	\$8,959,318	\$498,162	\$22,855	\$9,480,335	\$413,059	\$22,855	\$9,395,232

**DEPT OF FISH, WILDLIFE & PARKS-5201
MANAGEMENT AND FINANCE-09**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$55,534	\$0
FY 2015	\$55,452	\$0

PL - 901 - Legal Unit -

This request is for \$55,534 in FY 2014 and \$55,542 in FY 2015 of state special revenue. The legal unit workload has increased due to litigation in federal courts defending Endangered Species Act delisting decisions (wolves, grizzly bear); increased litigation in state district courts defending agency management decisions such as the contract for caretaking of quarantined bison; increases in objections before the Water Court; and an increase in legal work in the acquisition, monitoring, and enforcement of conservation easements for fish and wildlife habitat. Adding this 0.50 FTE is preferable to contracting with private sector attorneys, which would result in significantly higher costs per hour.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$52,100	\$0
FY 2015	\$52,100	\$0

PL - 902 - Search and Rescue -

This budget request is for \$52,100 of state special revenue each year of the biennium to reestablish authority to transfer cash to the Department of Military Affairs for costs incurred by search and rescue clubs when searching for hunters, anglers, or trappers. This base adjustment reestablishes this appropriation for the 2015 biennium. The revenue source for these funds is \$0.25 for each conservation license sold which is statutorily dedicated for this purpose.

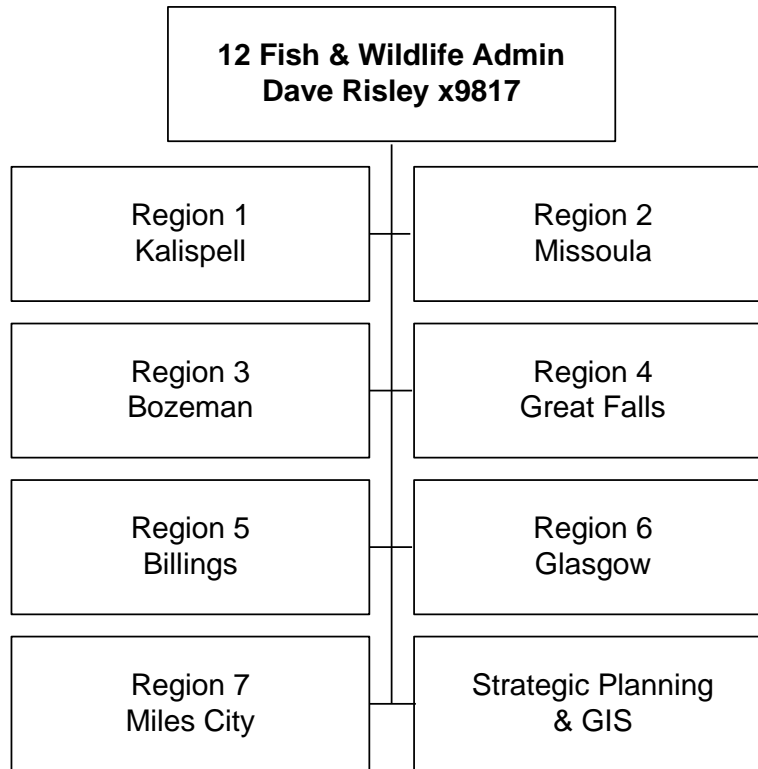
-----New Proposals-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$22,855	\$0
FY 2015	\$22,855	\$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 \$22,855 per year from state special revenue, general license funds for the department's allocation of the fixed cost.

**DEPT OF FISH, WILDLIFE & PARKS-5201
FISH AND WILDLIFE ADMIN-12**



Program Description - Administration of the Fish & Wildlife Division includes oversight of the Enforcement, Wildlife, Fisheries, and Communication & Education programs and the seven regional offices that are responsible for program implementation. The strategic planning section uses information and planning processes to develop strategic guidance for the director and develop operational guidance for the division's operations and ensures that the agency is engaged in external federal, state, and local planning processes that impact the agency. The data services section is responsible for maintenance and support of biological databases MFISH and MWILD; and all FWP Geographic Information System (GIS) data, applications, and training.

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	49.46	0.00	0.00	49.46	0.00	0.00	49.46
Personal Services	2,856,696	115,887	0	2,972,583	119,007	0	2,975,703
Operating Expenses	943,330	(7,569)	(1,118)	934,643	(3,127)	(1,118)	939,085
Equipment & Intangible Assets	27,384	0	0	27,384	0	0	27,384
Transfers	79,142	(8,300)	0	70,842	(8,300)	0	70,842
Debt Service	19,627	1,800	0	21,427	1,800	0	21,427
Total Costs	\$3,926,179	\$101,818	(\$1,118)	\$4,026,879	\$109,380	(\$1,118)	\$4,034,441
State/Other Special	3,763,040	96,569	(1,118)	3,858,491	104,297	(1,118)	3,866,219
Federal Special	163,139	5,249	0	168,388	5,083	0	168,222
Total Funds	\$3,926,179	\$101,818	(\$1,118)	\$4,026,879	\$109,380	(\$1,118)	\$4,034,441

**DEPT OF FISH, WILDLIFE & PARKS-5201
FISH AND WILDLIFE ADMIN-12**

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

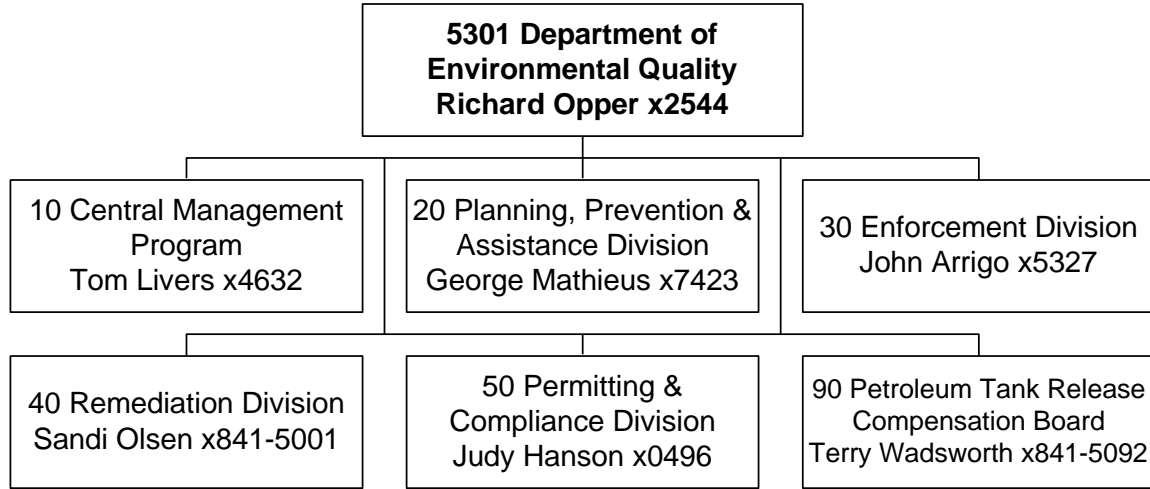
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,118)	\$0
FY 2015	(\$1,118)	\$0

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. This request includes a reduction of \$1,118 per year in state special revenue in the Fish and Wildlife Administration Division, which is the expense for program staff having attended PDC training during the base year.

DEPT OF ENVIRONMENTAL QUALITY-5301

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



Mission Statement - To protect, promote, and improve a clean and healthful environment to benefit present and future generations.

Statutory Authority - Titles 2, 7, 37, 50, 69, 75, 76, 80, 82 and 90, MCA; USC 24, 30, 33 and 42; PL No. 92-500, 95-87, 91, 95-224 and 99-519.

Language - The department requests the following language in HB 2.

"The program is authorized to decrease federal special revenue and increase state special revenue in the drinking water and/or water pollution control revolving loan programs by a like amount within the administration account, when the amount of federal capitalization funds have been expended or when federal funds and bond proceeds will be used for other program purposes."

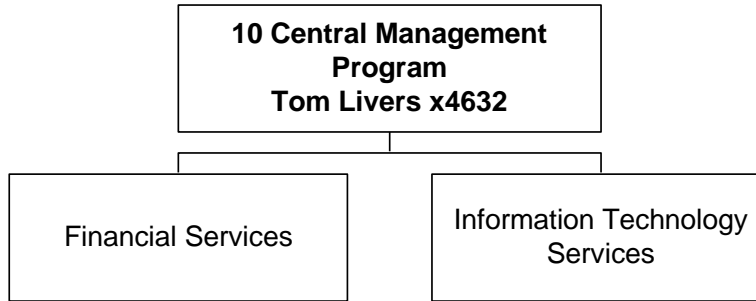
"If federal funds are received to help meet the annual shortfall in operating and maintenance costs at the Zortman/Landusky mine sites, this general fund spending authority will be reduced by the same amount.

"The department is appropriated up to \$1,000,000 of the funds recovered under the petroleum tank compensation board subrogation program in the 2015 biennium for the purpose of paying contract expenses related to the recovery of funds."

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	383.48	0.00	2.00	385.48	0.00	2.00	385.48
Personal Services	24,910,379	1,797,838	114,700	26,822,917	1,820,038	114,532	26,844,949
Operating Expenses	21,054,758	7,058,801	591,771	28,705,330	7,063,368	483,421	28,601,547
Equipment & Intangible Assets	60,755	40,985	0	101,740	40,985	0	101,740
Grants	1,635,863	0	0	1,635,863	0	0	1,635,863
Benefits & Claims	0	425,000	0	425,000	425,000	0	425,000
Transfers	32,398	0	0	32,398	0	0	32,398
Total Costs	\$47,694,153	\$9,322,624	\$706,471	\$57,723,248	\$9,349,391	\$597,953	\$57,641,497
General Fund	5,162,636	387,513	917,554	6,467,703	389,087	809,036	6,360,759
State/Other Special	24,657,802	6,670,895	(204,926)	31,123,771	6,644,031	(204,926)	31,096,907
Federal Special	17,873,715	2,264,216	(6,157)	20,131,774	2,316,273	(6,157)	20,183,831
Total Funds	\$47,694,153	\$9,322,624	\$706,471	\$57,723,248	\$9,349,391	\$597,953	\$57,641,497

DEPT OF ENVIRONMENTAL QUALITY-5301 CENTRAL MANAGEMENT PROGRAM-10

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



Program Description - The Central Management Program consists of the Director's Office, a Financial Services office, and an Information Technology Office. It is the organizational component of DEQ responsible and accountable for the administration, management, planning, and evaluation of agency performance in carrying out the department's mission and statutory responsibilities. The Director's Office includes the director's staff, the deputy director, an administrative officer, a public information officer, a centralized legal services unit, and a centralized personnel office. The Financial Services Office provides budgeting, accounting, payroll, procurement, and contract management support to other divisions. The Information Technology Office provides information technology services support to other divisions.

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	9.00	(1.00)	0.00	8.00	(1.00)	0.00	8.00
Personal Services	754,893	(24,066)	0	730,827	(23,668)	0	731,225
Operating Expenses	801,179	411,653	(492)	1,212,340	411,251	(492)	1,211,938
Total Costs	\$1,556,072	\$387,587	(\$492)	\$1,943,167	\$387,583	(\$492)	\$1,943,163
General Fund	314,978	111,422	(112)	426,288	111,417	(112)	426,283
State/Other Special	940,718	250,968	(206)	1,191,480	211,394	(206)	1,151,906
Federal Special	300,376	25,197	(174)	325,399	64,772	(174)	364,974
Total Funds	\$1,556,072	\$387,587	(\$492)	\$1,943,167	\$387,583	(\$492)	\$1,943,163

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

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

PL - 1001 - Legal Challenges (RST/BIEN/OTO) -

This budget request is for \$50,000 per year in general fund revenue to serve as a contingency if the department is ordered to pay another party's legal fees for a lost legal action. The department does not currently have a funding source for such expenses. Such costs are not eligible for federal funding, nor can they be passed on to responsible parties. The decision package is requested as a restricted biennial appropriation.

**DEPT OF ENVIRONMENTAL QUALITY-5301
CENTRAL MANAGEMENT PROGRAM-10**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$91,000	\$0
FY 2015	\$91,000	\$0

PL - 1002 - EPA FY11 Exchange Network Grant -

This budget request is for \$91,000 per year in federal special revenue. DEQ was awarded EPA grant funding to continue work on the existing Montana Exchange Network Node. DEQ and EPA have been working to improve data accuracy of underground storage tank/leaking underground storage tank (UST/LUST) site location data and to establish UST/LUST data partnerships with states, tribes, local governments, and interested parties.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$85,912)	(\$30,186)
FY 2015	(\$85,779)	(\$30,053)

PL - 1004 - Move Attorney from PGM 10 to PGM 40 -

This budget request is a reduction of \$85,912 in FY 2014 and \$85,779 in FY 2015 all funds to adjust for the transfer of an attorney from the Central Management Program to the Remediation Division. This transfer aligns the position with workload requirements. The request is budget neutral and nets to \$0.00 across the two programs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$270,210	\$70,968
FY 2015	\$269,438	\$70,713

PL - 1005 - Central Management Program Base Adjustment HB2 -

The budget includes \$270,210 in FY 2014 and \$269,438 in FY 2015 in general fund and state and federal special revenue to restore spending authority for the base budget in the Central Management Program. Primary factors related to this request include: Environmental Impact Statement (EIS) activity reduction in the base year (new projects are in the queue); legal costs incurred by the Board of Environmental Review exceeded current funding levels; and an approximate nine month attorney pool vacancy in the in the base year.

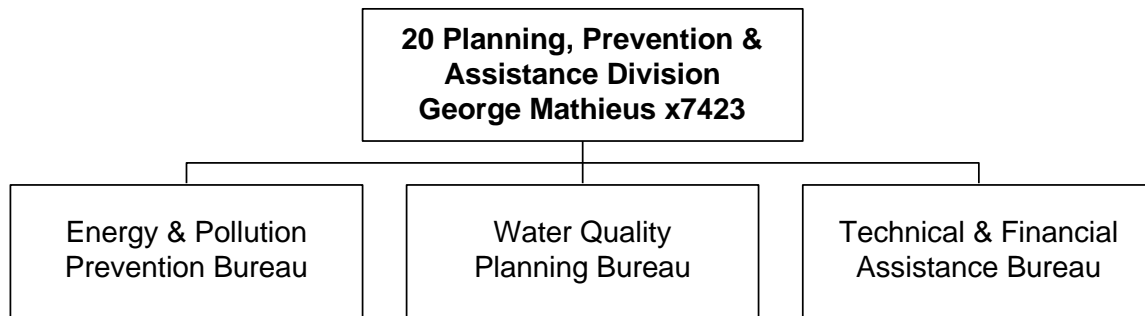
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$492)	(\$112)
FY 2015	(\$492)	(\$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, it must be presented as a new proposal for the next biennium. This request includes a reduction of \$492 per year in all funds in the central management program, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF ENVIRONMENTAL QUALITY-5301
PLANNING, PREVENTION & ASSISTANCE DIVISION-20**



Program Description - The Planning, Prevention, and Assistance Division 1) finances construction and improvement of community drinking water and wastewater systems and provides engineering review and technical assistance to community water infrastructure planners; 2) finances energy saving retrofits of public buildings and renewable energy systems for homeowners and small businesses; 3) provides technical assistance and education to builders, homeowners, and businesses on energy efficiency and renewable energy, indoor air quality, radon, recycling, and solid waste reduction; 4) assists small businesses in reducing emissions and complying with environmental regulations; 5) monitors water quality conditions, assesses potential pollution problems, and aids industry to achieve cost effective compliance with water quality laws and regulations; 6) assists communities in planning for energy, watershed, air shed, and solid and hazardous waste management; 7) develops water quality restoration plans (Total Maximum Daily Loads or TMDLs); 8) proposes rules, drafts policy, and develops water quality standards. The division consists of three bureaus: Technical and Financial Assistance, Water Quality Planning, and Energy and Pollution Prevention, along with a Financial Management and Budgeting Unit.

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	83.50	0.00	0.00	83.50	0.00	0.00	83.50
Personal Services	5,713,653	377,067	0	6,090,720	384,664	0	6,098,317
Operating Expenses	5,035,015	1,800,500	198,168	7,033,683	1,801,371	198,168	7,034,554
Total Costs	\$10,748,668	\$2,177,567	\$198,168	\$13,124,403	\$2,186,035	\$198,168	\$13,132,871
General Fund	2,604,298	63,348	199,424	2,867,070	64,417	199,424	2,868,139
State/Other Special	2,155,346	998,225	(310)	3,153,261	998,825	(310)	3,153,861
Federal Special	5,989,024	1,115,994	(946)	7,104,072	1,122,793	(946)	7,110,871
Total Funds	\$10,748,668	\$2,177,567	\$198,168	\$13,124,403	\$2,186,035	\$198,168	\$13,132,871

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,632,477	\$36,908
FY 2015	\$1,632,477	\$36,908

PL - 2001 - Planning, Prevention & Assist Operations Adjustment -

The budget includes \$1,632,477 per year in general fund, state special revenue, and federal special revenue to restore spending authority in the Planning, Prevention, and Assistance Program. Administrative appropriations for unfinished projects, position vacancies, and federal funding are the primary factors in lower base year spending.

**DEPT OF ENVIRONMENTAL QUALITY-5301
PLANNING, PREVENTION & ASSISTANCE DIVISION-20**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$170,000	\$0
FY 2015	\$170,000	\$0

PL - 2002 - Water Pollution Control State Special Authority -

This budget request is for \$170,000 per year in state special revenue to fund various activities related to clean water. Activities include advanced training, wetland program projects, and pilot projects related to clean water.

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

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

NP - 2005 - Database Development OTO/BIEN/RST This restricted, biennial, and one-time-only request is \$150,000 per year general fund for a database development and enhancement project. The project's purpose is to complete the phased development of the bureau's Water Quality Assessment, Reporting, and Documentation (WARD) information management system.

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

NP - 2006 - Database & Application Maintenance -

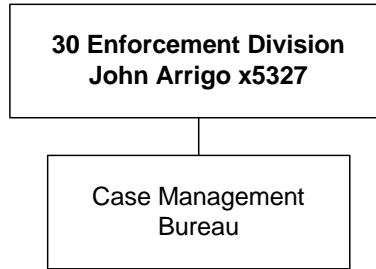
The department requests \$50,000 per year in general fund revenue to provide for the ongoing maintenance of the department's water quality database and related technical systems.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,832)	(\$576)
FY 2015	(\$1,832)	(\$576)

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. This request includes a reduction of \$1,832 in general fund, state special revenue, and federal special revenue in the Planning, Prevention, and Assistance Program, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF ENVIRONMENTAL QUALITY-5301
ENFORCEMENT DIVISION-30**



Program Description - The Enforcement Division is responsible for formal enforcement of the public health and environmental protection laws and rules administered by the department. Division staff works with department attorneys and regulatory programs to draft administrative orders, calculate penalties, negotiate settlements, and monitor compliance with orders issued by the department. The division also manages a complaint clearinghouse that responds to and tracks citizen complaints and reports of spills or releases of materials.

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	14.73	0.00	0.00	14.73	0.00	0.00	14.73
Personal Services	954,426	59,365	0	1,013,791	60,237	0	1,014,663
Operating Expenses	329,721	37,340	(799)	366,262	35,459	(799)	364,381
Total Costs	\$1,284,147	\$96,705	(\$799)	\$1,380,053	\$95,696	(\$799)	\$1,379,044
General Fund	506,701	52,694	(315)	559,080	52,285	(315)	558,671
State/Other Special	433,707	27,702	(271)	461,138	27,364	(271)	460,800
Federal Special	343,739	16,309	(213)	359,835	16,047	(213)	359,573
Total Funds	\$1,284,147	\$96,705	(\$799)	\$1,380,053	\$95,696	(\$799)	\$1,379,044

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$40,359	\$16,350
FY 2015	\$38,408	\$15,560

PL - 3001 - Enforcement Operations Adjustments -

The operating adjustment is for \$40,359 in FY 2014 and \$38,408 in FY 2015 in general fund, state special, and federal special revenue to restore spending authority for the base budget in the Enforcement Division. Base expenditures were low due to staff vacancies as well as extensive work done on the Yellowstone oil spill, the cost of which was reimbursed by Exxon Mobile.

**DEPT OF ENVIRONMENTAL QUALITY-5301
ENFORCEMENT DIVISION-30**

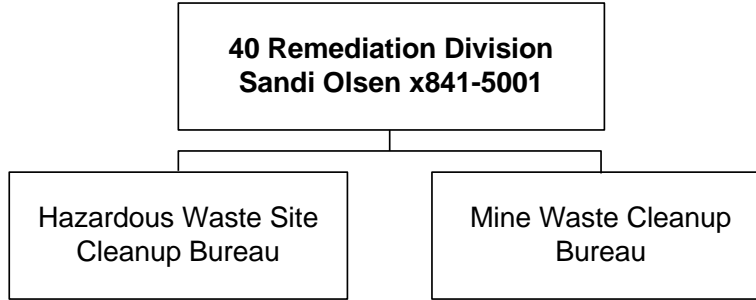
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$799)	(\$315)
FY 2015	(\$799)	(\$315)

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. This request includes a reduction of \$799 in general fund, state special, and federal special revenue in the Enforcement Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF ENVIRONMENTAL QUALITY-5301
REMEDIATION DIVISION-40**



Program Description - The Remediation Division protects human health and the environment by restoring contaminated sites to a level that prevents unacceptable exposure to hazardous substances that have been released to soil, sediment, surface water, or groundwater. The division also ensures compliance with state and federal regulations. It oversees and conducts or supports remedial investigation and efficient, cost-effective cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned mine lands; implements corrective actions at sites with leaking petroleum storage tanks; and oversees groundwater remediation at sites where improper placement of wastes has caused groundwater contamination. This division is divided into three bureaus. The Hazardous Waste Site Cleanup Bureau oversees or conducts the investigation and cleanup of sites contaminated by chemical spills, hazardous substances, and petroleum released by industrial and commercial operations. The bureau works with the Petroleum Tank Release Compensation Board for eligibility and reimbursement determinations. The Mine Waste Cleanup Bureau is responsible for administering and overseeing remedial actions at historical (pre-1977) abandoned mines, ore-transport, and processing facilities. The bureau also oversees the state provisions of the federal Comprehensive Environmental Response and Liability Act (CERCLA or federal Superfund program) for cleanup activities at National Priority List (NPL) sites.

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	63.01	1.00	0.00	64.01	1.00	0.00	64.01
Personal Services	3,779,059	588,370	0	4,367,429	591,430	0	4,370,489
Operating Expenses	6,240,712	582,703	(3,078)	6,820,337	584,950	(3,078)	6,822,584
Benefits & Claims	0	425,000	0	425,000	425,000	0	425,000
Transfers	9,364	0	0	9,364	0	0	9,364
Total Costs	\$10,029,135	\$1,596,073	(\$3,078)	\$11,622,130	\$1,601,380	(\$3,078)	\$11,627,437
State/Other Special	5,223,156	921,512	(584)	6,144,084	923,425	(584)	6,145,997
Federal Special	4,805,979	674,561	(2,494)	5,478,046	677,955	(2,494)	5,481,440
Total Funds	\$10,029,135	\$1,596,073	(\$3,078)	\$11,622,130	\$1,601,380	(\$3,078)	\$11,627,437

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$175,774	\$0
FY 2015	\$176,574	\$0

PL - 4001 - Remediation Division Operating Adjustment -

This request is for \$175,774 in FY 2014 and \$176,574 in FY 2015 in state and federal special revenue to restore base budget authority for the Hazardous Waste Site Cleanup Bureau (HWSCB) and the Mine Waste Cleanup Bureau (MWCB). Operating adjustments for the HWSCB reflect increased activity for preliminary assessment and site investigation (PA/SI), litigation on state superfund sites, and contractual activity at other state superfund sites. Base activity included emergency response to the Yellowstone pipeline spill. The MWCB is requesting authority for completion of hard rock abandoned mine cleanup projects for which cash has already been received, and the MWCB has anticipated increased contractual activity for certain federal superfund sites.

**DEPT OF ENVIRONMENTAL QUALITY-5301
REMEDIATION DIVISION-40**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$425,000	\$0
FY 2015	\$425,000	\$0

PL - 4003 - Orphan Share Claims Feasibility Studies (BIEN/RST/OTO) -

This one-time-only, biennial, and restricted request is for \$850,000 in state special revenue orphan share funds. The department would reimburse the orphan share fund expenses for the remedial investigation and feasibility studies being conducted during the 2015 biennium. Claims are anticipated under the Controlled Allocation of Liability Act (CALA) for two sites: the S&W Sawmill in Darby and the Joslyn Street Tailings in Helena.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$199,455	\$0
FY 2015	\$199,455	\$0

PL - 4004 - LUST Trust Cost Recovery Expenditures -

This request is for \$199,455 per year in state special revenue Leaking Underground Storage Tank (LUST) Cost Recovery Shares. The decision package seeks the authority to compensate for reductions in federal grants funds. The purpose of these expenditures is to continue the department's efforts to investigate and clean up petroleum releases from certain underground storage tanks to prevent human health and environmental impacts where the cleanup is not eligible for reimbursement from the petroleum tank release compensation fund. LUST Trust Cost Recovery funds are monies from recalcitrant responsible parties that have reimbursed the department for expenditures to clean up certain petroleum release sites.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$201,416	\$0
FY 2015	\$201,416	\$0

PL - 4005 - Beal & Basin Reclamation Bond Expend. (BIEN/RST) -

This restricted biennial request is for \$402,832 in state special revenue forfeited reclamation bond monies over the 2015 biennium. The funds are monies for the Beal and Basin mine sites and will be used to continue utilizing contracted services for ongoing reclamation activity. At Beal, these funds will supplement forest service expenditures for site maintenance and water monitoring needs. At the Basin site, these funds will be used to reclaim abandoned mine infrastructure and conduct site maintenance to supplement EPA expenditures at the regional mine waste repository located at the former mine site.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$8,003	\$0
FY 2015	\$8,413	\$0

PL - 4006 - Remediation Division Additional Leased Vehicle -

The request is for \$8,003 in FY 2014 and \$8,413 in FY 2015 in federal special revenue funds. The division requests an additional vehicle to better access remote sites. In order to investigate and develop plans for reclamation, it is necessary to access off-road abandoned mine sites.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$85,912	\$0
FY 2015	\$85,779	\$0

PL - 4007 - Move Attorney from PGM 10 to PGM 40 -

This budget request adds \$85,912 in FY 2014 and \$85,779 in FY 2015 in state special and federal special revenue for the transfer of an attorney from the Central Management Program to the Remediation Division. This transfer aligns the position with workload requirements. The request is budget neutral and nets to \$0 across the two divisions.

**DEPT OF ENVIRONMENTAL QUALITY-5301
REMEDIATION DIVISION-40**

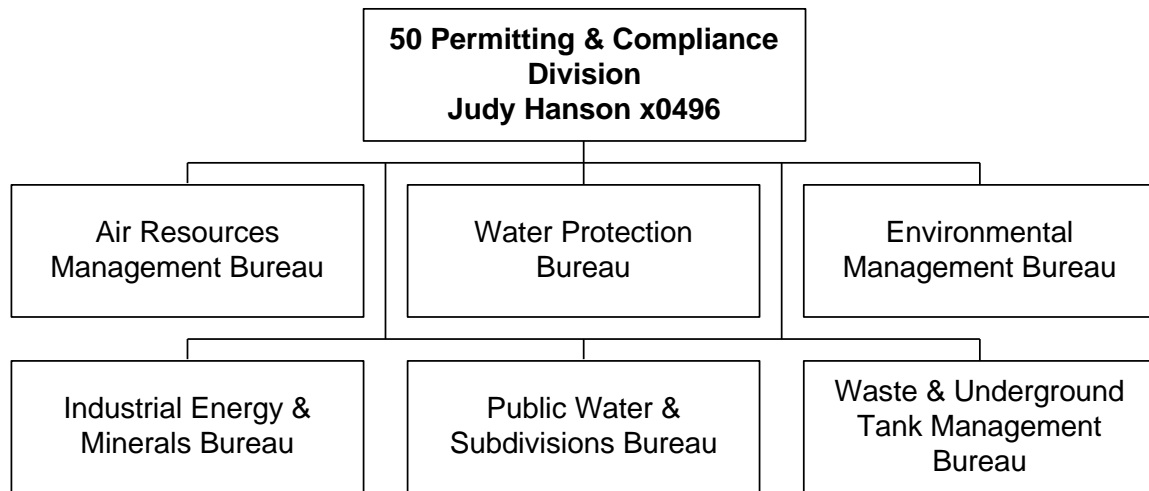
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$3,078)	\$0
FY 2015	(\$3,078)	\$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. This request includes a reduction of \$3,078 in state and federal special revenue in the Remediation Division, which is the expense for program staff having attended PDC training during the base year.

DEPT OF ENVIRONMENTAL QUALITY-5301 PERMITTING & COMPLIANCE DIVISION-50



Program Description - The Permitting and Compliance Division administers all DEQ permitting and compliance activities based on 17 state regulatory and five related federal authorities. The division: 1) reviews and assesses environmental permit applications (coordinating with other state, local, and federal agencies) to determine control measures needed to ensure compliance with the law and to prevent land, water, and air conditions detrimental to public health welfare, safety, and the environment; 2) prepares supporting environmental documents under the Montana Environmental Policy Act and provides training and technical assistance when needed; 3) inspects to determine compliance with permit conditions, laws, and rules; and 4) when compliance problems are discovered, provides assistance to resolve the facility's compliance issues, and when necessary recommends formal enforcement actions to the Enforcement Division. Activities are organized in the Air Resources Management Bureau (air); Industrial and Energy Minerals Bureau (coal, uranium, opencut); Environmental Management Bureau (hard rock, facility siting); Public Water and Subdivision Bureau (public water supply, subdivision, and operator certification); Water Protection Bureau (water discharge); and Waste and Underground Tank Management Bureau (solid waste, junk vehicles, septage pumps, hazardous waste, asbestos, underground storage tanks, and meth standards).

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	207.14	0.00	2.00	209.14	0.00	2.00	209.14
Personal Services	13,323,147	822,309	114,700	14,260,156	832,652	114,532	14,270,331
Operating Expenses	8,441,458	4,175,220	398,077	13,014,755	4,178,892	289,727	12,910,077
Equipment & Intangible Assets	60,755	40,985	0	101,740	40,985	0	101,740
Grants	1,635,863	0	0	1,635,863	0	0	1,635,863
Transfers	23,034	0	0	23,034	0	0	23,034
Total Costs	\$23,484,257	\$5,038,514	\$512,777	\$29,035,548	\$5,052,529	\$404,259	\$28,941,045
General Fund	1,736,659	160,049	718,557	2,615,265	160,968	610,039	2,507,666
State/Other Special	15,313,001	4,446,310	(203,450)	19,555,861	4,456,855	(203,450)	19,566,406
Federal Special	6,434,597	432,155	(2,330)	6,864,422	434,706	(2,330)	6,866,973
Total Funds	\$23,484,257	\$5,038,514	\$512,777	\$29,035,548	\$5,052,529	\$404,259	\$28,941,045

**DEPT OF ENVIRONMENTAL QUALITY-5301
PERMITTING & COMPLIANCE DIVISION-50**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$1,272,458	\$24,947
FY 2015	\$1,271,020	\$24,947

PL - 5001 - Permitting & Compliance Division Operations Adjust -

The operating adjustment is for \$1,272,458 in FY 2014 and \$1,271,020 in FY 2015 of general fund, state, and federal special revenue to restore spending authority for the base budget in the Permitting and Compliance Division. Reduced base year expenditures are primarily due to staff vacancies, which led to reduced operating expenditures for activities including inspections, compliance work, and permit review. Additionally, several staff were assigned to the Yellowstone oil spill response and charged their time there, the costs of which were reimbursed by Exxon Mobile.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,812,946	\$0
FY 2015	\$2,812,946	\$0

PL - 5002 - Hard Rock Reclamation/MFSA Projects (RST/BIEN) -

This restricted biennial request is for \$5,625,892 in state special revenue for projects administered by the Hard Rock and Major Facility Siting Act Programs (MFSA). Hard rock mining reclamation authority would be used for operation and maintenance of the Zortman/Landusky mine site and the funding would come from the hard rock mining reclamation fund. MFSA budget authority would be used for cost reimbursement projects for MFSA analysis of project applications that arise during the 2015 biennium. Bond forfeitures and settlements over the course of the biennium would be used for reclamation of specific mine sites and would be funded by settlement agreements or by forfeitures of various reclamation surety bonds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$125,000	\$125,000
FY 2015	\$125,000	\$125,000

PL - 5003 - County Air Program Funding Increase -

This budget request is for \$125,000 per year in general fund for county air quality programs. The funds are requested to keep pace with inflation as well as for increased workload related to air quality within the division. County air quality programs conduct monitoring, permitting, and/or compliance activities either on behalf of or in lieu of the department. Federal grant funding which is typically passed through to counties has not increased, nor has it kept up with inflation and workload. County air quality programs have not received an increase in state assistance since 2000.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$11,845	\$1,945
FY 2015	\$12,919	\$2,396

PL - 5004 - Permitting & Compliance Division Leased Vehicles -

This request is for \$11,845 in FY 2014 and \$12,919 in FY 2015 of general fund, state, and federal special revenue for leased vehicles in the Permitting and Compliance Division. The request is for five SUVs; two replacing vehicles currently rented and three replacing division owned vehicles which have excessive miles and wear. Due to location, the MDT motor pool is not an available option. The vehicles are required for inspections and site visits.

**DEPT OF ENVIRONMENTAL QUALITY-5301
PERMITTING & COMPLIANCE DIVISION-50**

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

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

NP - 5005 - Zortman/Landusky Additional Funding (OTO/RST/BIEN) -

This one-time-only, restricted, biennial request is for \$250,000 per year in general fund for site reclamation and water treatment projects at the Zortman and Landusky mine sites. If federal funds are received to help meet the annual shortfall in operating costs for the wastewater treatment plants at Zortman/Landusky, this general fund spending authority will be reduced by the same amount. Annual site operating costs are approximately \$2.5 million, more than triple the amount of the water treatment bond that is available annually. Costs also have increased substantially due to weather patterns and increasing costs of water treatment inputs such as lime, fuel, electricity, and labor.

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

NP - 5006 - Opencut Mining Program Database (OTO/RST/BIEN) -

This one-time-only request is for \$100,000 in general fund in the 2015 biennium to replace an existing Access 2003 database, which does not properly support the program's business processes. In 2014, Access 2003 will no longer be supported by Microsoft.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$66,850	\$66,850
FY 2015	\$62,584	\$62,584

NP - 5007 - IEMB (Coal and Opencut) Systems Specialist -

This budget request is \$66,850 in FY 2014 and \$62,584 in FY 2015 for one FTE to support the development and maintenance of system tools in support of coal and opencut mining regulatory programs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$70,955	\$70,955
FY 2015	\$66,703	\$66,703

NP - 5008 - Opencut Science Specialist -

This request is for \$70,955 in FY 2014 and \$66,703 in FY 2015 general fund for an additional FTE to perform permit review, compliance assistance, inspections, and bond release for the opencut mining program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$31,200	\$31,200
FY 2015	\$31,200	\$31,200

NP - 5009 - IEMB FileNet Data Storage-

This request is for \$31,200 per year in general fund to cover additional costs of FileNet data storage. Storage charges have increased 600% in this program due to increased use and an eroding rate-base for FileNet among state agencies.

**DEPT OF ENVIRONMENTAL QUALITY-5301
PERMITTING & COMPLIANCE DIVISION-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$0	\$200,000
FY 2015	\$0	\$200,000

NP - 5010 - Subdivisions Base Program (Funding Switch)-

The department requests a budget neutral funding switch of \$200,000 per year from state special revenue to general fund. This will provide stable core funding to run the minimally viable subdivision review program and preserve the ability to deal with sudden increases in activity.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$6,228)	(\$448)
FY 2015	(\$6,228)	(\$448)

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. This request includes a reduction of \$6,228 each year in general fund, state, and federal special revenue in the Permitting and Compliance Division, which is the expense for program staff having attended PDC training during the base year.

**DEPT OF ENVIRONMENTAL QUALITY-5301
PETRO TANK RELEASE COMPENSATION BOARD-90**

90 Petroleum Tank Release Compensation Board Terry Wadsworth x841-5092

Program Description - The Petroleum Tank Release Compensation Board is responsible for administering the petroleum tank release cleanup fund. This includes reimbursement to petroleum storage tank owners and operators for corrective action costs and compensation paid to third parties for bodily injury and property damage resulting from a release of petroleum from a petroleum storage tank. The board is responsible for responding to and working with private individuals, corporations, other state agencies, the Governor's Office, the Legislature, federal agencies, and other interested parties with activities relative to petroleum storage tanks. It is attached to the DEQ for administrative purposes.

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	6.10	0.00	0.00	6.10	0.00	0.00	6.10
Personal Services	385,201	(25,207)	0	359,994	(25,277)	0	359,924
Operating Expenses	206,673	51,385	(105)	257,953	51,445	(105)	258,013
Total Costs	\$591,874	\$26,178	(\$105)	\$617,947	\$26,168	(\$105)	\$617,937
State/Other Special	591,874	26,178	(105)	617,947	26,168	(105)	617,937
Total Funds	\$591,874	\$26,178	(\$105)	\$617,947	\$26,168	(\$105)	\$617,937

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$51,350	\$0
FY 2015	\$51,350	\$0

PL - 9001 - Petro Board Staff Operating Adjustments -

This request is for \$51,350 per year in state special revenue for operating adjustments, including anticipated legal services, computer replacement on a five- year schedule, and an indirect rate adjustment on personal services.

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

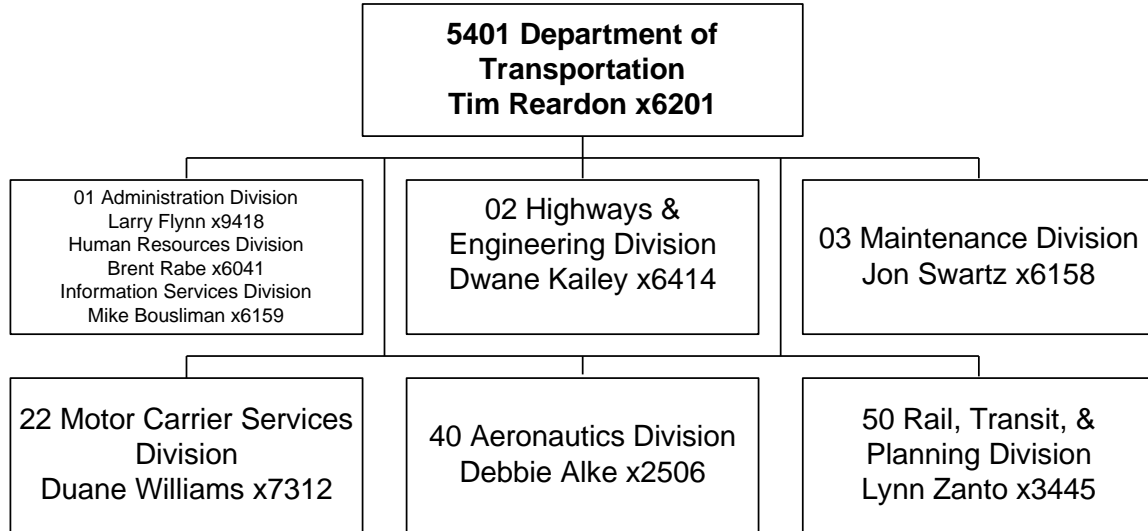
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$105)	\$0
FY 2015	(\$105)	\$0

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. This request includes a reduction of \$105 each year in state special revenue for the Petroleum Tank Release Compensation Board, which is the expense for program staff having attended PDC training during the base year.

DEPARTMENT OF TRANSPORTATION-5401

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



Mission Statement - To serve the public by providing a transportation system and services that emphasize quality, safety, cost effectiveness, economic vitality, and sensitivity to the environment.

Statutory Authority - Title 2, Chapter 15, part 25; and Titles 23 and 60, MCA; USC 134 and 135; Title 23, Chapter 1, CFR.

Language - The department requests the following language in HB 2:

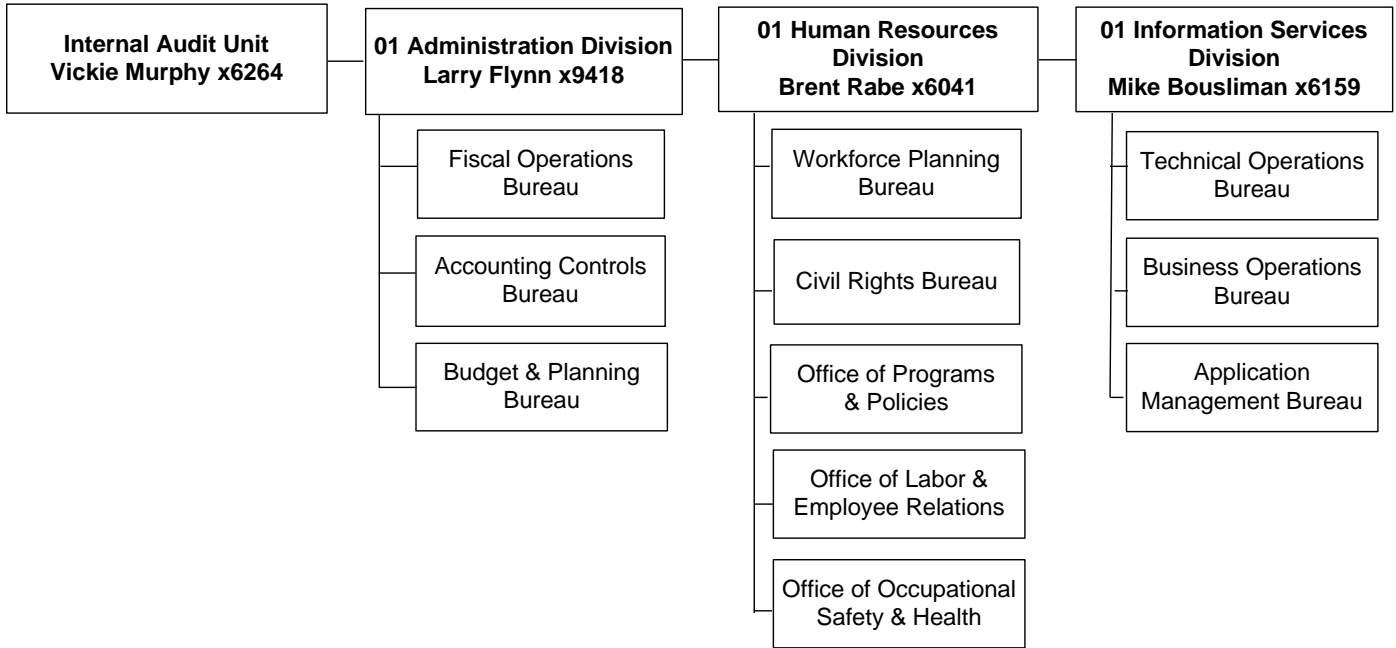
"The department may adjust appropriations in the general operations, construction, maintenance, and transportation planning programs between state special revenue and federal special revenue funds if the total state special revenue authority for these programs is not increased by more than 10% of the total appropriations established by the Legislature for each program."

"All appropriations in the department are biennial."

"All remaining federal pass-through grant appropriations for highway traffic safety, including reversions for the 2013 biennium, are authorized to continue and are appropriated in FY 2014 and FY 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	2,111.26	7.00	11.00	2,129.26	7.00	11.00	2,129.26
Personal Services	135,664,992	8,605,260	590,139	144,860,391	8,762,827	589,285	145,017,104
Operating Expenses	464,815,199	2,467,779	674,649	467,957,627	2,330,694	250,549	467,396,442
Equipment & Intangible Assets	5,211,589	80,000	123,808	5,415,397	65,000	0	5,276,589
Capital Outlay	8,469,285	11,285,478	0	19,754,763	11,186,478	0	19,655,763
Grants	26,917,961	3,892,310	0	30,810,271	3,710,310	0	30,628,271
Benefits & Claims	1,250	0	0	1,250	0	0	1,250
Transfers	1,565,952	695,000	0	2,260,952	420,000	0	1,985,952
Debt Service	151,412	0	0	151,412	0	0	151,412
Total Costs	\$642,797,640	\$27,025,827	\$1,388,596	\$671,212,063	\$26,475,309	\$839,834	\$670,112,783
State/Other Special	226,716,607	15,242,062	862,033	242,820,702	15,404,952	463,821	242,585,380
Federal Special	416,081,033	11,783,765	526,563	428,391,361	11,070,357	376,013	427,527,403
Total Funds	\$642,797,640	\$27,025,827	\$1,388,596	\$671,212,063	\$26,475,309	\$839,834	\$670,112,783

DEPARTMENT OF TRANSPORTATION-5401 GENERAL OPERATIONS PROGRAM-01



Program Description - The General Operations Program provides overall policy direction and management to the agency, administers motor fuel taxes, and provides administrative support services for the department, including general administration and management, accounting and budgeting, public affairs, information technology services, human resources activities, compliance review, and goods and services procurement.

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	186.37	0.00	0.00	186.37	0.00	0.00	186.37
Personal Services	11,598,457	1,836,970	0	13,435,427	1,844,583	0	13,443,040
Operating Expenses	11,820,138	668,711	151,110	12,639,959	426,957	151,110	12,398,205
Equipment & Intangible Assets	5,287	0	0	5,287	0	0	5,287
Grants	360,666	0	0	360,666	0	0	360,666
Debt Service	151,412	0	0	151,412	0	0	151,412
Total Costs	\$23,935,960	\$2,505,681	\$151,110	\$26,592,751	\$2,271,540	\$151,110	\$26,358,610
State/Other Special	22,477,591	2,823,396	151,110	25,452,097	2,588,885	151,110	25,217,586
Federal Special	1,458,369	(317,715)	0	1,140,654	(317,345)	0	1,141,024
Total Funds	\$23,935,960	\$2,505,681	\$151,110	\$26,592,751	\$2,271,540	\$151,110	\$26,358,610

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$36,129	\$0
FY 2015	\$36,129	\$0

PL - 101 - Overtime/Differential -

This budget request restores zero-based overtime and differential pay with associated benefits of \$36,129 per year of state special revenue.

**DEPARTMENT OF TRANSPORTATION-5401
GENERAL OPERATIONS PROGRAM-01**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$460)	\$0
FY 2015	(\$297)	\$0

PL - 102 - Equipment Rental -

This budget request is a reduction of \$460 in FY 2014 and \$297 in FY 2015 state special revenue authority to adjust for expected rental equipment rates. Due to deflationary factors in gasoline and diesel fuels, program budgetary needs are less than base expenditures.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$62,000	\$0
FY 2015	\$96,000	\$0

PL - 107 - Credit Card Fees -

This budget request is \$62,000 in FY 2014 and \$96,000 in FY 2015 of state special revenue to cover increased merchant credit card fees due to an increase in customers paying for permits, licenses, and other MDT services via credit cards.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$12,500	\$0
FY 2015	\$12,900	\$0

PL - 108 - Contract Increases -

This budget request is for \$12,500 in FY 2014 and \$12,900 in FY 2015 of state special revenue to cover increased maintenance fees associated with software contracts.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$92,248	\$0
FY 2015	\$92,248	\$0

NP - 106 - Small Business Enterprise -

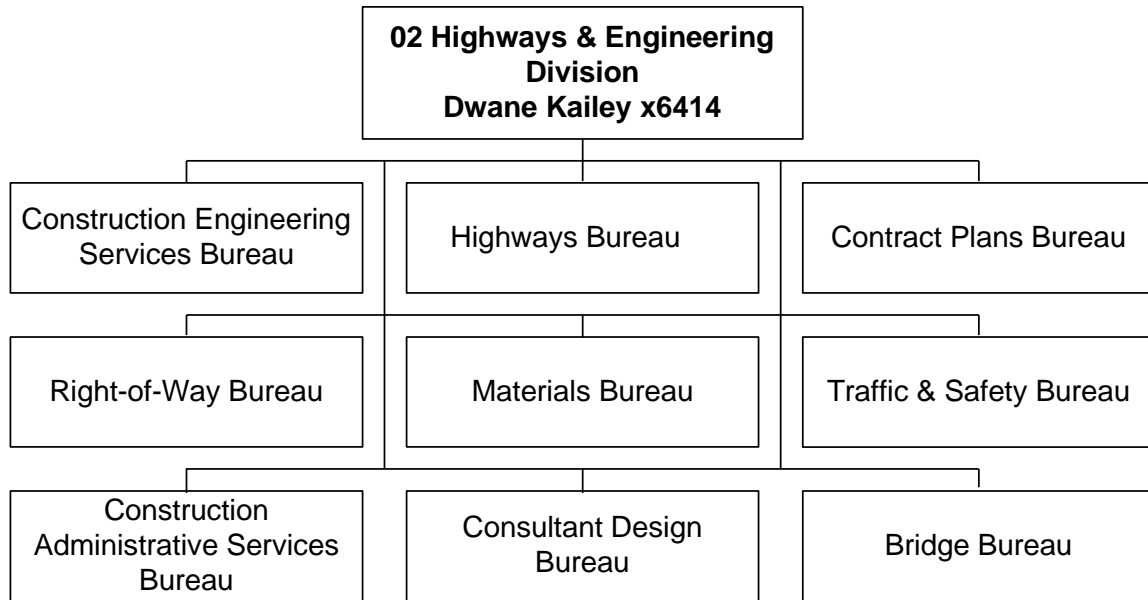
This budget request is to increase budget authority by \$92,248 for each year of the 2015 biennium in state special revenue funds in order to respond to a directive from the Federal Highways Administration pertaining to the Small Business Enterprise program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$58,862	\$0
FY 2015	\$58,862	\$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 \$58,862 each year from state special revenue for the department's allocation of the fixed cost.

**DEPARTMENT OF TRANSPORTATION-5401
CONSTRUCTION PROGRAM-02**



Program Description - The Construction Program is responsible for construction project planning and development from the time a project is included in the long-range work plan through the actual construction of the project. Program responsibilities include such tasks as project designs, right-of-way acquisitions, issuing contract bids, awarding contracts, and administering construction contracts. Contract administration is responsible for the documentation, inspection, and testing of highway construction projects from the time the contract is awarded to a private contractor until the project is completed and the work is approved. The program also provides traffic improvement and educational programs to promote public safety, health, and welfare.

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	923.72	0.00	0.00	923.72	0.00	0.00	923.72
Personal Services	63,336,896	3,490,909	0	66,827,805	3,582,975	0	66,919,871
Operating Expenses	366,040,300	26,439	0	366,066,739	122,470	0	366,162,770
Equipment & Intangible Assets	4,678,597	0	0	4,678,597	0	0	4,678,597
Capital Outlay	8,467,785	11,285,478	0	19,753,263	11,186,478	0	19,654,263
Grants	13,058,612	0	0	13,058,612	0	0	13,058,612
Benefits & Claims	500	0	0	500	0	0	500
Total Costs	\$455,582,690	\$14,802,826	\$0	\$470,385,516	\$14,891,923	\$0	\$470,474,613
State/Other Special	75,004,645	4,696,228	0	79,700,873	4,815,451	0	79,820,096
Federal Special	380,578,045	10,106,598	0	390,684,643	10,076,472	0	390,654,517
Total Funds	\$455,582,690	\$14,802,826	\$0	\$470,385,516	\$14,891,923	\$0	\$470,474,613

**DEPARTMENT OF TRANSPORTATION-5401
CONSTRUCTION PROGRAM-02**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$89,750)	\$0
FY 2015	(\$57,962)	\$0

PL - 204 - Equipment Rental -

This budget request is a reduction of \$89,750 in FY 2014 and \$57,962 in FY 2015 state special revenue authority to adjust for expected rental equipment rates. Due to deflationary factors in gasoline and diesel fuels, program budgetary needs are less than base expenditures.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,297,159	\$0
FY 2015	\$3,297,159	\$0

PL - 205 - Overtime/Differential -

This request restores zero-based overtime and differential pay with associated benefits of \$3,297,159 per year of state and federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$139,846	\$0
FY 2015	\$197,846	\$0

PL - 206 - Licensing Fees -

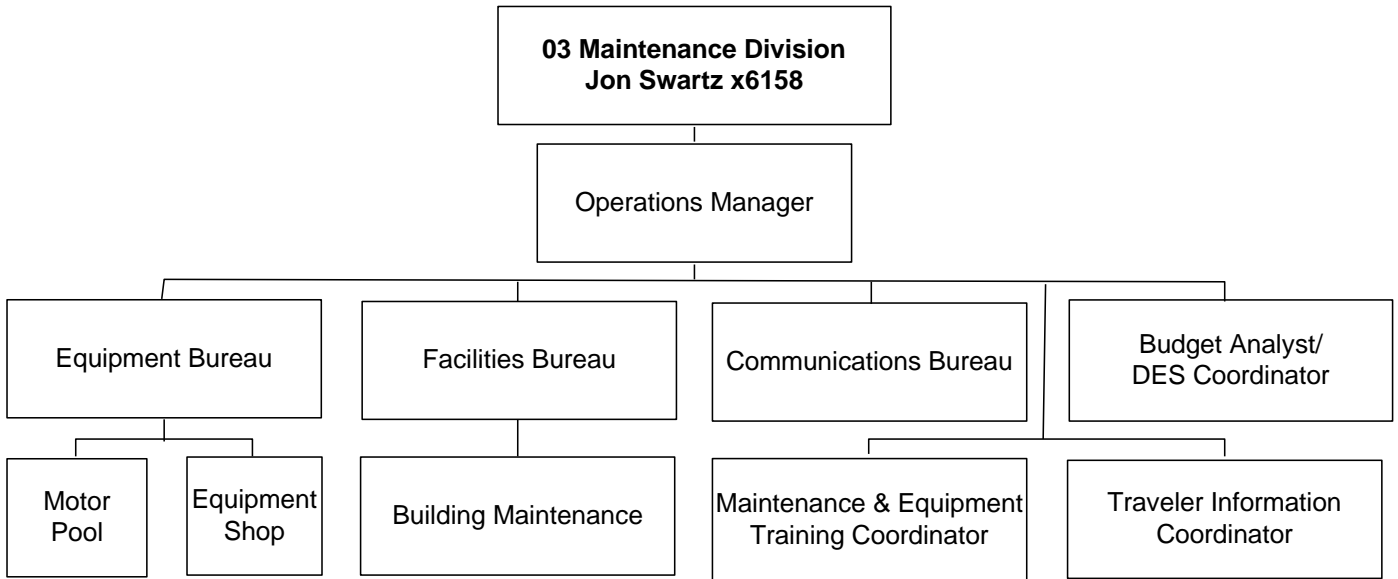
This request is for \$139,846 in FY 2014 and \$197,846 in FY 2015 of state special revenue to fund industry driven licensing fee increases. The Highways and Engineering Division utilizes several engineering computer systems to deliver the highway construction program that require the payment of licensing fees to third parties.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$11,285,478	\$0
FY 2015	\$11,186,478	\$0

PL - 208 - Right of Way Land Acquisition -

The budget adjusts the core federal aid program with \$11,285,478 each year of the 2015 biennium of combined state and federal special revenue. Base year capital outlay expenditures were lower than average resulting in insufficient budget to fund upcoming right of way acquisitions related to the 2015 biennium project schedule.

DEPARTMENT OF TRANSPORTATION-5401 MAINTENANCE PROGRAM-03



Program Description - The Maintenance Program is responsible for the repair, maintenance, and preservation of approximately 25,000 lane miles of roadways. Activities include, but are not limited to: winter maintenance, reactive and preventive pavement preservation, pavement marking, signing, roadway striping, noxious weed control, traveler information, disaster and emergency services coordination, MDT's long range building program and state funded construction program, communications program, quality control, and any other necessary roadway and roadside repairs and maintenance. The maintenance program is authorized by 2-15-2501(1), MCA; Title 60, MCA, and 23 USC 116.

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	765.67	5.00	0.00	770.67	5.00	0.00	770.67
Personal Services	45,878,465	2,477,560	0	48,356,025	2,520,982	0	48,399,447
Operating Expenses	79,068,886	48,273	0	79,117,159	337,037	0	79,405,923
Equipment & Intangible Assets	423,744	15,000	0	438,744	0	0	423,744
Capital Outlay	1,500	0	0	1,500	0	0	1,500
Benefits & Claims	250	0	0	250	0	0	250
Total Costs	\$125,372,845	\$2,540,833	\$0	\$127,913,678	\$2,858,019	\$0	\$128,230,864
State/Other Special	114,651,967	5,593,422	0	120,245,389	5,910,599	0	120,562,566
Federal Special	10,720,878	(3,052,589)	0	7,668,289	(3,052,580)	0	7,668,298
Total Funds	\$125,372,845	\$2,540,833	\$0	\$127,913,678	\$2,858,019	\$0	\$128,230,864

**DEPARTMENT OF TRANSPORTATION-5401
MAINTENANCE PROGRAM-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$188,864	\$0
FY 2015	\$204,256	\$0

PL - 301 - Secondary Roads Maintenance -

The budget request is for \$188,864 in FY 2014 and \$204,256 in FY 2015 of state special revenue to maintain additional secondary road miles. The 56th Montana Legislature enacted SB 333 which requires the department to maintain paved secondary roads as they become eligible. At least 45.4 lane miles of additional secondary roads are projected to become eligible for MDT maintenance in the 2015 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$384,023	\$0
FY 2015	\$373,186	\$0

PL - 303 - Expanded Transportation Infrastructure -

This request is for \$384,023 in FY 2014 and \$373,186 in FY 2015 of state special revenue to fund additional road maintenance responsibility due to the increase in lane miles and infrastructure from highway construction projects. Funding would be used to address additional operational costs associated with winter maintenance operations and normal maintenance activities including surface, shoulders, and roadside maintenance.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$551,125)	\$0
FY 2015	(\$355,924)	\$0

PL - 305 - Equipment Rental -

A reduction of \$551,125 in FY 2014 and \$355,924 in FY 2015 state special revenue authority is requested to adjust for expected rental equipment rates. Due to deflationary factors in gasoline and diesel fuels, program budgetary needs are less than base expenditures.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,248,653	\$0
FY 2015	\$2,248,653	\$0

PL - 306 - OT/Differential -

Restoring zero-based overtime and differential pay with associated benefits of \$2,248,653 per year of state special revenue is requested for the maintenance program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$34,368	\$0
FY 2015	\$34,652	\$0

PL - 307 - Maintenance Contracts -

This request is for \$34,368 in FY 2014 and \$34,652 in FY 2015 in state special revenue as a result of increased road maintenance contract costs from local governments. The City of Missoula is requesting a 2.5% increase per year, or \$11,368 in FY 2014 and \$11,652 in FY 2015. In addition, Lincoln County increased the amount of the contract price for winter maintenance on the Yaak River Road from \$40,000 to \$63,000.

**DEPARTMENT OF TRANSPORTATION-5401
MAINTENANCE PROGRAM-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$215,724	\$0
FY 2015	\$215,724	\$0

PL - 308 - Noxious Weed Program -

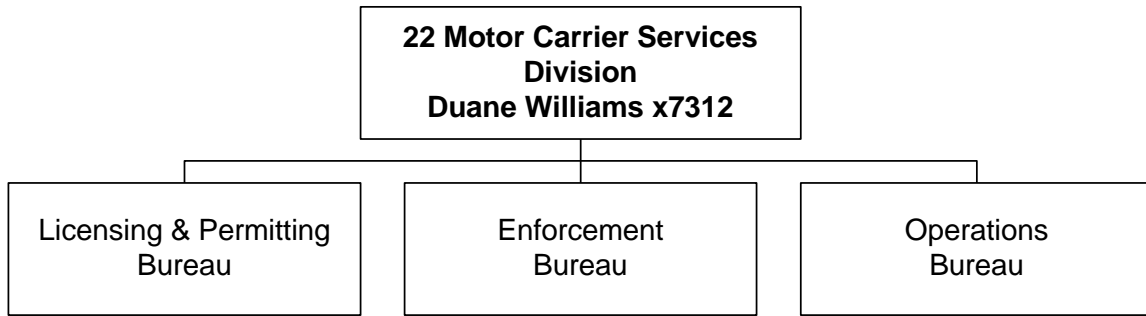
The Noxious Weed Program requests \$215,724 per year of state special revenue for projected financial requirements. The request restores budget authority to the original 2012 budgeted amount. Due to weather conditions, the counties were unable to complete all of the necessary spraying for noxious weed control in the base year; therefore, the base does not reflect a full year plan of program expenditures.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$86,000	\$0
FY 2015	\$86,000	\$0

PL - 310 - Rest Area Maintenance -

This request is for an \$86,000 per year of state special revenue for the service and upkeep of the new Conrad rest area. The request includes costs for supplies which are currently not in the budget for this new rest area as well as an increase for contracts which will be rebid in FY 2013.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIVISION-22**



Program Description - The Motor Carrier Services Division enforces state and federal commercial motor carrier laws including laws on vehicle size and weight, insurance, licensing, dyed fuel, and vehicle and driver safety. The Licensing and Permit Bureau registers interstate fleet vehicles, issues commercial vehicle licenses and oversize/overweight permits, and collects and distributes fees and taxes. The Enforcement Bureau operates a statewide weigh station and mobile enforcement program and assigns uniformed officers to inspect commercial vehicles for compliance with state and federal safety, registration, fuel, insurance, and size/weight laws. The Motor Carrier Safety Assistance Program (MCSAP) conducts commercial motor carrier safety compliance reviews and safety audits to ensure commercial vehicles, drivers, and motor carriers are compliant with state safety laws and federal regulations by conducting vehicle and driver inspections and motor carrier compliance reviews and safety audits.

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	123.00	0.00	11.00	134.00	0.00	11.00	134.00
Personal Services	7,140,175	204,424	590,139	7,934,738	207,027	589,285	7,936,487
Operating Expenses	3,060,205	191,770	246,872	3,498,847	95,421	99,439	3,255,065
Equipment & Intangible Assets	16,233	0	123,808	140,041	0	0	16,233
Transfers	41,850	0	0	41,850	0	0	41,850
Total Costs	\$10,258,463	\$396,194	\$960,819	\$11,615,476	\$302,448	\$688,724	\$11,249,635
State/Other Special	7,630,748	302,505	584,256	8,517,509	257,254	312,711	8,200,713
Federal Special	2,627,715	93,689	376,563	3,097,967	45,194	376,013	3,048,922
Total Funds	\$10,258,463	\$396,194	\$960,819	\$11,615,476	\$302,448	\$688,724	\$11,249,635

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$10,066)	\$0
FY 2015	(\$6,501)	\$0

PL - 2204 - Equipment Rental -

This request is a reduction of \$10,066 in FY 2014 and \$6,501 in FY 2015 state special revenue authority to adjust for expected rental equipment rates. Due to deflationary factors in gasoline and diesel fuels, program budgetary needs are less than base expenditures.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIVISION-22**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$185,080	\$0
FY 2015	\$185,080	\$0

PL - 2205 - Overtime/Differential -

This request restores zero-based overtime and differential pay with associated benefits for \$185,080 per year of state and federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$102,233	\$0
FY 2015	\$0	\$0

PL - 2209 - CVIEW & CCAMS Projects (Bien/OTO) -

The budget includes \$102,233 biennial, one-time-only in FY 2014 of state and federal special revenue for the development of two projects: 1) Commercial Carrier Account Management System (CCAMS) Project; and, 2) Commercial Vehicle Information Exchange Window (CVIEW) Enhancement Project. The CCAMS project will improve the accuracy and consistency of motor carrier account information across registration, licensing, and safety systems. The CVIEW project will make in-state vehicle registration information available to officers at the roadside. These projects will benefit both motor carriers and MDT credentialing through time savings and operational efficiencies.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$85,062	\$0
FY 2015	\$85,062	\$0

PL - 2210 - Wyoming/Montana Joint Port Project -

This request for \$85,062 per year to bring base year expenditures up to contract levels for a port-of-entry weigh station at Deitz, Wyoming, jointly operated by Montana and Wyoming.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$14,158	\$0
FY 2015	\$14,158	\$0

PL - 2214 - Scale Site Repair -

This request is for \$14,158 per year in state special revenue to retrofit and repair weigh scales located near Bozeman and Lima. Both scales have been in operation for more than 25 years.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$584,256	\$0
FY 2015	\$312,711	\$0

NP - 2201 - MCS Patrol FTE -

The department requests \$584,256 in FY 2014 and \$312,711 in FY 2015 in state special revenue as well as 4.00 FTE per year to establish a roving patrol program in motor carrier services. Various portions of the state are experiencing increased commercial trucking activity. These patrols will improve public safety by increasing motor carrier compliance and reducing illegal oversize operations.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIVISION-22**

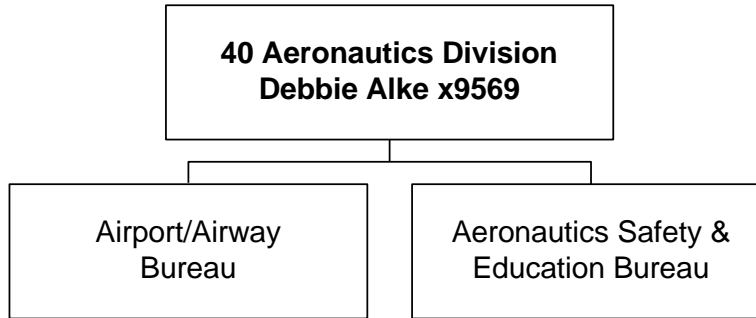
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$376,563	\$0
FY 2015	\$376,013	\$0

NP - 2202 - Border Enforcement FTE -

The budget includes \$376,563 in FY 2014 and \$376,013 in FY 2015 of federal special revenue as well as 7.00 FTE per year. The request would enable the department to utilize a Border Enforcement Grant, thus increasing or sustaining regulation compliance for commercial vehicles crossing the US/Canadian border. The focus of the grant includes state and federal safety regulation enforcement, identifying the illegal transport of goods including volatile commodities, and drug interdiction.

DEPARTMENT OF TRANSPORTATION-5401 AERONAUTICS PROGRAM-40

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



Program Description - The Aeronautics Division: 1) facilitates the operation and infrastructure of airports and airways, both public and private, throughout Montana; 2) provides mechanisms for funding airport and aviation related projects throughout the state; 3) registers aircraft and pilots in accordance with Montana laws and regulations, and fosters, promotes, and supervises aviation and aviation safety through educational efforts and programs; and 4) coordinates and supervises aerial search and rescue operations. The division administers a loan and grant program to municipal governments to fund airport improvement projects. The Aeronautics Board approves all loan and grant requests and advises on matters pertaining to aeronautics.

The division serves as a liaison between the State of Montana and various other entities including the US Department of Transportation, the Federal Aviation Administration (FAA), other federal and state entities, and commercial airlines in order to assure the retention and continuation of airline service to Montana's rural communities. The division is also responsible for operation of the air carrier airport at West Yellowstone and 14 other state-owned airports.

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	9.00	0.00	0.00	9.00	0.00	0.00	9.00
Personal Services	627,813	11,280	0	639,093	14,526	0	642,339
Operating Expenses	617,251	274,799	276,667	1,168,717	273,483	0	890,734
Grants	458,323	29,677	0	488,000	29,677	0	488,000
Transfers	7,478	0	0	7,478	0	0	7,478
Total Costs	\$1,710,865	\$315,756	\$276,667	\$2,303,288	\$317,686	\$0	\$2,028,551
State/Other Special	1,638,236	189,168	126,667	1,954,071	191,098	0	1,829,334
Federal Special	72,629	126,588	150,000	349,217	126,588	0	199,217
Total Funds	\$1,710,865	\$315,756	\$276,667	\$2,303,288	\$317,686	\$0	\$2,028,551

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$143,851	\$0
FY 2015	\$143,851	\$0

PL - 4006 - Aero Grants, Loans & Pavement Preservation (BIEN) -

This biennial budget request is \$143,851 per year in state special revenue in order to annualize and make the appropriations for aeronautics grants and loans biennial. The appropriations will allow the Aeronautics Board the flexibility in awarding grants in either fiscal year of the biennium. These grants are used by local communities to leverage federal funds available for airport safety and improvement.

**DEPARTMENT OF TRANSPORTATION-5401
AERONAUTICS PROGRAM-40**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$150,000	\$0
FY 2015	\$150,000	\$0

PL - 4007 - Aeronautics State System Plan (BIEN) -

The executive recommends a biennial request for \$300,000 of state and federal special revenue for updates to the annual Montana State Aviation System Plan which is primarily funded by a system planning grant from the FAA. The system plan provides both voluntary and mandated infrastructure and capital improvement plans that the FAA, state, and local communities use to develop individual airport projects around the state. This request covers the expected costs associated with the FAA grant and contract.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$18,207	\$0
FY 2015	\$18,276	\$0

PL - 4008 - Reestablish Aeronautics Base -

This request is for \$18,207 in FY 2014 and \$18,276 in FY 2015 in state special revenue to reestablish the base budget for the search and rescue program. There were no extensive air searches during the base year and thus program expenditures were lower than normal.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$166,667	\$0
FY 2015	\$0	\$0

NP - 4002 - Lincoln Airport Runway Improvements (OTO/BIEN) -

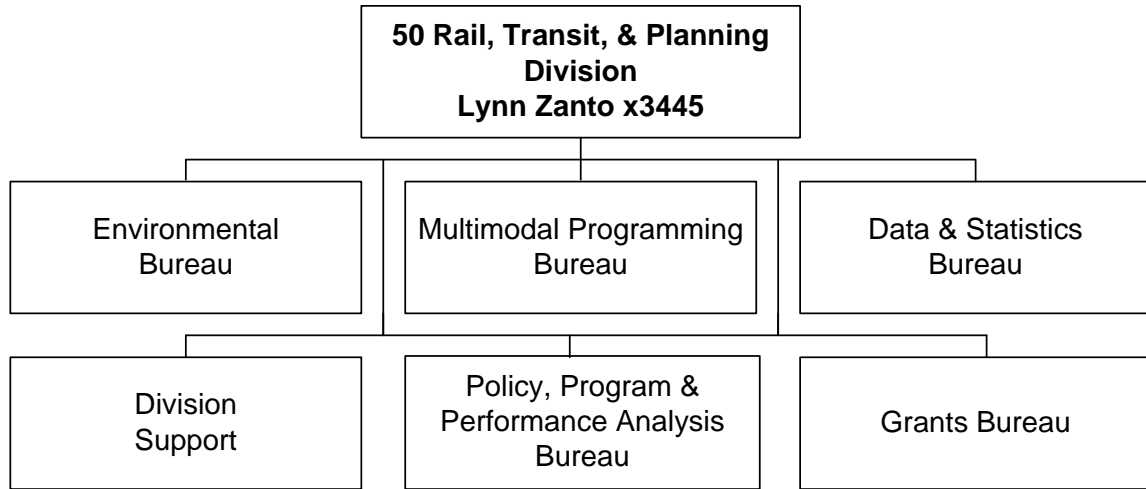
This one-time-only, biennial request is for \$166,667 in FY 2014 of state and federal special revenue for Lincoln Airport runway improvements. In order to meet FAA pavement requirements, rehabilitation of the runway surfaces is needed at this airport.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$110,000	\$0
FY 2015	\$0	\$0

NP - 4004 - Lincoln Airport Cleanup (OTO/BIEN) -

The budget includes \$110,000 one-time-only, biennial funding in FY 2014 of state special revenue for pollution remediation, including PCB soil contamination cleanup, at the Lincoln Airport. Contamination was caused by a now defunct post and pole plant which operated on the site. The site, as well as the airport, is owned by the MDT. The department is monitoring the site and actively developing a cleanup and mitigation plan.

**DEPARTMENT OF TRANSPORTATION-5401
RAIL, TRANSIT, & PLANNING DIVISION-50**



Program Description - The Rail, Transit, and Planning Division provides: 1) a continuous statewide multimodal transportation planning process used to allocate highway program resources to ensure highway system performance goals are maintained and federal-aid highway and transit grant eligibility is maintained within the federal surface transportation programs; 2) an inventory of transportation infrastructure for the allocation of state fuel taxes to local governments; 3) support for the state's comprehensive statewide highway safety plan including technical analysis, performance tracking, and coordination with multiple administrative agencies and jurisdictions; 4) the point of contact for MDT for major developers seeking access onto the state's highway system; 5) mapping functions to aid in the publication of the state tourist map and geo-spatial infrastructure inventories; 6) transportation planning and programming assistance to metropolitan and urban areas; 7) administration and implementation of safety programs that help reduce traffic deaths, injuries, and property losses resulting from traffic crashes; 8) administration and implementation of environmental services that assure environmental compliance with all relative laws, rules, regulations, policies, orders, and agreements; and 9) responses to legislative or regulatory actions necessitating representation before courts, congressional hearings, the US Department of Transportation, the Surface Transportation Board, and others. The planning function addresses system areas that include buses for transit systems, street and highway improvements, railroad track rehabilitation, and transportation enhancements for non-motorized and beautification improvements.

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	103.50	2.00	0.00	105.50	2.00	0.00	105.50
Personal Services	7,083,186	584,117	0	7,667,303	592,734	0	7,675,920
Operating Expenses	4,208,419	1,257,787	0	5,466,206	1,075,326	0	5,283,745
Equipment & Intangible Assets	87,728	65,000	0	152,728	65,000	0	152,728
Grants	13,040,360	3,862,633	0	16,902,993	3,680,633	0	16,720,993
Benefits & Claims	500	0	0	500	0	0	500
Transfers	1,516,624	695,000	0	2,211,624	420,000	0	1,936,624
Total Costs	\$25,936,817	\$6,464,537	\$0	\$32,401,354	\$5,833,693	\$0	\$31,770,510
State/Other Special	5,313,420	1,637,343	0	6,950,763	1,641,665	0	6,955,085
Federal Special	20,623,397	4,827,194	0	25,450,591	4,192,028	0	24,815,425
Total Funds	\$25,936,817	\$6,464,537	\$0	\$32,401,354	\$5,833,693	\$0	\$31,770,510

**DEPARTMENT OF TRANSPORTATION-5401
RAIL, TRANSIT, & PLANNING DIVISION-50**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$30,295	\$0
FY 2015	\$30,295	\$0

PL - 5003 - Overtime/Differential -

This budget request restores zero-based overtime and differential pay with associated benefits of \$30,295 per year in state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$5,040)	\$0
FY 2015	(\$3,255)	\$0

PL - 5004 - Equipment Rental -

This budget request is a reduction of \$5,040 in FY 2014 and \$3,255 in FY 2015 state special revenue authority to adjust for expected rental equipment rates. Due to deflationary factors in gasoline and diesel fuels, program budgetary needs are less than base expenditures.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$5,138,900	\$0
FY 2015	\$4,503,100	\$0

PL - 5006 - MAP 21 Adjustment to Grant Programs -

The Executive recommends \$5,138,900 in FY 2014 and \$4,503,100 in FY 2015 of state and federal special revenue to restore the base as well as provide additional spending authority to fund transit operating costs as well as transit and safety grants. This request will meet the intended level of federal funding (NHTSA and FTA) for the biennium based on the recently passed federal surface transportation legislation (Moving Ahead for Progress in the 21st Century (MAP 21).

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$516,734	\$0
FY 2015	\$510,778	\$0

PL - 5008 - MAP21 Performance Based Planning -

The budget includes \$516,734 in FY 2014 and \$510,778 in FY 2015 in state and federal special revenue to finance more extensive statutory requirements for transportation planning and programming under the new federal surface transportation law (Moving Ahead for Progress in the 21st Century (MAP 21).

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$17,507	\$0
FY 2015	\$17,507	\$0

PL - 5009 - City Park Rest Areas -

This budget request includes \$17,507 per year in state special revenue to provide assistance to local governments for routine maintenance and minor improvements of city park rest areas.

**DEPARTMENT OF TRANSPORTATION-5401
RAIL, TRANSIT, & PLANNING DIVISION-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$320,000	\$0
FY 2015	\$320,000	\$0

PL - 5010 - Pollution Prevention & Abatement -

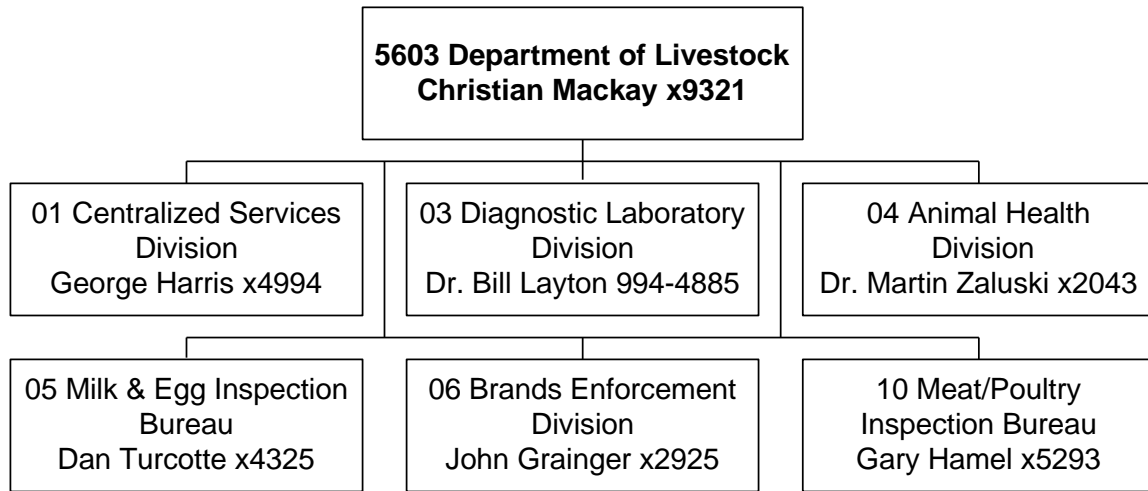
The Executive recommends \$320,000 per year in state special revenue to fund revised environmental fees for storm water permits and Clean Water Act certifications along with new requirements for monitoring stream mitigation projects and storm water management and pollution prevention within Small Municipal Separate Storm Sewer System (MS4) facilities.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$30,633	\$0
FY 2015	\$30,633	\$0

PL - 5011 - EMS Grant Local Match -

This budget request is for \$30,633 per year in state special revenue to restore base authority for the Emergency Medical Services grant program. Due to accounts payable processing occurring later than normal, expenditures fell short of the \$1,000,000 base authority.

DEPARTMENT OF LIVESTOCK-5603



Mission Statement - The mission of the Department of Livestock is to control and eradicate animal diseases, prevent the transmission of animal diseases to humans, and to protect the livestock industry from theft and predatory animals.

Statutory Authority - Title 81, 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	140.75	0.00	(6.74)	134.01	0.00	(6.74)	134.01
Personal Services	6,855,799	459,908	(241,293)	7,074,414	464,620	(240,995)	7,079,424
Operating Expenses	2,957,157	(94,554)	317,099	3,179,702	(140,839)	313,648	3,129,966
Equipment & Intangible Assets	7,149	0	0	7,149	0	0	7,149
Transfers	75,997	0	0	75,997	0	0	75,997
Debt Service	24,842	0	0	24,842	0	0	24,842
Total Costs	\$9,920,944	\$365,354	\$75,806	\$10,362,104	\$323,781	\$72,653	\$10,317,378
General Fund	986,083	13,779	526,251	1,526,113	3,584	526,049	1,515,716
State/Other Special	7,569,126	323,448	(470,081)	7,422,493	298,370	(473,032)	7,394,464
Federal Special	1,365,735	28,127	19,636	1,413,498	21,827	19,636	1,407,198
Total Funds	\$9,920,944	\$365,354	\$75,806	\$10,362,104	\$323,781	\$72,653	\$10,317,378

DEPARTMENT OF LIVESTOCK-5603 CENTRALIZED SERVICES PROGRAM-01

**01 Centralized Services
Division**
George Harris x4994

Program Description - The Centralized Services Division is responsible for budgeting, accounting, payroll, personnel, legal services, purchasing, administrative, information technology, public information, and general services functions for the department. The Milk Control Bureau staff and the Livestock Loss Board (LLB) staff are supervised in the Central Services Division. The Board of Milk Control and the LLRMB are attached to the Department of Livestock for administrative purposes.

The Predator Control Program is administered by the Board of Livestock and the executive officer. The Livestock Crimestoppers' Commission and the Beef Research and Marketing Committee are also administratively attached. The 57th Legislature administratively attached the Board of Horse Racing (BOHR) to the Department of Livestock. The BOHR and its staff report directly to the executive officer.

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	20.78	0.00	(1.03)	19.75	0.00	(1.03)	19.75
Personal Services	1,138,874	92,009	(68,519)	1,162,364	91,284	(68,427)	1,161,731
Operating Expenses	509,872	69,774	4,333	583,979	21,523	4,333	535,728
Equipment & Intangible Assets	7,149	0	0	7,149	0	0	7,149
Transfers	75,997	0	0	75,997	0	0	75,997
Total Costs	\$1,731,892	\$161,783	(\$64,186)	\$1,829,489	\$112,807	(\$64,094)	\$1,780,605
General Fund	67,374	17,703	0	85,077	12,980	0	80,354
State/Other Special	1,664,518	144,080	(64,186)	1,744,412	99,827	(64,094)	1,700,251
Total Funds	\$1,731,892	\$161,783	(\$64,186)	\$1,829,489	\$112,807	(\$64,094)	\$1,780,605

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$18,610	\$0
FY 2015	\$18,610	\$0

PL - 101 - Replacement Personal Computers -

The budget includes \$18,610 of state special revenue to replace personal computers each year of the 2015 biennium. The department is on a five-year replacement schedule for personal computers to be implemented with these funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$10,000	\$5,000
FY 2015	\$10,000	\$5,000

PL - 102 - Animal Health System Maintenance -

The budget includes \$10,000 each year of the 2015 biennium for software maintenance costs for the USAHerds system. The system came on line in January of 2011 and maintenance costs were not billed in FY 2012. This system is essential for the department to manage the importing of animals into the state, and to track and manage animal diseases. Funding for this request is 50% general fund and 50% state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$5,000	\$5,000

**DEPARTMENT OF LIVESTOCK-5603
CENTRALIZED SERVICES PROGRAM-01**

FY 2015

\$0

\$0

PL - 103 - Animal Health System Customization (OTO) -

This proposal adds \$5,000 of general fund one-time-only funding in FY2014 for customization of the USAHerds system. This system is essential for the department to manage the importing of animals into the state, and to track and manage animal diseases.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$6,326	\$6,326
FY 2015	\$6,326	\$6,326

PL - 106 - Livestock Loss Board Meetings -

This request provides \$6,326 of general fund each year of the 2015 biennium to allow the Livestock Loss Board to meet four times per year. The Livestock Loss Board only met twice in FY 2012 and therefore only half of the funding necessary for four meetings was in the base budget.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$68,519)	\$0
FY 2015	(\$68,427)	\$0

NP - 109 - Board of Horse Racing Adjustment -

This proposal reduces 1.03 FTE and \$68,519 in FY 2014 and \$68,427 in FY 2015 of state special revenue funding associated with the Board of Horse Racing (BOHR) activities in order to align funding available for the good of horse racing with personal services and operating expenditures of the BOHR.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$4,333	\$0
FY 2015	\$4,333	\$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 \$4,333 in each year of the 2015 biennium of state special revenue for the department's allocation of the fixed costs.

DEPARTMENT OF LIVESTOCK-5603 DIAGNOSTIC LABORATORY PROGRAM-03

**03 Diagnostic Laboratory
Division**
Dr. Bill Layton 994-4885

Program Description - The Diagnostic Laboratory provides livestock laboratory diagnostic support for livestock producers and the Animal Health Division and Milk and Egg Program. Testing is done for zoonotic diseases on dairy products to protect the health of Montana citizens. Laboratory testing services are conducted upon request to assist animal owners, veterinarians, the Department of Fish, Wildlife and Parks, and other agencies in protecting the health of animals, wildlife, and the public.

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	21.76	0.00	0.00	21.76	0.00	0.00	21.76
Personal Services	1,147,130	49,362	0	1,196,492	51,342	0	1,198,472
Operating Expenses	793,588	(8,922)	(51,500)	733,166	(7,362)	(55,000)	731,226
Debt Service	24,842	0	0	24,842	0	0	24,842
Total Costs	\$1,965,560	\$40,440	(\$51,500)	\$1,954,500	\$43,980	(\$55,000)	\$1,954,540
General Fund	302,657	(12,833)	0	289,824	(13,373)	0	289,284
State/Other Special	1,662,903	53,273	(51,500)	1,664,676	57,353	(55,000)	1,665,256
Total Funds	\$1,965,560	\$40,440	(\$51,500)	\$1,954,500	\$43,980	(\$55,000)	\$1,954,540

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

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

PL - 302 - Milk Lab Incubator (OTO) -

The budget includes \$2,000 of one-time-only state special revenue to replace a twenty year old Milk Lab incubator.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$4,808	\$0
FY 2015	\$7,514	\$0

PL - 304 - Lab Recharges to MSU -

Lab recharges are assessed by MSU for facility services based upon square footage used. Recharges for the Diagnostic Lab are scheduled to increase by \$4,808 in FY 2014 and \$7,514 in FY 2015 of state special revenue.

**DEPARTMENT OF LIVESTOCK-5603
DIAGNOSTIC LABORATORY PROGRAM-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$55,000)	\$0
FY 2015	(\$55,000)	\$0

NP - 301 - Operational Reduction and Fund Switch -

This proposal removes \$55,000 of per capita fee state special revenue funding and operational expenditures each year of the 2015 biennium. In addition, \$83,229 of animal health state special revenue funding is replaced with per capita fee state special revenue in FY 2014 in order to balance the department's expenditures with available funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,500	\$0
FY 2015	\$0	\$0

NP - 303 - PCR Shaker and Micro Centrifuge (OTO) -

Polymerase Chain Reaction (PCR) is a molecular biological test of DNA. This highly technological serum test is essential to producers to identify specific animal diseases in a timely manner. This testing procedure generates significant revenue to the department. This proposal will replace a micro-centrifuge and plate shaker for a one-time-only cost of \$3,500 in FY 2014 funded with state special revenue.

**DEPARTMENT OF LIVESTOCK-5603
ANIMAL HEALTH DIVISION-04**

04 Animal Health Division Dr. Martin Zaluski x2043
--

Program Description - The Animal Health Division (State Veterinarian Office) provides diagnosis, prevention, control, and eradication of animal diseases, including those in bison and alternative livestock animals. The program cooperates with the Departments of Public Health and Human Services; Fish, Wildlife and Parks; and the US Department of Agriculture to protect human health from animal diseases transmissible to humans. Sanitary standards are supervised for animal concentration points, such as auction markets, and certain animal product processing facilities, such as rendering plants. The Rabies Control Unit protects public and animal health from rabies by monitoring new rabies infections and enforcing quarantines.

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	13.50	0.00	2.00	15.50	0.00	2.00	15.50
Personal Services	613,170	210,427	133,447	957,044	209,731	133,245	956,146
Operating Expenses	760,180	(151,605)	373,168	981,743	(152,290)	373,168	981,058
Total Costs	\$1,373,350	\$58,822	\$506,615	\$1,938,787	\$57,441	\$506,413	\$1,937,204
General Fund	0	0	506,615	506,615	0	506,413	506,413
State/Other Special	643,558	45,260	0	688,818	45,247	0	688,805
Federal Special	729,792	13,562	0	743,354	12,194	0	741,986
Total Funds	\$1,373,350	\$58,822	\$506,615	\$1,938,787	\$57,441	\$506,413	\$1,937,204

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,487	\$0
FY 2015	\$2,420	\$0

PL - 403 - Vehicle Lease -Animal Health Division -

There are two animal health inspectors who travel over 40,000 miles a year investigating animal diseases and import violations. This proposal adds \$2,487 in FY 2014 and \$2,420 in FY 2015 of state special revenue to replace one agency owned vehicle with a leased vehicle from the MDT motor pool. Base expenditures for gasoline and maintenance of the agency owned vehicle have been reduced to offset the overall cost of this request.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$147,971)	\$0
FY 2015	(\$148,204)	\$0

PL - 404 - Cattle Health (Bison) Fund Reduction -

Reductions of \$147,971 reduction in FY 2014 and \$148,204 in FY 2015 of federal special revenue are requested to match authority for the Bison Trap Fund with available funding from the federal government in the 2015 biennium.

**DEPARTMENT OF LIVESTOCK-5603
ANIMAL HEALTH DIVISION-04**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$133,447	\$133,447
FY 2015	\$133,245	\$133,245

NP - 401 - DSA Vet and Compliance Specialist (OTO) -

This proposal would provide one-time-only general fund for 1.00 FTE brucellosis veterinarian and 1.00 FTE brucellosis compliance specialist each year of the 2015 biennium at a cost of \$133,447 in FY 2014 and \$133,245 in FY 2015.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$373,168	\$373,168
FY 2015	\$373,168	\$373,168

NP - 402 - DSA Brucellosis Testing (OTO) -

The executive recommends one-time-only, \$337,168 general fund each year of the 2015 biennium to continue brucellosis surveillance in Montana. Ongoing testing under the Designated Surveillance Area (DSA) plan requires testing and risk mitigation activities in parts of Beaverhead, Madison, Gallatin, and Park counties. If federal funds for brucellosis testing are made available to the department, general fund will be reduced by a like amount.

**DEPARTMENT OF LIVESTOCK-5603
MILK & EGG PROGRAM-05**

**05 Milk & Egg
Inspection Bureau
Dan Turcotte x4325**

Program Description - The Milk and Egg Inspection Program ensures that eggs, milk, and milk products sold or manufactured in Montana are fit for human consumption. Enforcement of state and federal laws is accomplished through licensing, sampling, laboratory testing, and product and site inspections done in cooperation with other state and federal 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	6.50	0.00	0.00	6.50	0.00	0.00	6.50
Personal Services	304,972	61,814	0	366,786	62,962	0	367,934
Operating Expenses	65,008	(2,039)	0	62,969	799	0	65,807
Total Costs	\$369,980	\$59,775	\$0	\$429,755	\$63,761	\$0	\$433,741
State/Other Special	341,490	59,775	0	401,265	63,761	0	405,251
Federal Special	28,490	0	0	28,490	0	0	28,490
Total Funds	\$369,980	\$59,775	\$0	\$429,755	\$63,761	\$0	\$433,741

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,487	\$0
FY 2015	\$4,840	\$0

PL - 501 - Milk and Egg Vehicle Lease -

The budget includes \$2,487 in FY 2014 and \$4,840 in FY 2015 of state special revenue to replace one agency owned vehicle each year of the 2015 biennium with leased vehicles from the MDT motor pool. Base expenditures for gasoline and maintenance of the agency owned vehicles have been reduced to offset the overall cost of this request.

**DEPARTMENT OF LIVESTOCK-5603
BRANDS ENFORCEMENT DIVISION-06**

**06 Brands Enforcement
Division**
John Grainger x2925

Program Description - The Brand Enforcement Division is responsible for livestock theft investigations, stray livestock investigations, brand inspections, recording of livestock brands, filing of security interests on livestock, livestock auction licensing, livestock dealer licensing, hide inspections, and livestock inspections.

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	57.71	0.00	(8.71)	49.00	0.00	(8.71)	49.00
Personal Services	2,737,255	38,840	(344,395)	2,431,700	40,440	(343,938)	2,433,757
Operating Expenses	516,628	(17,781)	(10,000)	488,847	(8,258)	(10,000)	498,370
Total Costs	\$3,253,883	\$21,059	(\$354,395)	\$2,920,547	\$32,182	(\$353,938)	\$2,932,127
General Fund	2,943	0	0	2,943	0	0	2,943
State/Other Special	3,250,940	21,059	(354,395)	2,917,604	32,182	(353,938)	2,929,184
Total Funds	\$3,253,883	\$21,059	(\$354,395)	\$2,920,547	\$32,182	(\$353,938)	\$2,932,127

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$5,154	\$0
FY 2015	\$9,679	\$0

PL - 601 - Brands Division Vehicle Lease -

The Brands Division has a fleet of 30 brand enforcement vehicles. This request is for \$5,154 in FY 2014 and \$9,679 in FY 2015 of state special revenue to replace two agency-owned vehicles each year with leased vehicles from the MDT motor pool. Base expenditures for gasoline and maintenance of the agency owned vehicles have been reduced to offset the overall cost of this request.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$55,979	\$0
FY 2015	\$55,979	\$0

PL - 602 - Brand Overtime -

The Brand Enforcement Division works extensive overtime during the fall market and at other peak times of the year. This request provides \$55,979 of state special revenue authority each year of the 2015 biennium to restore zero-based overtime funding to the amount spent in FY 2012.

**DEPARTMENT OF LIVESTOCK-5603
BRANDS ENFORCEMENT DIVISION-06**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$354,395)	\$0
FY 2015	(\$353,938)	\$0

NP - 603 - Brand FTE Reductions and Fund Switch -

This proposal permanently removes 8.71 FTE and \$354,395 of state special revenue per capita fee in FY 2014 and \$353,938 in FY 2015. In addition, \$921,736 of inspection and control state special revenue funding is replaced with per capita fee state special revenue in FY 2014 in order to balance the department's expenditures with available funding.

DEPARTMENT OF LIVESTOCK-5603 MEAT/POULTRY INSPECTION-10

**10 Meat/Poultry Inspection
Bureau**
Gary Hamel x5293

Program Description - The Meat and Poultry Inspection Program was established in 1987 by the Montana Meat and Poultry Inspection Act. It implements and enforces a meat and poultry inspection system equal to that maintained by the US Department of Agriculture and the Food Safety Inspection Service to assure clean, wholesome, and properly-labeled meat and poultry products for consumers.

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	20.50	0.00	1.00	21.50	0.00	1.00	21.50
Personal Services	914,398	7,456	38,174	960,028	8,861	38,125	961,384
Operating Expenses	311,881	16,019	1,098	328,998	4,749	1,147	317,777
Total Costs	\$1,226,279	\$23,475	\$39,272	\$1,289,026	\$13,610	\$39,272	\$1,279,161
General Fund	613,109	8,909	19,636	641,654	3,977	19,636	636,722
State/Other Special	5,717	1	0	5,718	0	0	5,717
Federal Special	607,453	14,565	19,636	641,654	9,633	19,636	636,722
Total Funds	\$1,226,279	\$23,475	\$39,272	\$1,289,026	\$13,610	\$39,272	\$1,279,161

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$8,322	\$4,161
FY 2015	\$8,322	\$4,161

PL - 1001 - Meat Inspector Training (OTO/BIEN) -

This proposal adds \$8,322 each year of the 2015 biennium for Food Safety Inspection Service (FSIS) training in the Meat Inspection program. This one-time-only, biennial funding is required to maintain equal status in federal state cooperative agreement and is funded 50% general fund and 50% federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$13,450	\$6,725
FY 2015	\$0	\$0

PL - 1002 - Meat Inspection Field Supplies (OTO/BIEN) -

The budget includes \$13,450 one-time-only, biennial funding in FY 2014 for meat inspection equipment for field and office work attributable to the USDA Food Safety Inspection Service (FSIS) cooperative agreement. Items needed include antibiotic test kit incubators, data loggers, and thermal couplers. This request is funded with 50% general fund and 50% federal funds.

**DEPARTMENT OF LIVESTOCK-5603
MEAT/POULTRY INSPECTION-10**

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

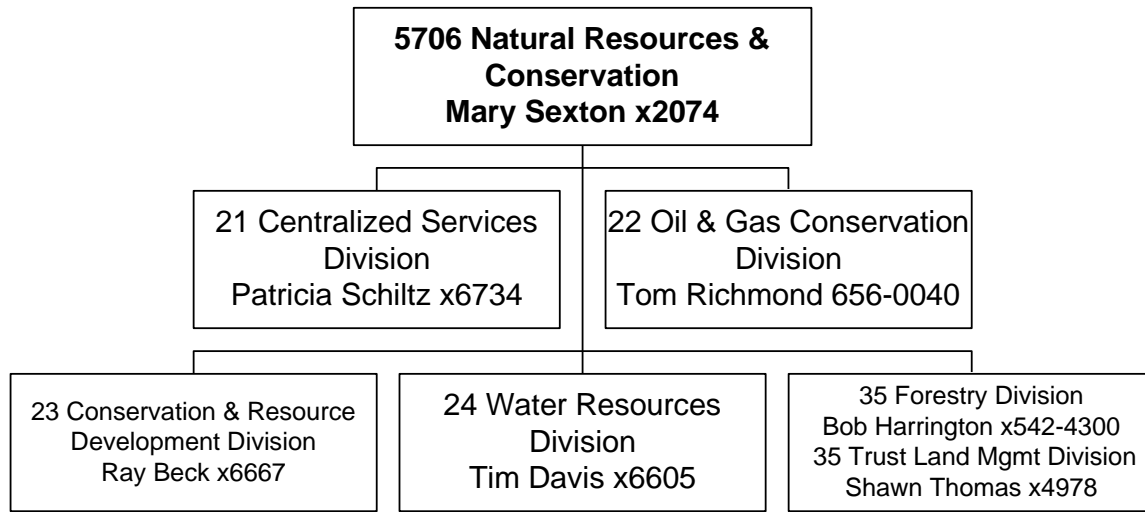
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$39,272	\$19,636
FY 2015	\$39,272	\$19,636

NP - 1003 - Meat Inspection - New Plants (OTO) -

There are six new meat processing plants requesting to begin operation in Montana. The department does not have enough trained meat inspectors available to meet the workload required by these new plants. This proposal would add 1.00 FTE meat inspector in the 2015 biennium at a one-time-only cost of \$39,272 per year funded with 50% general fund and 50% federal funds.

DEPT OF NATURAL RESOURCES & CONSERVATION-5706

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



Mission Statement - To ensure Montana's land and water resources provide benefits for present and future generations.

Statutory Authority - 2-15-104 and Title 2, chapter 15, part 33, MCA.

Language Recommendations - The following language is requested for HB 2:

"During the 2015 biennium, up to \$1 million of funds currently in, or to be deposited in, the Broadwater replacement and renewal account is appropriated to the department for repairing or replacing equipment at the Broadwater hydropower facility."

"During the 2015 biennium, up to \$100,000 of interest earned on the Broadwater water users' account is appropriated to the department for the purpose of repair, improvement, or rehabilitation of the Broadwater-Missouri diversion project."

"During the 2015 biennium, up to \$500,000 of funds currently in, or to be deposited in, the state project hydropower earnings account is appropriated for the purpose of repairing, improving, or rehabilitating department state water projects."

"The department is appropriated up to \$600,000 for the 2015 biennium from the natural resources operations account established in 15-38-301, MCA, for the purchase of prior liens on property held as loan security as provided in 85-1-615, MCA."

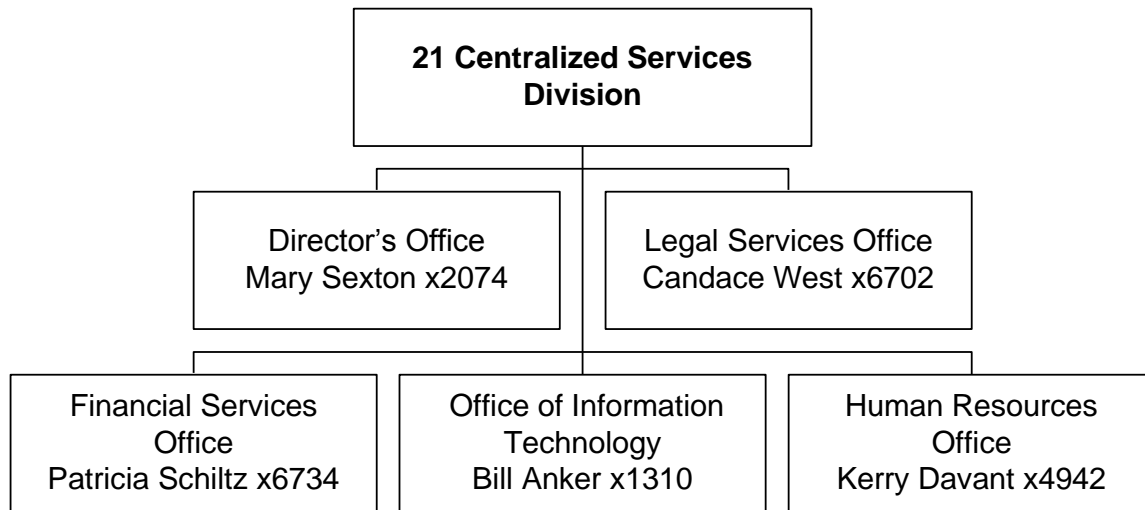
"The department is appropriated up to \$1,000,000 for the 2015 biennium from the coal bed methane protection account established in 76-15-904, MCA, for potential landowner or water right holder claims for emergency loss of water related to coal bed methane development."

"The department is authorized to decrease federal special revenue in the pollution control and/or drinking water revolving fund loan programs and increase state special revenue by a like amount within administration accounts when the amount of federal EPA CAP grant funds allocated for administration of the grant have been expended or federal funds and bond proceeds will be used for other program purposes as authorized in law providing for the distribution of funds."

DEPT OF NATURAL RESOURCES & CONSERVATION-5706

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	544.78	(2.00)	0.00	542.78	(2.00)	0.00	542.78
Personal Services	31,457,109	2,352,989	0	33,810,098	2,381,347	0	33,838,456
Operating Expenses	13,064,306	3,661,638	5,577	16,731,521	1,422,052	5,577	14,491,935
Equipment & Intangible Assets	989,822	126,854	0	1,116,676	126,854	0	1,116,676
Capital Outlay	11,128	0	0	11,128	0	0	11,128
Local Assistance	0	5,000,000	0	5,000,000	5,000,000	0	5,000,000
Grants	1,553,481	0	0	1,553,481	0	0	1,553,481
Benefits & Claims	0	200,000	0	200,000	200,000	0	200,000
Transfers	1,343,852	(12,555)	0	1,331,297	(18,658)	0	1,325,194
Debt Service	381,946	259,307	0	641,253	249,424	0	631,370
Total Costs	\$48,801,644	\$11,588,233	\$5,577	\$60,395,454	\$9,361,019	\$5,577	\$58,168,240
General Fund	21,727,611	2,455,262	2,838	24,185,711	2,403,003	2,838	24,133,452
State/Other Special	25,053,700	9,093,536	2,739	34,149,975	6,923,424	2,739	31,979,863
Federal Special	2,020,333	39,435	0	2,059,768	34,592	0	2,054,925
Total Funds	\$48,801,644	\$11,588,233	\$5,577	\$60,395,454	\$9,361,019	\$5,577	\$58,168,240

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
CENTRALIZED SERVICES-21**



Program Description - Centralized Services Division (CSD) is comprised of the Director's Office, Legal Services Office, Financial Services Office, Office of Information Technology (OIT), and the Human Resources Office. The director is responsible for the administration of all the functions vested by law in the department and for establishing policy to be followed by the department. In addition, the work units in the CSD provide legal, personnel, financial, budgetary, procurement & contracting, information technology, and communications services to the director and the divisions within the agency.

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	55.50	1.00	0.00	56.50	1.00	0.00	56.50
Personal Services	3,298,585	535,821	0	3,834,406	535,157	0	3,833,742
Operating Expenses	1,535,224	75,251	(194)	1,610,281	(75,721)	(194)	1,459,309
Total Costs	\$4,833,809	\$611,072	(\$194)	\$5,444,687	\$459,436	(\$194)	\$5,293,051
General Fund	3,117,526	373,947	(194)	3,491,279	295,093	(194)	3,412,425
State/Other Special	1,470,507	214,649	0	1,685,156	148,077	0	1,618,584
Federal Special	245,776	22,476	0	268,252	16,266	0	262,042
Total Funds	\$4,833,809	\$611,072	(\$194)	\$5,444,687	\$459,436	(\$194)	\$5,293,051

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

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

PL - 2101 - CSD/OIT Applications Development -

This budget request is for \$85,000 of general fund each year and 1.00 FTE for an applications developer to provide software engineering and application development capabilities essential to meeting a wide variety of DNRC responsibilities across the organization. Internal systems development expertise would provide significant cost savings for initial application development, enhancements, and maintenance.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
CENTRALIZED SERVICES-21**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$79,347	\$0
FY 2015	\$49,945	\$0

PL - 2102 - DNRC Records Management -

DNRC requests \$79,347 in FY 2014 and \$49,945 in FY 2015 in state special revenue authority for the implementation of a comprehensive agency-wide records management and imaging program using an enterprise/electronic content management (ECM) approach to manage DNRC records and data. The number of staff and office distribution across the state makes it imperative that a cohesive approach be taken to manage current and past records for business and public access purposes, while complying with state and federal records management laws. The program would increase efficiency in government by reducing costs and inefficiencies related to paper storage costs, space requirements, and staff time spent managing and accessing DNRC information.

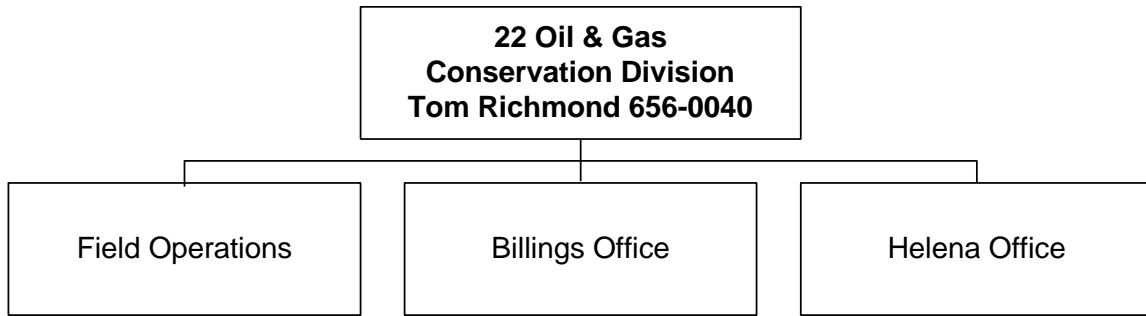
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$194)	(\$194)
FY 2015	(\$194)	(\$194)

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 decrease of \$194 per year general fund for the department's allocation of the fixed cost.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
OIL & GAS CONSERVATION DIV.-22**



Program Description - The Oil and Gas Conservation Division (BOGC) administers the Montana oil and gas conservation laws to promote conservation and prevent waste in the recovery of these resources through regulation of exploration and production of oil and gas. The division 1) issues drilling permits; 2) classifies wells; 3) establishes well spacing units and pooling orders; 4) inspects drilling, production, and seismic operations; 5) investigates complaints; 6) performs engineering studies; 7) determines incremental production for enhanced recovery and horizontal wells to implement the tax incentive program for those projects; 8) operates the underground injection control program; 9) plugs orphan wells; and 10) collects and maintains complete well data and production information.

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	21.50	0.00	0.00	21.50	0.00	0.00	21.50
Personal Services	1,092,278	252,470	0	1,344,748	252,089	0	1,344,367
Operating Expenses	494,829	175,687	556	671,072	57,820	556	553,205
Equipment & Intangible Assets	52,729	6,000	0	58,729	6,000	0	58,729
Total Costs	\$1,639,836	\$434,157	\$556	\$2,074,549	\$315,909	\$556	\$1,956,301
State/Other Special	1,532,366	430,157	556	1,963,079	311,909	556	1,844,831
Federal Special	107,470	4,000	0	111,470	4,000	0	111,470
Total Funds	\$1,639,836	\$434,157	\$556	\$2,074,549	\$315,909	\$556	\$1,956,301

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$40,360	\$0
FY 2015	\$40,452	\$0

PL - 2201 - BOGC Regulatory Program Adjustments -

This request is for \$40,360 in FY 2014 and \$40,452 in FY 2015 in state special revenue for board member per diem; legal services, rent, janitorial services, and increased vehicle purchase costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$28,130	\$0
FY 2015	\$28,130	\$0

PL - 2202 - BOGC UIC Program Adjustments -

This request is for \$28,130 per year of state special revenue for board member per diem; legal services, janitorial services, rent, an engineering contract for specialized Underground Injection Control (UIC) analyses; and increased vehicle purchase costs.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
OIL & GAS CONSERVATION DIV.-22**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$120,000	\$0
FY 2015	\$0	\$0

PL - 2204 - BOGC Procedures Manual & Field Inspections System (OTO/BIEN/RST) -

This budget request is for a \$120,000 biennial, one-time-only, restricted appropriation of state special revenue to continue the development of a field inspection procedures manual & inspection system as suggested in a Legislative Audit of the Oil & Gas Division. MT Tech will complete the work as they performed a scoping study of the project in FY 2012. This funding would allow work to continue through the 2015 biennium.

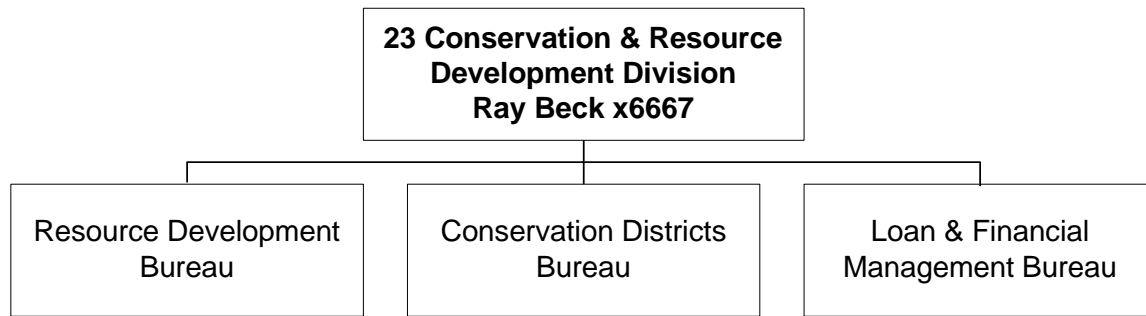
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$556	\$0
FY 2015	\$556	\$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 \$556 per year from state special revenue funds for the department's allocation of the fixed cost.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
CONSERVATION & RESOURCE DEVELOPMENT DIV-23**



Program Description - The Conservation and Resource Development Division (CARDD) provides technical, administrative, financial, and legal assistance to Montana's 58 conservation districts by administering the Conservation District Act, Montana Rangeland Resources Act, and the Natural Streambed and Land Preservation Act. The division also manages several loan and grant programs for local communities, local governments, state agencies, and private citizens. The programs include the state revolving fund, which at the end of FY 2012 included \$530 million loaned to communities for water and waste water systems, coal severance tax loans to governmental entities totaling \$39 million, and private loans for \$21.4 million. Grant programs administered by the division include the Reclamation Development, Renewable Resource, and Conservation District grant 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	25.65	0.00	0.00	25.65	0.00	0.00	25.65
Personal Services	1,759,356	13,047	0	1,772,403	13,789	0	1,773,145
Operating Expenses	1,743,665	323,817	(36)	2,067,446	325,224	(36)	2,068,853
Equipment & Intangible Assets	25,547	0	0	25,547	0	0	25,547
Local Assistance	0	5,000,000	0	5,000,000	5,000,000	0	5,000,000
Grants	1,364,016	0	0	1,364,016	0	0	1,364,016
Benefits & Claims	0	200,000	0	200,000	200,000	0	200,000
Total Costs	\$4,892,584	\$5,536,864	(\$36)	\$10,429,412	\$5,539,013	(\$36)	\$10,431,561
General Fund	976,643	25,846	0	1,002,489	27,898	0	1,004,541
State/Other Special	3,633,141	5,495,552	(36)	9,128,657	5,495,649	(36)	9,128,754
Federal Special	282,800	15,466	0	298,266	15,466	0	298,266
Total Funds	\$4,892,584	\$5,536,864	(\$36)	\$10,429,412	\$5,539,013	(\$36)	\$10,431,561

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$195,000	\$0
FY 2015	\$195,000	\$0

PL - 2301 - CARDD Operating Adjustments -

This budget request is for \$195,000 per year in state and federal special revenue for expenses related to the increasing demand for loan and grant programs administered by the division. The financial and technical assistance resources provided to communities across the state and particularly in Eastern Montana continues to demand more of CARDD staff. The major cost drivers are rent increases, legal fees, court costs, and janitorial services contract increases.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
CONSERVATION & RESOURCE DEVELOPMENT DIV-23**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$47,500	\$0
FY 2015	\$47,500	\$0

PL - 2305 - CARDD Regional Water Administration Funds -

This request is for \$47,500 in state special revenue each year of the 2015 biennium for Regional Water System operating expenses. The primary cost driver is the final engineering documents required in the Dry-Redwater and North Central Montana systems. Water system staff members in these two regions are preparing the documents for federal authorization. The Dry Prairie and Musselshell systems also have minor increases in operating costs primarily related to fuel, travel, and supplies.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$200,000	\$0
FY 2015	\$200,000	\$0

PL - 2306 - Drinking Water Program Loan Forgiveness (OTO/RST) -

This one-time-only, restricted request restores \$200,000 per year in state special revenue to match federal authority for hardship communities in the Safe Drinking Water program. These funds enable the state to provide local assistance to borrowers in the form of loan forgiveness and are aimed at disadvantaged communities who borrowed from the program yet are unable to meet loan obligations. No state special funds were used in the previous biennium as federal funds awarded to the program provided the loan forgiveness.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$80,000	\$0
FY 2015	\$80,000	\$0

PL - 2307 - CARDD Coal Bed Methane Program Operating Funds -

This request is for \$80,000 per year in state special revenue. These funds will allow conservation districts with coal bed methane development or impacts associated with such development to use these funds for expenses involved in operating the Coal Bed Methane Protection Program established under 76-15-901, MCA.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$5,000,000	\$0
FY 2015	\$5,000,000	\$0

PL - 2311 - CARDD Loan Appropriation Authority -

This budget request is for \$5,000,000 per year in state special revenue authority for Range Land loans and other loans in the private non-point source loan program. Appropriation authority for loans is necessary to be in compliance with 17-8-101(1), MCA, and Montana Operations Manual accounting Policy 318, Miscellaneous Expenditure Topics, Section IV, Agency Long Term Loans.

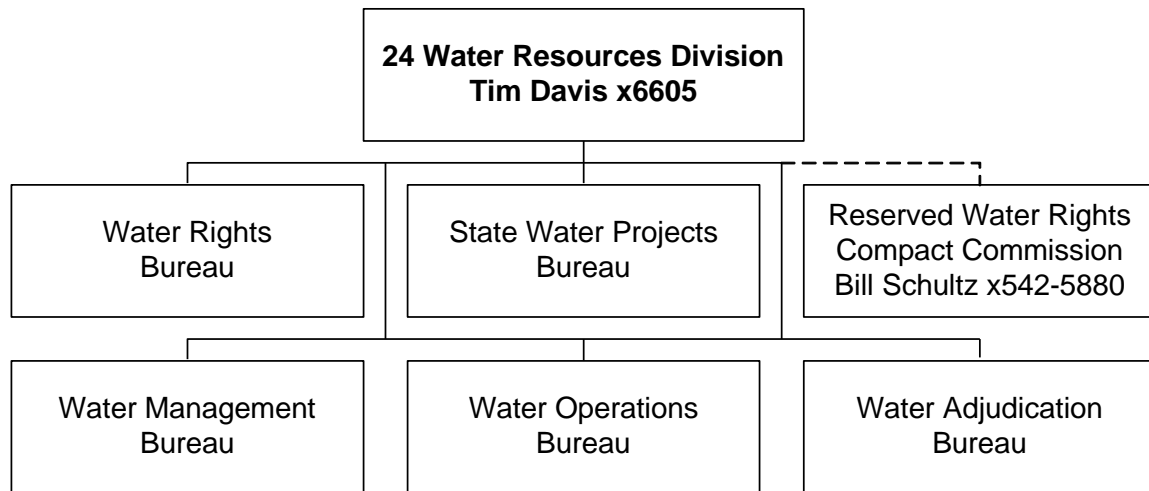
-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$36)	\$0
FY 2015	(\$36)	\$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 \$36 per year state special revenue for program staff having attended PDC training in the base year.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
WATER RESOURCES DIVISION-24**



Program Description - The Water Resources Division (WRD) is responsible for many programs associated with the uses, development, and protection of Montana's water. The division manages and maintains the state-owned dams, reservoirs, and canals; develops and recommends in-state, interstate, and international water policy to the director, Governor, and Legislature; administers the Dam Safety, Floodplain Management, and Water Management Programs; provides support to the Board of Water Well Contractors; assists the Water Court with the adjudication of pre-July 1, 1973, water rights; administers applications for new water rights, changes in historic water rights, and ownership updates; and maintains centralized water rights records. The division consists of an administration unit, a compact implementation unit, and five bureaus - Water Management Bureau, Water Rights Bureau, Water Adjudication Bureau, State Water Projects Bureau, and Water Operations Bureau. The Compact Implementation unit will provide technical and legal support for implementation of approved water compacts for Indian tribes and federal agencies. In addition, the Flathead Basin Commission is administratively attached 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	145.05	(3.00)	0.00	142.05	(3.00)	0.00	142.05
Personal Services	8,858,376	427,186	0	9,285,562	438,494	0	9,296,870
Operating Expenses	2,394,726	2,361,741	(1,952)	4,754,515	369,635	(1,952)	2,762,409
Equipment & Intangible Assets	33,020	0	0	33,020	0	0	33,020
Transfers	7,500	0	0	7,500	0	0	7,500
Debt Service	363,268	259,307	0	622,575	249,424	0	612,692
Total Costs	\$11,656,890	\$3,048,234	(\$1,952)	\$14,703,172	\$1,057,553	(\$1,952)	\$12,712,491
General Fund	8,025,094	661,850	(1,531)	8,685,413	676,129	(1,531)	8,699,692
State/Other Special	3,451,445	2,338,317	(421)	5,789,341	333,296	(421)	3,784,320
Federal Special	180,351	48,067	0	228,418	48,128	0	228,479
Total Funds	\$11,656,890	\$3,048,234	(\$1,952)	\$14,703,172	\$1,057,553	(\$1,952)	\$12,712,491

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
WATER RESOURCES DIVISION-24**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$28,726	\$28,726
FY 2015	\$29,700	\$29,700

PL - 2402 - WRD Stream Gauging Stations (OTO/RST) -

This one-time-only, restricted request is for \$28,726 in FY 2014 and \$29,700 in FY 2015 general fund for the Water Management Bureau (WMB) operating budget to cover increases in Montana's share of the cost to jointly operate and maintain forty-three (43) US Geological Services (USGS) stream gages in Montana.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$70,580	\$49,708
FY 2015	\$79,479	\$55,328

PL - 2403 - WRD Operating Adjustment -

The program requests \$70,580 in FY 2014 and \$79,479 in FY 2015 of general fund and state special revenue to restore base authority, cover projected increases in contracted services and rent expense, and costs of scheduled computer replacement.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$2,298,307	\$0
FY 2015	\$288,424	\$0

PL - 2404 - WRD State Water Projects Adjustments -

This request is for \$2,298,307 in FY 2014 and \$288,424 in FY 2015 of state special revenue. The request is for zero-based overtime at the Broadwater hydropower facility, fisheries mitigation work required by the Federal Energy Regulatory Commission (FERC) licenses, continued rehabilitation on the Ruby Dam and other state water projects, and debt services for repayment of a federal loan for rehabilitation on the Middle Creek Dam.

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

PL - 2405 - WRD FEMA CAP Spending Authority -

The department requests an increase of \$50,000 per year in federal special revenue for the Community Assistance Program of the National Flood Insurance Program. The primary purpose of the award is to reduce the damage claims to the National Flood Insurance program by providing education, technical, and administrative support to county and city planning staff involved in administering local floodplain management programs.

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

PL - 2406 - WRD Floodplain Mapping -

This request is for \$100,000 per year general fund for contracted engineering and mapping services to continue with the process of preparing floodplain maps in the state. After the 2011 flooding, numerous elected officials reported that residents complained they were unaware they were living in an area subject to flood hazards.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
WATER RESOURCES DIVISION-24**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$16,000	\$0
FY 2015	\$16,000	\$0

PL - 2407 - WRD Board Of Water Well Contractors Adjustment -

This proposal would provide \$32,000 in the 2015 biennium of state special revenue for contracted legal and other litigation costs for the Board of Water Well Contractors.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$147,029)	\$0
FY 2015	(\$146,820)	\$0

PL - 2408 - WRD Adjudication FTE Reduction -

This request is a reduction of \$147,029 in FY 2014 and \$146,820 in FY 2015 of state special revenue and 3.00 FTE each year. The reduction is in accordance with the transition plan the division has in place for the sunset of the HB 22 Water Right Adjudication Program in 2020. These FTE are transferred to the Water Court in the Judicial Branch.

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

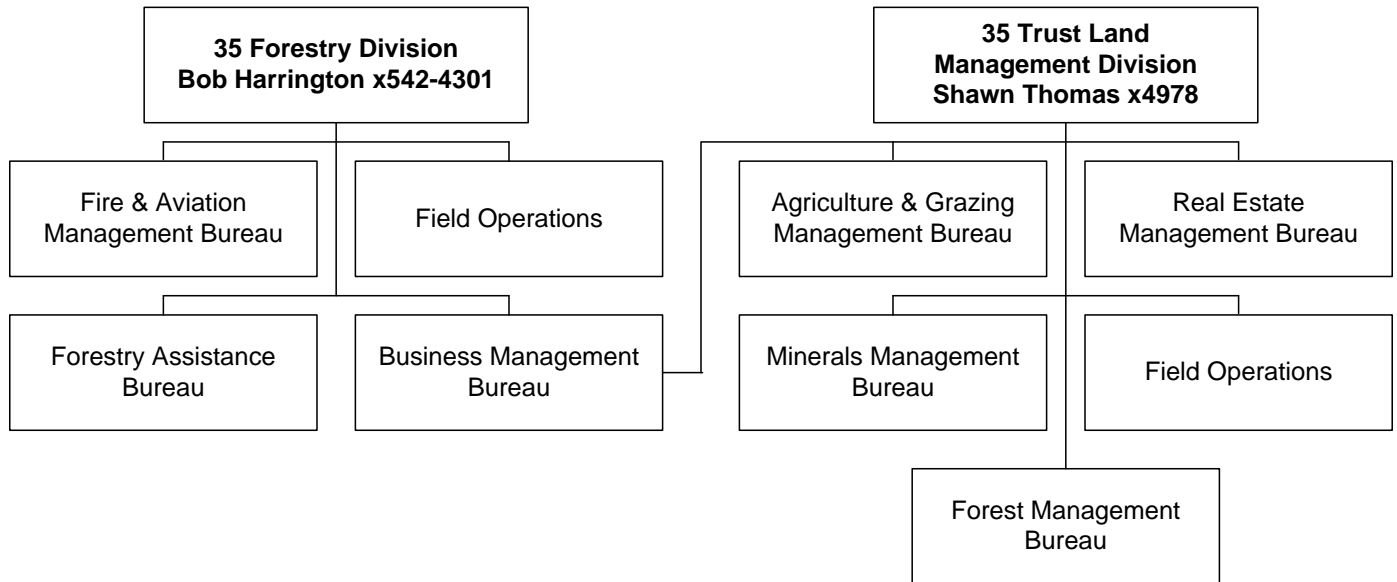
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$1,952)	(\$1,531)
FY 2015	(\$1,952)	(\$1,531)

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 \$1,952 per year from general fund and state special revenue in the Water Resources Division, which is the expense for program staff having attended PDC training during the base year.

DEPT OF NATURAL RESOURCES & CONSERVATION-5706 FORESTRY AND TRUST LANDS DIVISION-35

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



Program Description - The Forestry Division is responsible for planning and implementing forestry programs statewide. Forestry responsibilities include protecting natural resources from wildfire, regulating forest practices, and providing a variety of services to private forest landowners.

The Trust Land Management Division provides for the administration and management of trust lands granted to the State of Montana by the Enabling Act of 1889. These lands currently total 5.2 million surface acres and 6.2 million mineral acres. Additionally, the division is responsible for the administration of approximately 6,000 miles (40,000+ acres) of the beds of navigable waterways. The Trust Land Management Division is divided into four primary programs: forest management; agriculture and grazing management; real estate management; and minerals management.

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	297.08	0.00	0.00	297.08	0.00	0.00	297.08
Personal Services	16,448,514	1,124,465	0	17,572,979	1,141,818	0	17,590,332
Operating Expenses	6,895,862	725,142	7,203	7,628,207	745,094	7,203	7,648,159
Equipment & Intangible Assets	878,526	120,854	0	999,380	120,854	0	999,380
Capital Outlay	11,128	0	0	11,128	0	0	11,128
Grants	189,465	0	0	189,465	0	0	189,465
Transfers	1,336,352	(12,555)	0	1,323,797	(18,658)	0	1,317,694
Debt Service	18,678	0	0	18,678	0	0	18,678
Total Costs	\$25,778,525	\$1,957,906	\$7,203	\$27,743,634	\$1,989,108	\$7,203	\$27,774,836
General Fund	9,608,348	1,393,619	4,563	11,006,530	1,403,883	4,563	11,016,794
State/Other Special	14,966,241	614,861	2,640	15,583,742	634,493	2,640	15,603,374
Federal Special	1,203,936	(50,574)	0	1,153,362	(49,268)	0	1,154,668
Total Funds	\$25,778,525	\$1,957,906	\$7,203	\$27,743,634	\$1,989,108	\$7,203	\$27,774,836

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
FORESTRY AND TRUST LANDS DIVISION-35**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$179,476	\$108,429
FY 2015	\$180,692	\$108,447

PL - 35011 - FD Operating & Capital Adjustments -

General fund and state special revenue are requested at a cost of \$179,476 in FY 2014 and \$180,692 in FY 2015. The funding will be used to for material costs and maintenance, adjustments required for statewide rent, janitorial increases, and increased funding for contracted fire protection on the Flathead Reservation.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$101,481	\$0
FY 2015	\$101,307	\$0

PL - 35012 - FD Federal and State Special Authority -

This request is for \$101,481 in FY 2014 and \$101,307 in FY 2015 of state and federal special revenue. The program would increase spending authority in the Slash Hazard Reduction state special revenue account by \$50,000 as the fees collected exceed existing authority and the demand for slash program services is high. The request also includes authority to spend federal reimbursements for use of firefighting equipment on other state or federal fires, as the number of those fires has increased.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$135,000	\$135,000
FY 2015	\$135,000	\$135,000

PL - 35013 - FD Phone System & Copiers (OTO) -

This general fund request is for one-time-only funding of \$135,000 per year for purchasing a printer/copier/fax machine and purchasing an upgrade to the Forestry Division telephone, cabling, and phone system. The copier will serve 40-60 employees and will replace current equipment that is beyond repair. The telephone upgrade will serve 80 employees and will replace a system that was installed in 1982.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$12,555)	(\$8,412)
FY 2015	(\$18,658)	(\$12,501)

PL - 35014 - Air Operations Transfer -

A decrease in aircraft insurance premiums allows this request for a general fund reduction of \$31,213 in the 2015 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$128,886	\$86,353
FY 2015	\$128,886	\$86,353

PL - 35016 - Narrow Band Radios (OTO/REST) -

This request is for \$128,886 general fund and state special revenue in each year of the 2015 biennium. The funds will be used for the purchase of narrow-band, digital capable radios, and associated maintenance.

**DEPT OF NATURAL RESOURCES & CONSERVATION-5706
FORESTRY AND TRUST LANDS DIVISION-35**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$80,000	\$80,000
FY 2015	\$80,000	\$80,000

PL - 35021 - TLMD MSU-Morrill Trust Projects (BIEN/OTO) -

This one-time-only, biennial request is for \$160,000 general fund in the 2015 biennium to implement and complete land management projects on the MSU-Morrill trust lands. Projects for the biennium include: five timber harvest projects; timber thinning and weed management; agriculture and grazing lease renewals; commercial lease evaluations; a new phase of the Whitefish Trail; land banking and land exchange; and continuing work on the Smith Lake Dam rehabilitation project. The authority would cover contracted services, supplies, materials, and other operating costs to manage activities on the Morrill Trust Lands.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$204,069	\$0
FY 2015	\$204,069	\$0

PL - 35023 - TLMD Land Transaction Funds -

This request is for \$204,069 per year in state special revenue to restore base level spending authority in the Trust Land Management Division. Expenditures fluctuate from year to year and not all authority was spent in the base year. Since 2006, the division has sold, acquired, or exchanged an average of 23,000 acres annually.

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

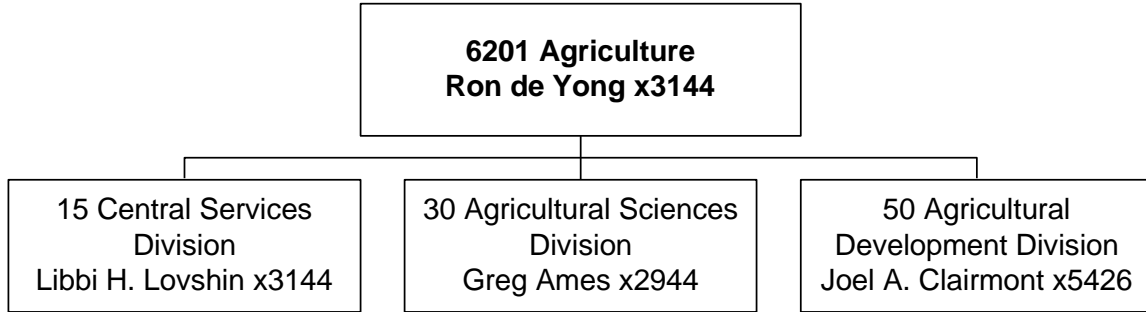
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$7,203	\$4,563
FY 2015	\$7,203	\$4,563

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 \$7,203 each year of the 2015 biennium in general fund and state special revenue for the department's allocation of the fixed cost.

DEPARTMENT OF AGRICULTURE-6201

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



Mission Statement - To protect producers and consumers and to enhance and develop agriculture and allied industries.

Statutory Authority - Article XII, Section 1, Montana Constitution; Title 80, Chapters 1-20, 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	119.40	0.00	4.88	124.28	0.00	4.88	124.28
Personal Services	6,231,460	695,452	123,712	7,050,624	701,481	123,488	7,056,429
Operating Expenses	3,023,385	492,821	119,244	3,635,450	450,448	119,468	3,593,301
Equipment & Intangible Assets	475,714	90,675	0	566,389	90,675	0	566,389
Grants	3,705,742	506,564	76,151	4,288,457	506,564	76,151	4,288,457
Transfers	276,644	16,430	0	293,074	16,430	0	293,074
Total Costs	\$13,712,945	\$1,801,942	\$319,107	\$15,833,994	\$1,765,598	\$319,107	\$15,797,650
General Fund	921,046	53,818	139,918	1,114,782	11,549	139,918	1,072,513
State/Other Special	10,475,040	1,357,902	179,189	12,012,131	1,361,774	179,189	12,016,003
Federal Special	1,854,084	268,673	0	2,122,757	270,152	0	2,124,236
Proprietary	462,775	121,549	0	584,324	122,123	0	584,898
Total Funds	\$13,712,945	\$1,801,942	\$319,107	\$15,833,994	\$1,765,598	\$319,107	\$15,797,650

DEPARTMENT OF AGRICULTURE-6201 CENTRALIZED SERVICES DIVISION-15

**15 Central Services
Division**
Libbi H. Lovshin x3144

Program Description - The Central Services Division provides support services essential to the effective operation of the department, including financial, human resource, information technology, public information, legal, and administrative support activities. Included in this division is the director's office, which provides overall policy development for the department as well as coordination with the agricultural industry and other branches of government.

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	14.87	0.00	0.13	15.00	0.00	0.13	15.00
Personal Services	989,461	88,965	9,084	1,087,510	91,316	9,069	1,089,846
Operating Expenses	164,932	27,018	(9,192)	182,758	(17,637)	(9,177)	138,118
Total Costs	\$1,154,393	\$115,983	(\$108)	\$1,270,268	\$73,679	(\$108)	\$1,227,964
General Fund	126,572	19,754	0	146,326	(23,562)	0	103,010
State/Other Special	794,993	38,722	(108)	833,607	38,723	(108)	833,608
Federal Special	109,835	42,280	0	152,115	42,280	0	152,115
Proprietary	122,993	15,227	0	138,220	16,238	0	139,231
Total Funds	\$1,154,393	\$115,983	(\$108)	\$1,270,268	\$73,679	(\$108)	\$1,227,964

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

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

NP - 1503 - Central Services Division FTE -

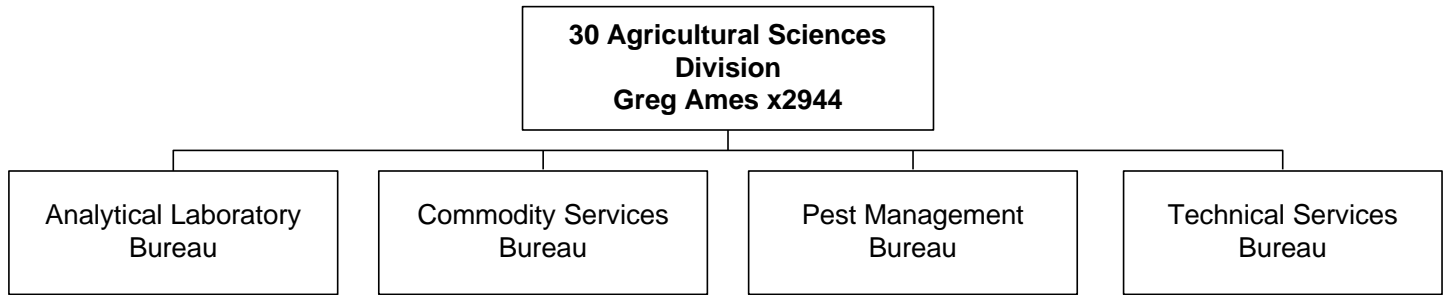
The budget includes an increase 0.13 FTE in HB 2 and an increase in personal services authority which is offset by a decrease in operations authority to correct a misallocation of FTE during the 2013 biennium. This proposal is a net zero change to the department's budget and is necessary to accurately record activity related to this 0.13 FTE.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$108)	\$0
FY 2015	(\$108)	\$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 reduction of \$108 each year of the biennium from state special revenue funding for the Central Services Division's allocation of the fixed cost.

**DEPARTMENT OF AGRICULTURE-6201
AGRICULTURAL SCIENCES DIVISION-30**



Program Description - The Agricultural Sciences Division (ASD) administers and coordinates the major activities related to: 1) pesticide management; 2) pest management; 3) analytical laboratory services; 4) noxious weed management; 5) agricultural chemical groundwater program; 6) seed, feed, and fertilizer program; 7) organic certification; 8) nursery program; 9) apiary program; 10) commodity programs; and 11) invasive species. ASD also administers agricultural programs related to the production, manufacturing, certification, and marketing of commodities exported from or distributed in the state. The division provides support to the Montana Noxious Weed Management Advisory Council, Noxious Weed Seed Free Forage Advisory Council, Montana Noxious Weed Summit Advisory Council, Montana Organic Commodity Advisory Council, and the Montana Mint Committee.

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	65.78	0.00	4.75	70.53	0.00	4.75	70.53
Personal Services	3,703,936	288,266	114,628	4,106,830	289,592	114,419	4,107,947
Operating Expenses	1,426,418	364,580	125,594	1,916,592	366,336	125,803	1,918,557
Equipment & Intangible Assets	450,837	90,675	0	541,512	90,675	0	541,512
Grants	2,060,581	498,466	0	2,559,047	498,466	0	2,559,047
Transfers	59,412	16,430	0	75,842	16,430	0	75,842
Total Costs	\$7,701,184	\$1,258,417	\$240,222	\$9,199,823	\$1,261,499	\$240,222	\$9,202,905
General Fund	287,508	9,019	140,000	436,527	9,019	140,000	436,527
State/Other Special	5,690,888	1,026,544	100,222	6,817,654	1,028,147	100,222	6,819,257
Federal Special	1,722,788	222,854	0	1,945,642	224,333	0	1,947,121
Total Funds	\$7,701,184	\$1,258,417	\$240,222	\$9,199,823	\$1,261,499	\$240,222	\$9,202,905

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$926,836	\$11,324
FY 2015	\$926,836	\$11,324

PL - 3001 - Program 30 Operating Adjustment -

This request is to restore operations authority to the level appropriated by the 2011 Legislature in the ASD. Actual expenditures in FY 2012 were lower than the authorized level due to the variable nature of agricultural activity. This proposal restores \$11,324 general fund, \$592,912 of state special revenue, and \$322,600 of federal special revenue authority each year of the 2015 biennium. This authority will be used for office supplies, field supplies, lab supplies, training, travel, equipment, and grants.

**DEPARTMENT OF AGRICULTURE-6201
AGRICULTURAL SCIENCES DIVISION-30**

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

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

NP - 3002 - Analytical Laboratory -

This request of \$100,000 state special revenue funding each year of the 2015 biennium is to account for fee-for-service funds that were previously received, held, and expended by the Montana Agricultural Experiment Station (MAES) at Montana State University on behalf of this jointly operated laboratory. The additional authority will enable the analytical laboratory to continue to use the funds for equipment and general operational activity such as supplies, maintenance, and student interns.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$140,000	\$140,000
FY 2015	\$140,000	\$140,000

NP - 3003 - Eurasian Watermilfoil Containment & Control (OTO/RST) -

This one-time-only, biennial request is for 4.75 FTE for seasonal, temporary staff and \$140,000 general fund each year of the 2015 biennium to continue activities associated with management of aquatic invasive plants through prevention, identification, and response. The department will focus on survey of waterways, watercraft inspection stations, outreach and education, management areas, and response to invasive plant detections.

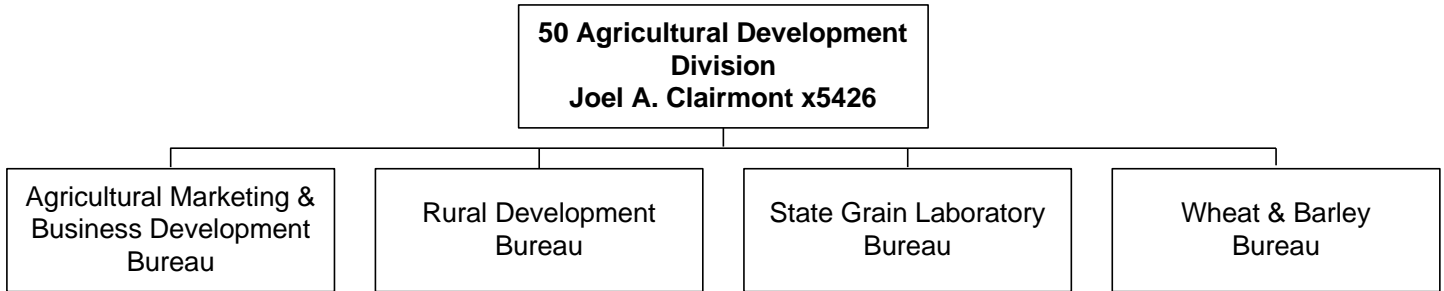
	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$222	\$0
FY 2015	\$222	\$0

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 \$222 each year of the 2015 biennium from state special revenue funds for the Ag Science Division's allocation of the fixed cost.

DEPARTMENT OF AGRICULTURE-6201 AGRICULTURAL DEVELOPMENT DIVISION-50

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



Program Description - The Agriculture Development Division (ADD) assists Montana's agricultural industry by providing services which include market and agribusiness development, Growth Through Agriculture grants and loans, wheat and barley research and marketing, agriculture loans including beginning farmer/rancher loans, hail insurance, grain grading and inspection, agriculture education and outreach, agriculture literacy, and administration of agricultural commodity research and market development programs. The division provides support to the Alfalfa Seed Committee, the Montana Wheat and Barley Committee, the Montana Agricultural Development Council, the Board of Hail Insurance, and advisory committees for cherries, potatoes, and pulse crops.

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	38.75	0.00	0.00	38.75	0.00	0.00	38.75
Personal Services	1,538,063	318,221	0	1,856,284	320,573	0	1,858,636
Operating Expenses	1,432,035	101,223	2,842	1,536,100	101,749	2,842	1,536,626
Equipment & Intangible Assets	24,877	0	0	24,877	0	0	24,877
Grants	1,645,161	8,098	76,151	1,729,410	8,098	76,151	1,729,410
Transfers	217,232	0	0	217,232	0	0	217,232
Total Costs	\$4,857,368	\$427,542	\$78,993	\$5,363,903	\$430,420	\$78,993	\$5,366,781
General Fund	506,966	25,045	(82)	531,929	26,092	(82)	532,976
State/Other Special	3,989,159	292,636	79,075	4,360,870	294,904	79,075	4,363,138
Federal Special	21,461	3,539	0	25,000	3,539	0	25,000
Proprietary	339,782	106,322	0	446,104	105,885	0	445,667
Total Funds	\$4,857,368	\$427,542	\$78,993	\$5,363,903	\$430,420	\$78,993	\$5,366,781

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$86,613	\$0
FY 2015	\$86,613	\$0

PL - 5001 - Program 50 Operating Adjustment -

This request is to restore operations authority to levels authorized by the 2011 Legislature in the ADD. Actual expenditures in FY 2012 were lower than the authorized level due to the variable nature of agricultural activity. This proposal restores \$23,232 of state special revenue, \$3,539 of federal special revenue, and \$59,842 of proprietary revenue authority each year of the 2015 biennium. This authority will be used for research contracts and grants, supplies, travel, and meeting expenses in the alfalfa seed, hail insurance, marketing, and certified natural beef programs.

**DEPARTMENT OF AGRICULTURE-6201
AGRICULTURAL DEVELOPMENT DIVISION-50**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$76,151	\$0
FY 2015	\$76,151	\$0

NP - 5002 - Coal Severance Tax Shared Account -

This request of \$76,151 each year of the 2015 biennium is to restore the Department of Agriculture's portion of the coal severance tax shared account to a level that is closer to the amount authorized in previous biennia in order to meet the demand for grants and loans related to agricultural development. The coal severance tax shared account may only be used for library services, conservation districts, and the Montana Growth Through Agriculture Act.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	\$3,000	\$0
FY 2015	\$3,000	\$0

NP - 5003 - Ag in Montana Schools Account -

This request of \$3,000 state special revenue funding each year of the 2015 biennium is to match operating authority more closely to the revenues that are received through the voluntary check-off. The additional funding will be used for supplies, printing, and travel to develop and deliver agriculture related curriculum to classroom teachers.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2014	(\$158)	(\$82)
FY 2015	(\$158)	(\$82)

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 reduction of \$158 each year of the biennium from general fund and state special revenue funding for the Ag Development Division's allocation of the fixed cost.