



GOVERNOR
STEVE BULLOCK

STATE OF MONTANA

SECTION A: GENERAL GOVERNMENT

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

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

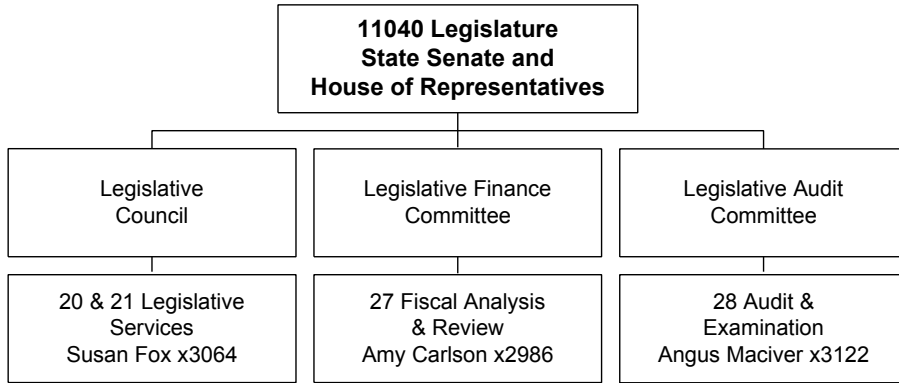
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GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Legislative Branch - 11040



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

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

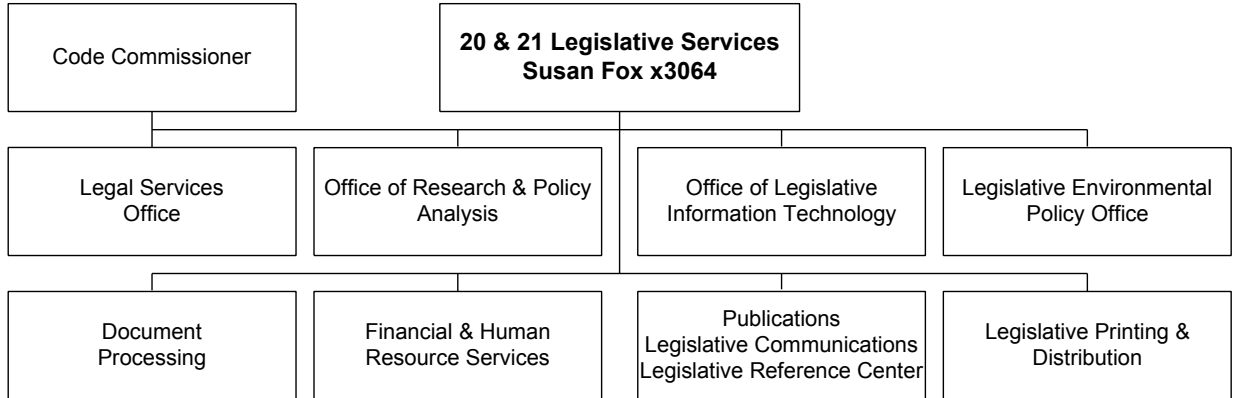
In accordance with 17-7-122, MCA, the budget for the Legislative Branch must be presented in the Executive Budget as submitted to the Governor with no changes.

Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	140.39	140.39	
Personal Services	12,002,546	12,058,563	24,061,109
Operating Expenses	3,710,455	3,194,103	6,904,558
Equipment & Intangible Assets	80,750	30,750	111,500
Transfers	150,178	148,659	298,837
Total Costs	\$15,943,929	\$15,432,075	\$31,376,004
General Fund	13,668,208	13,280,382	26,948,590
State/Other Special	2,275,721	2,151,693	4,427,414
Total Funds	\$15,943,929	\$15,432,075	\$31,376,004

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
20 - Legislative Services Division	15,476,893	16,556,587	16,436,923	17,133,183	960,030	576,596	6.20 %	3.48 %
21 - Legis. Committees & Activities	1,344,566	1,344,566	1,385,498	1,385,498	40,932	40,932	3.04 %	3.04 %
27 - Fiscal Analysis & Review	4,033,256	4,033,256	4,027,788	4,027,788	(5,468)	(5,468)	(0.14)%	(0.14)%
28 - Audit & Examination	5,125,583	8,688,508	5,098,381	8,829,535	(27,202)	141,027	(0.53)%	1.62 %
Agency Total	\$25,980,298	\$30,622,917	\$26,948,590	\$31,376,004	\$968,292	\$753,087	3.73 %	2.46 %

Legislative Branch - 11040

Legislative Services Division - 20



Program Description - The Legislative Services Division provides objective research, reference, legal, technical, information technology, and business services to the House, Senate, and other divisions of the Legislative Branch.

Division services include:

1. Bill and amendment drafting, preparation of bills for introduction, and engrossing and enrolling bills;
2. Publication of legislative documents of record;
3. Preparation, publication, and distribution of the Montana Code Annotated text and annotations;
4. Provision of legislative research and reference services;
5. Legal services and counseling on legislative matters and agency legal support;
6. Review of the text of proposed ballot measures;
7. Personnel and business services;
8. Planning, installation, and maintenance of agency information technology;
9. Broadcasting of state government and public policy events; and
10. Provision of legislative information to the public.

The Legislative Council provides policy guidance to the Legislative Services Division.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	64.17	2.00	66.17	2.00	66.17	
Personal Services	5,615,094	119,606	5,734,700	211,170	5,826,264	11,560,964
Operating Expenses	2,391,113	389,763	2,780,876	(10,107)	2,381,006	5,161,882
Equipment & Intangible Assets	20,000	60,750	80,750	10,750	30,750	111,500
Transfers	140,659	9,519	150,178	8,000	148,659	298,837
Total Costs	\$8,166,866	\$579,638	\$8,746,504	\$219,813	\$8,386,679	\$17,133,183
General Fund	7,903,562	461,426	8,364,988	168,373	8,071,935	16,436,923
State/Other Special	263,304	118,212	381,516	51,440	314,744	696,260
Total Funds	\$8,166,866	\$579,638	\$8,746,504	\$219,813	\$8,386,679	\$17,133,183

Legislative Branch - 11040

Legislative Services Division - 20

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	143,493	143,493	234,949	234,949
SWPL - 2 - Fixed Costs	(111,434)	(111,921)	259,043	258,778
SWPL - 3 - Inflation Deflation	(137)	(137)	(133)	(133)
<i>Total Statewide Present Law Adjustments</i>	<i>\$31,922</i>	<i>\$31,435</i>	<i>\$493,859</i>	<i>\$493,594</i>
Present Law Adjustments				
PL - 4 - Present Law Change Package	607,956	784,463	(147,142)	(37,629)
<i>Total Present Law Adjustments</i>	<i>\$607,956</i>	<i>\$784,463</i>	<i>(\$147,142)</i>	<i>(\$37,629)</i>
New Proposals				
NP - 5 - Program 20 FTE Change Package	151,237	151,237	151,345	151,345
NP - 555 - Appropriation Rebase	(329,689)	(387,497)	(329,689)	(387,497)
<i>Total New Proposals</i>	<i>(\$178,452)</i>	<i>(\$236,260)</i>	<i>(\$178,344)</i>	<i>(\$236,152)</i>
Total Budget Adjustments	\$461,426	\$579,638	\$168,373	\$219,813

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$143,493	\$143,493
FY 2019	\$234,949	\$234,949

SWPL - 1 - Personal Services -

The budget includes an increase of \$143,493 in FY 2018 and \$234,949 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$111,434)	(\$111,921)
FY 2019	\$259,043	\$258,778

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$111,921 in FY 2018 and an increase of \$258,778 in FY 2019 to adjust the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$137)	(\$137)
FY 2019	(\$133)	(\$133)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$137 in FY 2018 and \$133 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage and in-state motor pool.

Legislative Branch - 11040

Legislative Services Division - 20

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$607,956	\$784,463
FY 2019	(\$147,142)	(\$37,629)

PL - 4 - Present Law Change Package -

This proposal includes changes from the 2017 budget starting point including:

- Contracted services to produce, broadcast, and stream the legislature during session and the interim (TVMT), all general fund.
- Decreased costs to produce and print the Montana Codes Annotated (all state special revenue).
- Increased information technology costs related to declining hardware and software. It also includes contracted services for network support and programming related to the LAWS II system, a total general fund increase.
- Other minor operating increases for training, supplies and materials, and miscellaneous services to support the Legislative Branch.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$151,237	\$151,237
FY 2019	\$151,345	\$151,345

NP - 5 - Program 20 FTE Change Package -

This new proposal requests 2.00 FTE for the information technology section of the Legislative Services Division. As demands of the Legislative Branch information technology needs expand (LAWS II project, increased complexity of the information technology environment, growing business requirements), a strain on information technology resources is being experienced. Additional FTE for a DevOps/Programmer support and IT help desk support will help alleviate resource strain and maintain a high standard of IT customer support for the Legislative Branch.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$329,689)	(\$387,497)
FY 2019	(\$329,689)	(\$387,497)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a Legislative Services Appropriation Rebase totaling \$387,497 for each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA. This change package is contingent on passage and approval of LC _____.

Legislative Branch - 11040

Legis. Committees & Activities - 21

Program Description - The Legislative Committees and Activities program supports the activities of legislators and legislative committees that are conducted during the interim between legislative sessions.

Program expenditures support :

1. The Legislative Council;
2. Interim study activities, as defined in 5-5-202 through 5-5-217, MCA;
3. Cooperative interstate, international, and intergovernmental activities, as outlined in 5-11-303 through 5-11-305, MCA; and
4. Other legislative activities for which appropriations are made.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	0.97	0.00	0.97	0.00	0.97	
Personal Services	69,873	62,744	132,617	10,949	80,822	213,439
Operating Expenses	529,065	111,659	640,724	2,270	531,335	1,172,059
Total Costs	\$598,938	\$174,403	\$773,341	\$13,219	\$612,157	\$1,385,498
General Fund	598,938	174,403	773,341	13,219	612,157	1,385,498
Total Funds	\$598,938	\$174,403	\$773,341	\$13,219	\$612,157	\$1,385,498

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	62,744	62,744	10,949	10,949
SWPL - 3 - Inflation Deflation	(146)	(146)	(146)	(146)
<i>Total Statewide Present Law Adjustments</i>	<i>\$62,598</i>	<i>\$62,598</i>	<i>\$10,803</i>	<i>\$10,803</i>
Present Law Adjustments				
PL - 4 - Present Law Change Package	111,805	111,805	2,416	2,416
<i>Total Present Law Adjustments</i>	<i>\$111,805</i>	<i>\$111,805</i>	<i>\$2,416</i>	<i>\$2,416</i>
Total Budget Adjustments	\$174,403	\$174,403	\$13,219	\$13,219

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$62,744	\$62,744
FY 2019	\$10,949	\$10,949

SWPL - 1 - Personal Services -

The budget includes an increase of \$62,744 in FY 2018 and \$10,949 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Legislative Branch - 11040

Legis. Committees & Activities - 21

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$146)	(\$146)
FY 2019	(\$146)	(\$146)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$146 in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage and in-state motor pool.

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

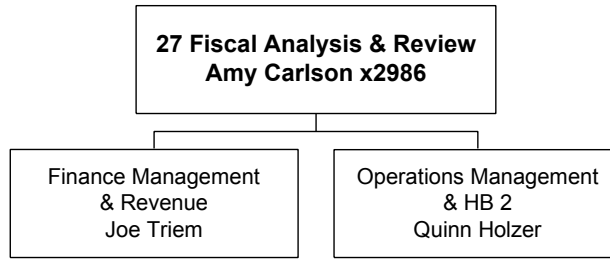
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$111,805	\$111,805
FY 2019	\$2,416	\$2,416

PL - 4 - Present Law Change Package -

This change package includes increases from the 2017 budget starting point. The general fund increase of \$111,805 in FY 2018 and \$2,416 in FY 2019 are related to cyclical legislative session costs, as well as an increase related to national organizational dues (NCSL, PNWER, CSG, NCCUSL).

Legislative Branch - 11040

Fiscal Analysis & Review - 27



Program Description - The Legislative Fiscal Division provides the legislature with objective fiscal information and analysis relevant to Montana public policy and budget determination.

Division services include:

1. Fiscal analysis of state government and the furnishing of information bearing upon the financial matters of the state;
2. Identification of ways to effect economy and efficiency in state government;
3. Estimation of revenue and analysis of tax policy;
4. Analysis of the Executive Budget;
5. Compiling and analyzing fiscal information for legislators and legislative committees; and
6. Staffing and support for legislative committees, including the preparation and processing of the appropriation bills for the legislative, judicial, and executive agencies.

The Legislative Finance Committee provides guidance to the Legislative Fiscal Division.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	20.50	0.00	20.50	0.00	20.50	
Personal Services	1,940,901	(23,547)	1,917,354	(21,867)	1,919,034	3,836,388
Operating Expenses	108,700	(26,000)	82,700	0	108,700	191,400
Total Costs	\$2,049,601	(\$49,547)	\$2,000,054	(\$21,867)	\$2,027,734	\$4,027,788
General Fund	2,049,601	(49,547)	2,000,054	(21,867)	2,027,734	4,027,788
Total Funds	\$2,049,601	(\$49,547)	\$2,000,054	(\$21,867)	\$2,027,734	\$4,027,788

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(23,547)	(23,547)	(21,867)	(21,867)
SWPL - 2 - Fixed Costs	(102)	(102)	(77)	(77)
SWPL - 3 - Inflation Deflation	49	49	68	68
<i>Total Statewide Present Law Adjustments</i>	<i>(\$23,600)</i>	<i>(\$23,600)</i>	<i>(\$21,876)</i>	<i>(\$21,876)</i>
Present Law Adjustments				
PL - 4 - Present Law Change Package	(25,947)	(25,947)	9	9
<i>Total Present Law Adjustments</i>	<i>(\$25,947)</i>	<i>(\$25,947)</i>	<i>\$9</i>	<i>\$9</i>
Total Budget Adjustments	(\$49,547)	(\$49,547)	(\$21,867)	(\$21,867)

Legislative Branch - 11040

Fiscal Analysis & Review - 27

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$23,547)	(\$23,547)
FY 2019	(\$21,867)	(\$21,867)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$23,547 in FY 2018 and \$21,867 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$102)	(\$102)
FY 2019	(\$77)	(\$77)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$102 in FY 2018 and \$77 in FY 2019 to adjust the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$49	\$49
FY 2019	\$68	\$68

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$49 in FY 2018 and \$68 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage and in-state motor pool.

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

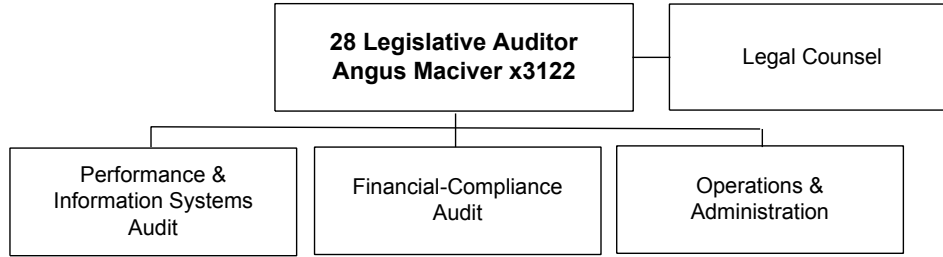
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$25,947)	(\$25,947)
FY 2019	\$9	\$9

PL - 4 - Present Law Change Package -

This change package includes a reduction of \$25,947 in FY 2018 and an increase of \$9 in FY 2019 in operating costs. The changes are due to cyclical legislative session costs.

Legislative Branch - 11040

Audit & Examination - 28



Program Description - The Legislative Audit Division conducts independent audits and provides factual and objective information to the legislative and executive managers of the public trust.

Division services include:

1. Conducting and reporting of biennial financial-compliance audits, performance audits, information systems audits, and special audits of state agency operations;
2. Reporting of violation of penal statutes, instances of misfeasance, malfeasance, or nonfeasance, and any instances of apparent violations of the state code of ethics discovered in an audit;
3. Auditing records of entities under contract with the state; and
4. Assisting the Legislature, its committees, and its members by providing information related to the fiscal affairs of state government.

The Legislative Auditor consults with the Legislative Audit Committee.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	52.75	0.00	52.75	0.00	52.75	
Personal Services	4,207,603	10,272	4,217,875	24,840	4,232,443	8,450,318
Operating Expenses	186,530	19,625	206,155	(13,468)	173,062	379,217
Total Costs	\$4,394,133	\$29,897	\$4,424,030	\$11,372	\$4,405,505	\$8,829,535
General Fund	2,613,880	(84,055)	2,529,825	(45,324)	2,568,556	5,098,381
State/Other Special	1,780,253	113,952	1,894,205	56,696	1,836,949	3,731,154
Total Funds	\$4,394,133	\$29,897	\$4,424,030	\$11,372	\$4,405,505	\$8,829,535

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	187	10,272	8,345	24,840
SWPL - 2 - Fixed Costs	252	(6,467)	180	(6,372)
SWPL - 3 - Inflation Deflation	152	272	226	404
<i>Total Statewide Present Law Adjustments</i>	<i>\$591</i>	<i>\$4,077</i>	<i>\$8,751</i>	<i>\$18,872</i>
Present Law Adjustments				
PL - 4 - Present Law Change Package	(84,646)	25,820	(54,075)	(7,500)
<i>Total Present Law Adjustments</i>	<i>(\$84,646)</i>	<i>\$25,820</i>	<i>(\$54,075)</i>	<i>(\$7,500)</i>
Total Budget Adjustments	(\$84,055)	\$29,897	(\$45,324)	\$11,372

Legislative Branch - 11040

Audit & Examination - 28

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$187	\$10,272
FY 2019	\$8,345	\$24,840

SWPL - 1 - Personal Services -

The budget includes an increase of \$10,272 in FY 2018 and \$24,840 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$252	(\$6,467)
FY 2019	\$180	(\$6,372)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$6,467 in FY 2018 and \$6,372 in FY 2019 to adjust the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$152	\$272
FY 2019	\$226	\$404

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$272 in FY 2018 and \$404 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage and in-state motor pool.

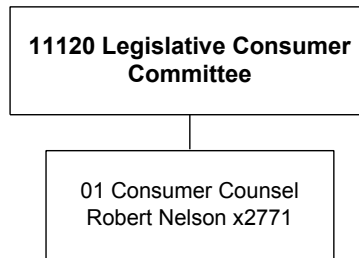
-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$84,646)	\$25,820
FY 2019	(\$54,075)	(\$7,500)

PL - 4 - Present Law Change Package -

This proposal includes changes from the 2017 budget starting point for actuary services and Government Accountability Office peer review requirements. The financial audit of the Legislative Branch is a biennial audit, so FY 2019 Audit Fees are eliminated.

Consumer Counsel - 11120



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

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

Consumer Counsel - 11120

Administration Program - 01

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	5.54	0.00	5.54	0.00	5.54	
Personal Services	658,065	(12,732)	645,333	(9,925)	648,140	1,293,473
Operating Expenses	825,219	260,532	1,085,751	260,581	1,085,800	2,171,551
Total Costs	\$1,483,284	\$247,800	\$1,731,084	\$250,656	\$1,733,940	\$3,465,024
State/Other Special	1,483,284	247,800	1,731,084	250,656	1,733,940	3,465,024
Total Funds	\$1,483,284	\$247,800	\$1,731,084	\$250,656	\$1,733,940	\$3,465,024

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(12,732)	0	(9,925)
SWPL - 2 - Fixed Costs	0	7,085	0	7,077
SWPL - 3 - Inflation Deflation	0	5	0	29
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$5,642)</i>	<i>\$0</i>	<i>(\$2,819)</i>
Present Law Adjustments				
PL - 4 - Operating Expenses	0	3,442	0	3,475
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$3,442</i>	<i>\$0</i>	<i>\$3,475</i>
New Proposals				
NP - 5 - Unanticipated Caseload Contingency (RST/OTO)	0	250,000	0	250,000
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$250,000</i>	<i>\$0</i>	<i>\$250,000</i>
Total Budget Adjustments	\$0	\$247,800	\$0	\$250,656

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$12,732)
FY 2019	\$0	(\$9,925)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$12,732 in FY 2018 and \$9,925 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, and longevity adjustments.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$7,085
FY 2019	\$0	\$7,077

SWPL - 2 - Fixed Costs -

The request includes an increase of \$7,085 in FY 2018 and \$7,077 in FY 2019 for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in other budgets.

Consumer Counsel - 11120

Administration Program - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$5
FY 2019	\$0	\$29

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$5 in FY 2018 and \$29 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage and in-state motor pool.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$3,442
FY 2019	\$0	\$3,475

PL - 4 - Operating Expenses -

The budget includes \$3,442 in FY 2018 and \$3,475 in FY 2019 to address anticipated costs in the agency, primarily increases in dues and travel expenses.

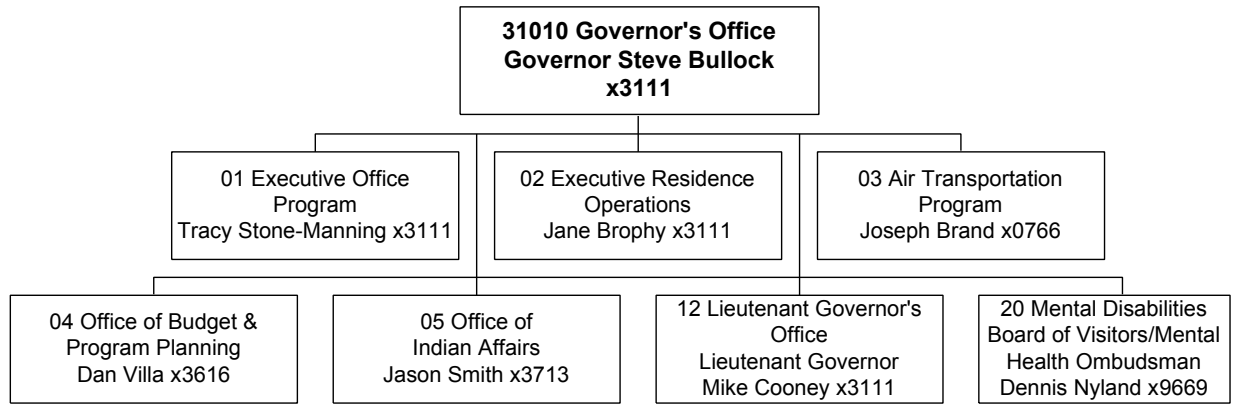
-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$250,000
FY 2019	\$0	\$250,000

NP - 5 - Unanticipated Caseload Contingency (RST/OTO) -

The budget includes \$250,000 for each year of the 2019 biennium restricted for costs associated with unanticipated caseload. This request is consistent with appropriations in prior biennia and is now recommended as a one-time-only appropriation.

Governor's Office - 31010



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

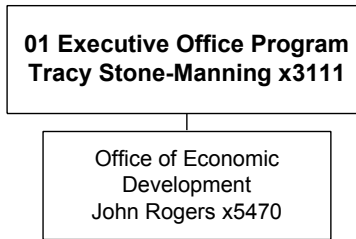
Statutory Authority - Primary authority is Article VI, Montana Constitution

Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	58.07	58.07	
Personal Services	5,334,207	5,347,757	10,681,964
Operating Expenses	1,217,071	1,165,995	2,383,066
Total Costs	\$6,551,278	\$6,513,752	\$13,065,030
General Fund	6,551,278	6,513,752	13,065,030
State/Other Special	0	0	0
Proprietary Funds	0	0	0
Federal Spec. Rev. Funds	0	0	0
Total Funds	\$6,551,278	\$6,513,752	\$13,065,030

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Executive Office Program	5,844,272	5,844,272	5,758,872	5,758,872	(85,400)	(85,400)	(1.46)%	(1.46)%
02 - Executive Residence	324,375	324,375	318,068	318,068	(6,307)	(6,307)	(1.94)%	(1.94)%
03 - Air Transportation Program	645,448	645,448	610,276	610,276	(35,172)	(35,172)	(5.45)%	(5.45)%
04 - Office of Budget & Program Planning	5,128,982	5,856,747	4,455,465	4,455,465	(673,517)	(1,401,282)	(13.13)%	(23.93)%
05 - Office of Indian Affairs	391,970	391,970	357,663	357,663	(34,307)	(34,307)	(8.75)%	(8.75)%
12 - Lt Governor's Office	654,165	654,165	636,318	636,318	(17,847)	(17,847)	(2.73)%	(2.73)%
20 - Ment Disb Bd of Visitors/ mh Ombudsman	946,684	946,684	928,368	928,368	(18,316)	(18,316)	(1.93)%	(1.93)%
Agency Total	\$13,935,896	\$14,663,661	\$13,065,030	\$13,065,030	(\$870,866)	(\$1,598,631)	(6.25)%	(10.90)%

Governor's Office - 31010

Executive Office Program - 01



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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	24.00	0.00	24.00	0.00	24.00	
Personal Services	2,230,631	28,161	2,258,792	29,842	2,260,473	4,519,265
Operating Expenses	677,379	(58,976)	618,403	(56,175)	621,204	1,239,607
Total Costs	\$2,908,010	(\$30,815)	\$2,877,195	(\$26,333)	\$2,881,677	\$5,758,872
General Fund	2,908,010	(30,815)	2,877,195	(26,333)	2,881,677	5,758,872
Total Funds	\$2,908,010	(\$30,815)	\$2,877,195	(\$26,333)	\$2,881,677	\$5,758,872

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	28,161	28,161	29,842	29,842
SWPL - 2 - Fixed Costs	21,727	21,727	24,239	24,239
SWPL - 3 - Inflation Deflation	330	330	619	619
<i>Total Statewide Present Law Adjustments</i>	<i>\$50,218</i>	<i>\$50,218</i>	<i>\$54,700</i>	<i>\$54,700</i>
New Proposals				
NP - 555 - Appropriation Rebase	(81,033)	(81,033)	(81,033)	(81,033)
<i>Total New Proposals</i>	<i>(\$81,033)</i>	<i>(\$81,033)</i>	<i>(\$81,033)</i>	<i>(\$81,033)</i>
Total Budget Adjustments	(\$30,815)	(\$30,815)	(\$26,333)	(\$26,333)

Governor's Office - 31010

Executive Office Program - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$28,161	\$28,161
FY 2019	\$29,842	\$29,842

SWPL - 1 - Personal Services -

The budget includes \$28,161 in FY 2018 and \$29,842 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$21,727	\$21,727
FY 2019	\$24,239	\$24,239

SWPL - 2 - Fixed Costs -

The request includes \$21,727 in FY 2018 and \$24,239 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$330	\$330
FY 2019	\$619	\$619

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$330 in FY 2018 and \$619 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$81,033)	(\$81,033)
FY 2019	(\$81,033)	(\$81,033)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Executive Office Program Appropriation Rebase totaling \$81,033 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Executive Residence - 02

**02 Executive Residence
Operations
Jane Brophy x3111**

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	1.57	0.00	1.57	0.00	1.57	
Personal Services	95,580	5,524	101,104	5,589	101,169	202,273
Operating Expenses	59,364	(2,071)	57,293	(862)	58,502	115,795
Total Costs	\$154,944	\$3,453	\$158,397	\$4,727	\$159,671	\$318,068
General Fund	154,944	3,453	158,397	4,727	159,671	318,068
Total Funds	\$154,944	\$3,453	\$158,397	\$4,727	\$159,671	\$318,068

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	5,524	5,524	5,589	5,589
SWPL - 2 - Fixed Costs	2,122	2,122	2,126	2,126
SWPL - 3 - Inflation Deflation	483	483	1,688	1,688
<i>Total Statewide Present Law Adjustments</i>	\$8,129	\$8,129	\$9,403	\$9,403
New Proposals				
NP - 555 - Appropriation Rebase	(4,676)	(4,676)	(4,676)	(4,676)
<i>Total New Proposals</i>	(\$4,676)	(\$4,676)	(\$4,676)	(\$4,676)
Total Budget Adjustments	\$3,453	\$3,453	\$4,727	\$4,727

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$5,524	\$5,524
FY 2019	\$5,589	\$5,589

SWPL - 1 - Personal Services -

The budget includes \$5,524 in FY 2018 and \$5,589 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Governor's Office - 31010

Executive Residence - 02

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$2,122	\$2,122
FY 2019	\$2,126	\$2,126

SWPL - 2 - Fixed Costs -

The request includes \$2,122 in FY 2018 and \$2,126 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$483	\$483
FY 2019	\$1,688	\$1,688

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$483 in FY 2018 and \$1,688 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$4,676)	(\$4,676)
FY 2019	(\$4,676)	(\$4,676)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Executive Residence Appropriation Rebase totaling \$4,676 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Air Transportation Program - 03

**03 Air Transportation
Program
Joseph Brand x0766**

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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	1.50	0.00	1.50	0.00	1.50	
Personal Services	139,465	(3,530)	135,935	(3,436)	136,029	271,964
Operating Expenses	196,463	(29,059)	167,404	(25,555)	170,908	338,312
Total Costs	\$335,928	(\$32,589)	\$303,339	(\$28,991)	\$306,937	\$610,276
General Fund	335,928	(32,589)	303,339	(28,991)	306,937	610,276
Total Funds	\$335,928	(\$32,589)	\$303,339	(\$28,991)	\$306,937	\$610,276

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(3,530)	(3,530)	(3,436)	(3,436)
SWPL - 2 - Fixed Costs	(486)	(486)	(1,961)	(1,961)
SWPL - 3 - Inflation Deflation	(20,033)	(20,033)	(15,054)	(15,054)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$24,049)</i>	<i>(\$24,049)</i>	<i>(\$20,451)</i>	<i>(\$20,451)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(8,540)	(8,540)	(8,540)	(8,540)
<i>Total New Proposals</i>	<i>(\$8,540)</i>	<i>(\$8,540)</i>	<i>(\$8,540)</i>	<i>(\$8,540)</i>
Total Budget Adjustments	(\$32,589)	(\$32,589)	(\$28,991)	(\$28,991)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$3,530)	(\$3,530)
FY 2019	(\$3,436)	(\$3,436)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$3,530 in FY 2018 and \$3,436 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$486)	(\$486)
FY 2019	(\$1,961)	(\$1,961)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$486 in FY 2018 and \$1,961 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Governor's Office - 31010

Air Transportation Program - 03

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$20,033)	(\$20,033)
FY 2019	(\$15,054)	(\$15,054)

SWPL - 3 - Inflation Deflation -

This change package includes an reduction of \$20,033in FY 2018 and \$15,054 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$8,540)	(\$8,540)
FY 2019	(\$8,540)	(\$8,540)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Air Transportation Appropriation Rebase totaling \$8,540 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Office of Budget & Program Planning - 04

**04 Office of Budget &
Program Planning
Dan Villa x3616**

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	21.00	0.00	21.00	0.00	21.00	
Personal Services	2,044,756	(85,427)	1,959,329	(75,393)	1,969,363	3,928,692
Operating Expenses	272,370	20,617	292,987	(38,584)	233,786	526,773
Total Costs	\$2,317,126	(\$64,810)	\$2,252,316	(\$113,977)	\$2,203,149	\$4,455,465
General Fund	2,317,126	(64,810)	2,252,316	(113,977)	2,203,149	4,455,465
State/Other Special	0	0	0	0	0	0
Proprietary Funds	0	0	0	0	0	0
Federal Spec. Rev. Funds	0	0	0	0	0	0
Total Funds	\$2,317,126	(\$64,810)	\$2,252,316	(\$113,977)	\$2,203,149	\$4,455,465

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(85,427)	(85,427)	(75,393)	(75,393)
SWPL - 2 - Fixed Costs	76,855	76,855	17,648	17,648
SWPL - 3 - Inflation Deflation	6	6	12	12
<i>Total Statewide Present Law Adjustments</i>	<i>(\$8,566)</i>	<i>(\$8,566)</i>	<i>(\$57,733)</i>	<i>(\$57,733)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(56,244)	(56,244)	(56,244)	(56,244)
<i>Total New Proposals</i>	<i>(\$56,244)</i>	<i>(\$56,244)</i>	<i>(\$56,244)</i>	<i>(\$56,244)</i>
Total Budget Adjustments	(\$64,810)	(\$64,810)	(\$113,977)	(\$113,977)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$85,427)	(\$85,427)
FY 2019	(\$75,393)	(\$75,393)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$85,427 in FY 2018 and \$75,393 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Governor's Office - 31010

Office of Budget & Program Planning - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$76,855	\$76,855
FY 2019	\$17,648	\$17,648

SWPL - 2 - Fixed Costs -

The request includes \$76,855 in FY 2018 (including \$60,379 for legislative audit) and \$17,648 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$6	\$6
FY 2019	\$12	\$12

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$6 in FY 2018 and \$12 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$56,244)	(\$56,244)
FY 2019	(\$56,244)	(\$56,244)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Office of Budget and Program Planning Appropriation Rebase totaling \$56,244 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Office of Indian Affairs - 05

**05 Office of
Indian Affairs
Jason Smith x3713**

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	2.00	0.00	2.00	0.00	2.00	
Personal Services	172,237	(12,671)	159,566	(12,557)	159,680	319,246
Operating Expenses	22,473	(3,352)	19,121	(3,177)	19,296	38,417
Total Costs	\$194,710	(\$16,023)	\$178,687	(\$15,734)	\$178,976	\$357,663
General Fund	194,710	(16,023)	178,687	(15,734)	178,976	357,663
Total Funds	\$194,710	(\$16,023)	\$178,687	(\$15,734)	\$178,976	\$357,663

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(12,671)	(12,671)	(12,557)	(12,557)
SWPL - 2 - Fixed Costs	1,956	1,956	2,074	2,074
<i>Total Statewide Present Law Adjustments</i>	<i>(\$10,715)</i>	<i>(\$10,715)</i>	<i>(\$10,483)</i>	<i>(\$10,483)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(5,444)	(5,444)	(5,444)	(5,444)
<i>Total New Proposals</i>	<i>(\$5,444)</i>	<i>(\$5,444)</i>	<i>(\$5,444)</i>	<i>(\$5,444)</i>
Total Budget Adjustments	(\$16,159)	(\$16,159)	(\$15,927)	(\$15,927)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$12,671)	(\$12,671)
FY 2019	(\$12,557)	(\$12,557)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$12,671 in FY 2018 and \$12,557 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Governor's Office - 31010

Office of Indian Affairs - 05

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$1,956	\$1,956
FY 2019	\$2,074	\$2,074

SWPL - 2 - Fixed Costs -

The request includes \$1,956 in FY 2018 and \$2,074 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$5,444)	(\$5,444)
FY 2019	(\$5,444)	(\$5,444)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Office of Indian Affairs Appropriation Rebase totaling \$5,444 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Lt Governor's Office - 12

12 Lieutenant Governor's Office
Lieutenant Governor
Mike Cooney x3111

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	3.00	0.00	3.00	0.00	3.00	
Personal Services	294,550	6,800	301,350	7,027	301,577	602,927
Operating Expenses	24,227	(7,640)	16,587	(7,423)	16,804	33,391
Total Costs	\$318,777	(\$840)	\$317,937	(\$396)	\$318,381	\$636,318
General Fund	318,777	(840)	317,937	(396)	318,381	636,318
Total Funds	\$318,777	(\$840)	\$317,937	(\$396)	\$318,381	\$636,318

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	6,800	6,800	7,027	7,027
SWPL - 2 - Fixed Costs	1,052	1,052	1,061	1,061
SWPL - 3 - Inflation Deflation	537	537	745	745
<i>Total Statewide Present Law Adjustments</i>	\$8,389	\$8,389	\$8,833	\$8,833
New Proposals				
NP - 555 - Appropriation Rebase	(9,229)	(9,229)	(9,229)	(9,229)
<i>Total New Proposals</i>	(\$9,229)	(\$9,229)	(\$9,229)	(\$9,229)
Total Budget Adjustments	(\$840)	(\$840)	(\$396)	(\$396)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$6,800	\$6,800
FY 2019	\$7,027	\$7,027

SWPL - 1 - Personal Services -

The budget includes \$6,800 in FY 2018 and \$7,027 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Governor's Office - 31010

Lt Governor's Office - 12

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$1,052	\$1,052
FY 2019	\$1,061	\$1,061

SWPL - 2 - Fixed Costs -

The request includes \$1,052 in FY 2018 and \$1,061 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$537	\$537
FY 2019	\$745	\$745

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$537 in FY 2018 and \$745 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$9,229)	(\$9,229)
FY 2019	(\$9,229)	(\$9,229)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Lt. Governor's Office Appropriation Rebase totaling \$9,229 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Governor's Office - 31010

Ment Disb Bd of Visitors/mh Ombudsman - 20

**20 Mental Disabilities
Board of Visitors
Vacant x693-7037**

**Mental Health
Ombudsman
Dennis Nyland x9669**

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

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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	5.00	0.00	5.00	0.00	5.00	
Personal Services	421,816	(3,685)	418,131	(2,350)	419,466	837,597
Operating Expenses	54,307	(9,031)	45,276	(8,812)	45,495	90,771
Total Costs	\$476,123	(\$12,716)	\$463,407	(\$11,162)	\$464,961	\$928,368
General Fund	476,123	(12,716)	463,407	(11,162)	464,961	928,368
Total Funds	\$476,123	(\$12,716)	\$463,407	(\$11,162)	\$464,961	\$928,368

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(3,685)	(3,685)	(2,350)	(2,350)
SWPL - 2 - Fixed Costs	3,798	3,798	3,955	3,955
SWPL - 3 - Inflation Deflation	154	154	216	216
<i>Total Statewide Present Law Adjustments</i>	<i>\$267</i>	<i>\$267</i>	<i>\$1,821</i>	<i>\$1,821</i>
New Proposals				
NP - 555 - Appropriation Rebase	(12,983)	(12,983)	(12,983)	(12,983)
<i>Total New Proposals</i>	<i>(\$12,983)</i>	<i>(\$12,983)</i>	<i>(\$12,983)</i>	<i>(\$12,983)</i>
Total Budget Adjustments	(\$12,716)	(\$12,716)	(\$11,162)	(\$11,162)

Governor's Office - 31010

Ment Disb Bd of Visitors/mh Ombudsman - 20

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$3,685)	(\$3,685)
FY 2019	(\$2,350)	(\$2,350)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$3,685 in FY 2018 and \$2,350 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$3,798	\$3,798
FY 2019	\$3,955	\$3,955

SWPL - 2 - Fixed Costs -

The request includes \$3,798 in FY 2018 and \$3,955 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$154	\$154
FY 2019	\$216	\$216

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$154 in FY 2018 and \$216 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

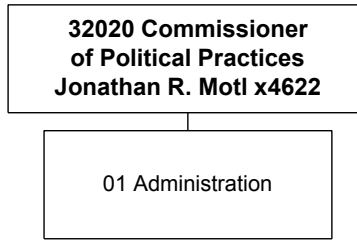
-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$12,983)	(\$12,983)
FY 2019	(\$12,983)	(\$12,983)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Board of Visitors and Mental Health Ombudsman Appropriation Rebase totaling \$12,983 per year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Commissioner of Political Practices - 32020



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

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

Commissioner of Political Practices - 32020

Comm of Political Practices - 01

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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	7.00	0.00	7.00	0.00	7.00	
Personal Services	480,776	24,338	505,114	24,695	505,471	1,010,585
Operating Expenses	209,828	56,553	266,381	47,037	256,865	523,246
Total Costs	\$690,604	\$80,891	\$771,495	\$71,732	\$762,336	\$1,533,831
General Fund	690,604	80,891	771,495	71,732	762,336	1,533,831
Total Funds	\$690,604	\$80,891	\$771,495	\$71,732	\$762,336	\$1,533,831

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	24,338	24,338	24,695	24,695
SWPL - 2 - Fixed Costs	56,715	56,715	47,189	47,189
SWPL - 3 - Inflation Deflation	(162)	(162)	(152)	(152)
<i>Total Statewide Present Law Adjustments</i>	<i>\$80,891</i>	<i>\$80,891</i>	<i>\$71,732</i>	<i>\$71,732</i>
Total Budget Adjustments	\$80,891	\$80,891	\$71,732	\$71,732

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$24,338	\$24,338
FY 2019	\$24,695	\$24,695

SWPL - 1 - Personal Services -

The budget includes \$24,338 in FY 2018 and \$24,695 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$56,715	\$56,715
FY 2019	\$47,189	\$47,189

SWPL - 2 - Fixed Costs -

The request includes \$56,715 in FY 2018 and \$47,189 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Commissioner of Political Practices - 32020

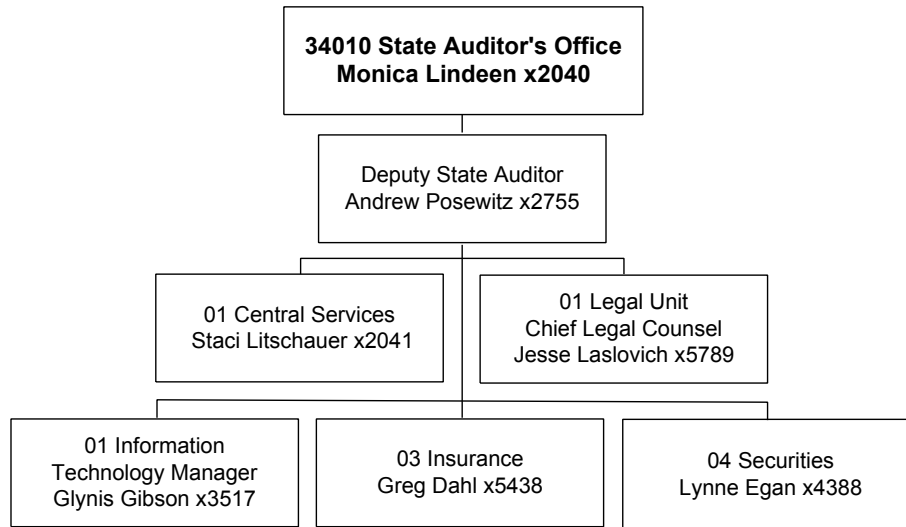
Comm of Political Practices - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$162)	(\$162)
FY 2019	(\$152)	(\$152)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$162 in FY 2018 and \$152 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

State Auditor's Office - 34010



Mission Statement - To assure compliance with Montana insurance and securities laws, promote captive insurance formations, support capital formation in the state and assist consumers with complaints involving the securities and insurance industries. In addition, the office strives to keep apprised of regional and national developments in those industries in order to inform state policy makers about needed statutory changes and answer inquiries.

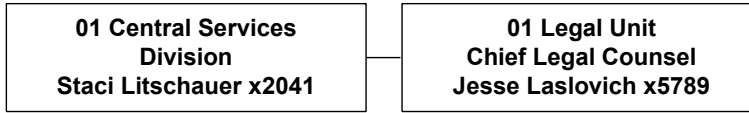
Statutory Authority - Title 30, Chapter 10, MCA, Securities Regulation
Title 33, MCA, Insurance Regulation

Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	81.04	81.04	
Personal Services	6,564,574	6,580,808	13,145,382
Operating Expenses	1,770,161	1,722,952	3,493,113
Equipment & Intangible Assets	7,994	7,994	15,988
Total Costs	\$8,342,729	\$8,311,754	\$16,654,483
General Fund	0	0	0
State/Other Special	8,342,729	8,311,754	16,654,483
Total Funds	\$8,342,729	\$8,311,754	\$16,654,483

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Central Management	0	4,312,395	0	4,272,351	0	(40,044)	0.00 %	(0.93)%
03 - Insurance	4,500,000	15,385,033	0	10,017,314	(4,500,000)	(5,367,719)	(100.00)%	(34.89)%
04 - Securities	0	2,324,064	0	2,364,818	0	40,754	0.00 %	1.75 %
Agency Total	\$4,500,000	\$22,021,492	\$0	\$16,654,483	(\$4,500,000)	(\$5,367,009)	(100.00)%	(24.37)%

State Auditor's Office - 34010

Central Management - 01



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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	18.80	0.00	18.80	0.00	18.80	
Personal Services	1,481,439	53,261	1,534,700	57,139	1,538,578	3,073,278
Operating Expenses	670,994	(67,661)	603,333	(78,620)	592,374	1,195,707
Equipment & Intangible Assets	1,683	0	1,683	0	1,683	3,366
Total Costs	\$2,154,116	(\$14,400)	\$2,139,716	(\$21,481)	\$2,132,635	\$4,272,351
State/Other Special	2,154,116	(14,400)	2,139,716	(21,481)	2,132,635	4,272,351
Total Funds	\$2,154,116	(\$14,400)	\$2,139,716	(\$21,481)	\$2,132,635	\$4,272,351

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	53,261	0	57,139
SWPL - 2 - Fixed Costs	0	38,578	0	27,543
SWPL - 3 - Inflation Deflation	0	(297)	0	(221)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$91,542</i>	<i>\$0</i>	<i>\$84,461</i>
New Proposals				
NP - 555 - Appropriation Rebase	0	(84,942)	0	(84,942)
NP - 556 - IT Convergence Savings	0	(21,000)	0	(21,000)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$105,942)</i>	<i>\$0</i>	<i>(\$105,942)</i>
Total Budget Adjustments	\$0	(\$14,400)	\$0	(\$21,481)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$53,261
FY 2019	\$0	\$57,139

SWPL - 1 - Personal Services -

The budget includes \$53,261 in FY 2018 and \$57,139 in FY 2019 to annualize various personal services costs. This includes FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include competitive promotions, reclassifications, and elected official increase.

State Auditor's Office - 34010

Central Management - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$38,578
FY 2019	\$0	\$27,543

SWPL - 2 - Fixed Costs -

The request includes \$38,578 in FY 2018 and \$27,543 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$297)
FY 2019	\$0	(\$221)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$297 in FY 2018 and \$221 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$84,942)
FY 2019	\$0	(\$84,942)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Central Management Division Appropriation Rebase totaling \$84,942 per year in compliance with 17-7-111, MCA.

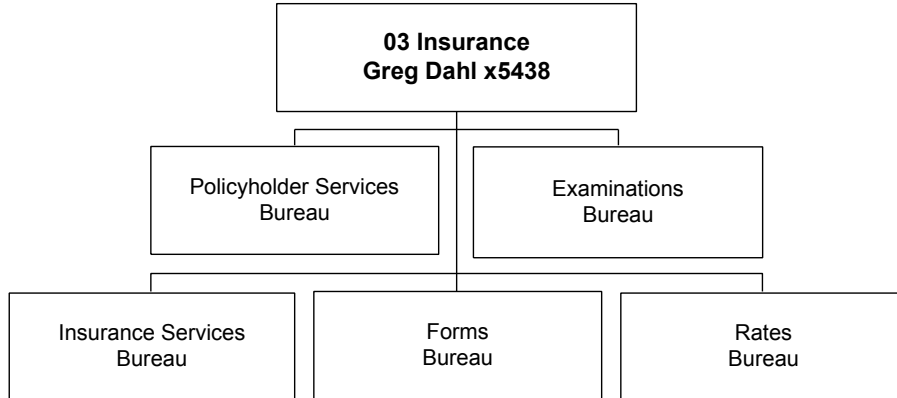
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$21,000)
FY 2019	\$0	(\$21,000)

NP - 556 - IT Convergence Savings -

In accordance with Executive Order 09-2016, state agencies have migrated information technology assets to the state data center and taken advantage of other enterprise IT solutions. Savings of approximately \$21,000 annually could be generated if SAO would forego purchasing duplicate hardware that is already provided through SITSD's enterprise rates.

State Auditor's Office - 34010

Insurance - 03



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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	50.40	0.00	50.40	0.00	50.40	
Personal Services	3,983,030	(26,558)	3,956,472	(16,685)	3,966,345	7,922,817
Operating Expenses	1,287,100	(230,285)	1,056,815	(259,636)	1,027,464	2,084,279
Equipment & Intangible Assets	5,109	0	5,109	0	5,109	10,218
Total Costs	\$5,275,239	(\$256,843)	\$5,018,396	(\$276,321)	\$4,998,918	\$10,017,314
General Fund	0	0	0	0	0	0
State/Other Special	5,275,239	(256,843)	5,018,396	(276,321)	4,998,918	10,017,314
Total Funds	\$5,275,239	(\$256,843)	\$5,018,396	(\$276,321)	\$4,998,918	\$10,017,314

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(26,558)	0	(16,685)
SWPL - 2 - Fixed Costs	0	(3,734)	0	(33,303)
SWPL - 3 - Inflation Deflation	0	(1,047)	0	(829)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$31,339)</i>	<i>\$0</i>	<i>(\$50,817)</i>
New Proposals				
NP - 555 - Appropriation Rebase	0	(225,504)	0	(225,504)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$225,504)</i>	<i>\$0</i>	<i>(\$225,504)</i>
Total Budget Adjustments	\$0	(\$256,843)	\$0	(\$276,321)

State Auditor's Office - 34010

Insurance - 03

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$26,558)
FY 2019	\$0	(\$16,685)

SWPL - 1 - Personal Services -

The budget includes reductions of \$26,558 in FY 2018 and \$16,685 in FY 2019 to annualize various personal services costs. This includes FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$3,734)
FY 2019	\$0	(\$33,303)

SWPL - 2 - Fixed Costs -

The request includes reductions of \$3,734 in FY 2018 and \$33,303 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$1,047)
FY 2019	\$0	(\$829)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$1,047 in FY 2018 and \$829 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$225,504)
FY 2019	\$0	(\$225,504)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Insurance Division Appropriation Rebase totaling \$225,504 per year in compliance with 17-7-111, MCA.

State Auditor's Office - 34010

Securities - 04

04 Securities
Lynne Egan x4388

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	11.84	0.00	11.84	0.00	11.84	
Personal Services	1,014,428	58,974	1,073,402	61,457	1,075,885	2,149,287
Operating Expenses	155,773	(45,760)	110,013	(52,659)	103,114	213,127
Equipment & Intangible Assets	1,202	0	1,202	0	1,202	2,404
Total Costs	\$1,171,403	\$13,214	\$1,184,617	\$8,798	\$1,180,201	\$2,364,818
State/Other Special	1,171,403	13,214	1,184,617	8,798	1,180,201	2,364,818
Total Funds	\$1,171,403	\$13,214	\$1,184,617	\$8,798	\$1,180,201	\$2,364,818

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	58,974	0	61,457
SWPL - 2 - Fixed Costs	0	6,387	0	(562)
SWPL - 3 - Inflation Deflation	0	(199)	0	(149)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$65,162</i>	<i>\$0</i>	<i>\$60,746</i>
New Proposals				
NP - 555 - Appropriation Rebase	0	(51,948)	0	(51,948)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$51,948)</i>	<i>\$0</i>	<i>(\$51,948)</i>
Total Budget Adjustments	\$0	\$13,214	\$0	\$8,798

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$58,974
FY 2019	\$0	\$61,457

SWPL - 1 - Personal Services -

The budget includes \$58,974 in FY 2018 and \$61,457 in FY 2019 to annualize various personal services costs. This includes FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. Additional factors contributing to the budget request include a reclassification.

State Auditor's Office - 34010

Securities - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$6,387
FY 2019	\$0	(\$562)

SWPL - 2 - Fixed Costs -

The request includes \$6,387 in FY 2018 and a reduction of \$562 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$199)
FY 2019	\$0	(\$149)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$199 in FY 2018 and \$149 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, gasoline, and others.

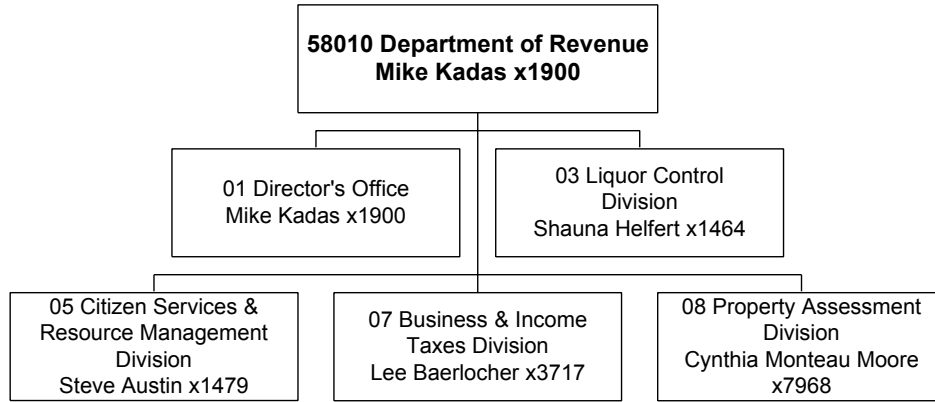
-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$51,948)
FY 2019	\$0	(\$51,948)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Securities Division Appropriation Rebase totaling \$51,948 per year in compliance with 17-7-111, MCA.

Department of Revenue - 58010



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

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

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

"Liquor Control Division proprietary funds necessary to maintain adequate inventories, pay freight charges, and transfer profits and taxes to appropriate accounts are appropriated from the liquor enterprise fund to the department in the amounts not to exceed \$158 million in FY 2018 and \$158 million in FY 2019."

The Liquor Control Division is requesting language appropriation from the liquor enterprise funds not to exceed \$151,000,000 in FY 2018 and \$158,000,000 in FY 2019 to maintain adequate inventories necessary to meet statutory requirements, to pay freight costs and to transfer profits and taxes to appropriate accounts. This proposal is necessary as well to generate annual profits of \$15,000,000 for the state general fund.

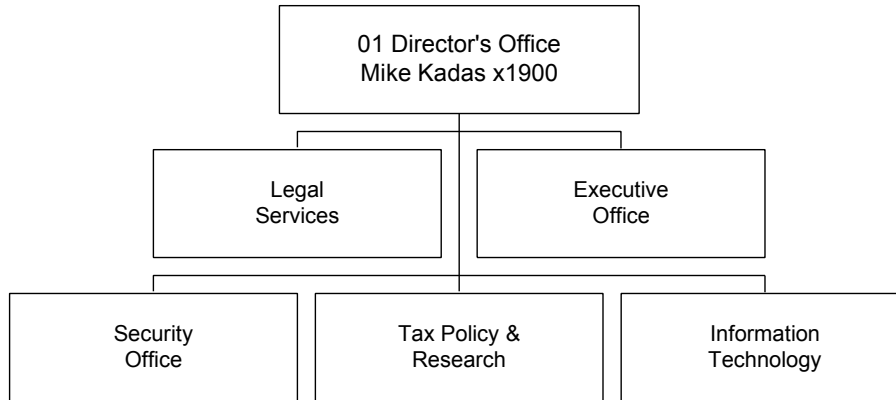
Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
FTE	660.55	660.55	
Personal Services	43,570,741	43,737,898	87,308,639
Operating Expenses	15,681,969	15,552,244	31,234,213
Equipment & Intangible Assets	30,554	30,554	61,108
Capital Outlay	0	0	0
Transfers	0	0	0
Debt Service	42,364	42,364	84,728
Total Costs	\$59,325,628	\$59,363,060	\$118,688,688
General Fund	54,671,799	54,695,324	109,367,123
State/Other Special	1,009,346	1,013,195	2,022,541
Proprietary Funds	3,377,556	3,386,984	6,764,540
Federal Spec. Rev. Funds	266,927	267,557	534,484
Total Funds	\$59,325,628	\$59,363,060	\$118,688,688

Department of Revenue - 58010

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Directors Office	29,164,005	30,138,208	28,743,701	29,752,405	(420,304)	(385,803)	(1.44)%	(1.28)%
03 - Liquor Control Division	0	5,774,919	0	5,927,615	0	152,696	0.00 %	2.64 %
05 - Citizen Services & Resource Mgmt	17,177,381	17,672,927	17,905,736	18,402,580	728,355	729,653	4.24 %	4.13 %
07 - Business & Income Taxes Division	20,188,061	22,088,021	20,632,201	22,492,001	444,140	403,980	2.20 %	1.83 %
08 - Property Assessment Division	43,596,118	43,623,538	42,085,485	42,114,087	(1,510,633)	(1,509,451)	(3.47)%	(3.46)%
Agency Total	\$110,125,565	\$119,297,613	\$109,367,123	\$118,688,688	(\$758,442)	(\$608,925)	(0.69)%	(0.51)%

Department of Revenue - 58010

Directors Office - 01



Program Description - Program Description - The Director's Office is responsible for the overall management and leadership of the department. This oversight ensures the department successfully administers Montana's tax and liquor laws. To achieve this, the Director's Office is composed of five primary sections that provide services across the department.

- The Executive Office is responsible for the general guidance and management of the agency, including administrative functions and communication to the public, other agencies and elected officials. The Executive Office is responsible for fiscal administration, contract management, taxpayer assistance, dispute resolution, human resources, and enterprise planning and analysis.
- The Legal Services Office is responsible for the overall legal efforts of the department including legal representation, legislation development and review, filing bankruptcy claims, and management of the department's administrative rules.
- The Security Office provides security and disclosure guidance to the department staff and citizens served by the department. The Security Office is responsible for ensuring compliance with federal and state confidentiality requirements, security requirements, and information exchanges. The Office is also responsible for ensuring the department appropriately safeguards the integrity of confidential taxpayer information.
- Tax Policy, Research and Public Information provides accurate and timely information to the Governor, the Legislature, and Montana citizens including the compilation of basic tax data, fulfilling public information requests, and the publication of the statutory required Biennial Report.
- The Information Technology Office is responsible for all aspects of the department's information technology functions. The Office supports all department staff with hardware and software solutions so they can effectively and efficiently complete the work of tax and liquor administration.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	84.75	0.00	84.75	0.00	84.75	
Personal Services	7,391,909	390,077	7,781,986	443,067	7,834,976	15,616,962
Operating Expenses	7,293,526	(164,328)	7,129,198	(296,281)	6,997,245	14,126,443
Equipment & Intangible Assets	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Debt Service	4,500	0	4,500	0	4,500	9,000
Total Costs	\$14,689,935	\$225,749	\$14,915,684	\$146,786	\$14,836,721	\$29,752,405
General Fund	14,203,146	210,145	14,413,291	127,264	14,330,410	28,743,701
State/Other Special	117,111	7,802	124,913	9,761	126,872	251,785
Proprietary Funds	369,678	7,802	377,480	9,761	379,439	756,919
Federal Spec. Rev. Funds	0	0	0	0	0	0
Total Funds	\$14,689,935	\$225,749	\$14,915,684	\$146,786	\$14,836,721	\$29,752,405

Department of Revenue - 58010

Directors Office - 01

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	374,473	390,077	398,545	418,067
SWPL - 2 - Fixed Costs	286,300	286,300	104,301	104,301
SWPL - 3 - Inflation Deflation	(30,628)	(30,628)	(30,582)	(30,582)
<i>Total Statewide Present Law Adjustments</i>	<i>\$630,145</i>	<i>\$645,749</i>	<i>\$472,264</i>	<i>\$491,786</i>
Present Law Adjustments				
PL - 101 - GenTax Contract Increase	50,000	50,000	100,000	100,000
PL - 102 - Fiscal Note Overtime	0	0	25,000	25,000
PL - 103 - SB 405 Operating Reduction	(250,000)	(250,000)	(250,000)	(250,000)
<i>Total Present Law Adjustments</i>	<i>(\$200,000)</i>	<i>(\$200,000)</i>	<i>(\$125,000)</i>	<i>(\$125,000)</i>
New Proposals				
NP - 556 - IT Convergence Savings	(220,000)	(220,000)	(220,000)	(220,000)
<i>Total New Proposals</i>	<i>(\$220,000)</i>	<i>(\$220,000)</i>	<i>(\$220,000)</i>	<i>(\$220,000)</i>
Total Budget Adjustments	\$210,145	\$225,749	\$127,264	\$146,786

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$374,473	\$390,077
FY 2019	\$398,545	\$418,067

SWPL - 1 - Personal Services -

The budget includes \$390,077 in FY 2018 and \$418,067 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$286,300	\$286,300
FY 2019	\$104,301	\$104,301

SWPL - 2 - Fixed Costs -

The request includes \$286,300 in FY 2018 and \$104,301 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$30,628)	(\$30,628)
FY 2019	(\$30,582)	(\$30,582)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$30,628 in FY 2018 and \$30,582 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Revenue - 58010

Directors Office - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$50,000	\$50,000
FY 2019	\$100,000	\$100,000

PL - 101 - GenTax Contract Increase -

The Department of Revenue, Director's Office requests a maintenance contract increase of \$50,000 in FY 2018 and \$100,000 in FY 2019 for the integrated tax system. Virtually all of the 91 taxes administered by the department are managed using this system.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$0
FY 2019	\$25,000	\$25,000

PL - 102 - Fiscal Note Overtime -

The Department of Revenue, Director's Office requests \$25,000 in general fund in the 2019 biennium to cover necessary overtime expenditures in the Tax Policy and Research Office for fiscal note preparation during the 2019 legislative session.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$250,000)	(\$250,000)
FY 2019	(\$250,000)	(\$250,000)

PL - 103 - SB 405 Operating Reduction -

The Department of Revenue, Director's Office has an operating reduction of \$250,000 in each year of the 2019 biennium. These funds are no longer necessary to implement the provision of SB 405 (2015).

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

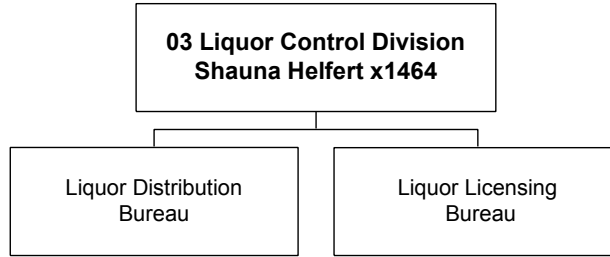
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$220,000)	(\$220,000)
FY 2019	(\$220,000)	(\$220,000)

NP - 556 - IT Convergence Savings -

In accordance with Executive Order 09-2016, state agencies have migrated information technology assets to the state data center and taken advantage of other enterprise IT solutions. The estimated savings for the Department of Revenue is \$220,000 per year.

Department of Revenue - 58010

Liquor Control Division - 03



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	30.75	1.00	31.75	1.00	31.75	
Personal Services	2,162,924	193,146	2,356,070	200,115	2,363,039	4,719,109
Operating Expenses	537,243	4,727	541,970	5,227	542,470	1,084,440
Equipment & Intangible Assets	30,554	0	30,554	0	30,554	61,108
Capital Outlay	0	0	0	0	0	0
Debt Service	31,925	(446)	31,479	(446)	31,479	62,958
Total Costs	\$2,762,646	\$197,427	\$2,960,073	\$204,896	\$2,967,542	\$5,927,615
Proprietary Funds	2,762,646	197,427	2,960,073	204,896	2,967,542	5,927,615
Total Funds	\$2,762,646	\$197,427	\$2,960,073	\$204,896	\$2,967,542	\$5,927,615

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	24,573	0	31,515
SWPL - 2 - Fixed Costs	0	9,157	0	8,636
SWPL - 3 - Inflation Deflation	0	(4,876)	0	(3,855)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$28,854</i>	<i>\$0</i>	<i>\$36,296</i>
Present Law Adjustments				
PL - 301 - Termination Payouts Liquor Control Division	0	60,000	0	60,000
PL - 302 - Overtime Liquor Control Division	0	65,000	0	65,000
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$0</i>	<i>\$125,000</i>
New Proposals				
NP - 303 - LCD Restore 2017 Biennium Base Funding	0	43,573	0	43,600
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$43,573</i>	<i>\$0</i>	<i>\$43,600</i>
Total Budget Adjustments	\$0	\$197,427	\$0	\$204,896

Department of Revenue - 58010

Liquor Control Division - 03

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$24,573
FY 2019	\$0	\$31,515

SWPL - 1 - Personal Services -

The budget includes \$24,573 in FY 2018 and \$31,515 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$9,157
FY 2019	\$0	\$8,636

SWPL - 2 - Fixed Costs -

The request includes \$9,157 in FY 2018 and \$8,636 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$4,876)
FY 2019	\$0	(\$3,855)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$4,876 in FY 2018 and \$3,855 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$60,000
FY 2019	\$0	\$60,000

PL - 301 - Termination Payouts Liquor Control Division -

The Department of Revenue, Liquor Control Division is requesting \$60,000 in FY 2018 and \$60,000 in FY 2019 to payout accrued leave balances for employee's retiring and/or leaving the division. This request allows the division to efficiently distribute alcoholic beverages to the agency liquor stores and comply with the statutory requirement of 16-2-101(12), MCA, requiring the department to maintain a 97% monthly service level to the agency stores. If Liquor Control Division is required to use vacancy savings to pay for the termination payouts, they will not be able to meet this statutory requirement.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$65,000
FY 2019	\$0	\$65,000

PL - 302 - Overtime Liquor Control Division -

The Department of Revenue, Liquor Control Division is requesting \$65,000 in FY 2018 and \$65,000 in FY 2019. This funding is necessary to pay for overtime and temporary staff to meet the increase in demand for liquor products especially during peaks periods, holiday weeks, and to back fill personnel while out on vacation or sick leave.

Department of Revenue - 58010

Liquor Control Division - 03

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

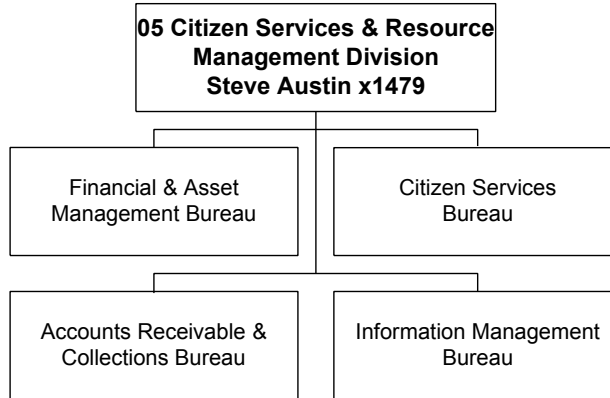
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$43,573
FY 2019	\$0	\$43,600

NP - 303 - LCD Restore 2017 Biennium Base Funding -

The Liquor Control Division is requesting 1.00 FTE and personal services funding of \$43,587 in FY 2018 and \$43,600 in FY 2019. This funding was allocated to the Liquor Control Division from the personal services contingency base funding appropriated by the 2015 Legislature, but the position was modified at the time of the snapshot and therefore must be re-requested. This position is currently a licensing specialist working on the increase in direct shipment of wineries doing business in Montana.

Department of Revenue - 58010

Citizen Services & Resource Mgmt - 05



Program Description - The Citizen Services and Resource Management Division (CSR) focuses on providing services to citizens, including the advancement of free electronic filing, and support services to the other divisions of the department. CSR includes the Citizen Services/Financial and Asset Management Bureau, the Collections Bureau and the Information Management Bureau.

- Financial and Asset Management provides support services to the department by managing the department's accounting, purchasing, safety and security, and statewide facility functions. This bureau ensures state tax collections and department expenses are properly accounted for, supports the efficient and safe operation of department facilities, and conducts disaster and emergency preparedness and continuity of government activities.
- Citizen Services assists taxpayers by answering questions through the department's call center, coordinates the eStop business licensing program to create efficiencies and reduced costs to businesses, returns unclaimed property that has been remitted to the state to the rightful owners, and strives to create tax forms and instructions that are thorough and understandable.
- The Collections Bureau collects the department's delinquent debts and includes the Bankruptcy Unit responsible for filing and recoveries of debt through bankruptcy proceedings. The bureau also provides collection services to other state agencies and local governments for recovery of bad debts.
- The Information Management Bureau ensures secure handling and processing of taxpayer information, payments, and data in electronic or paper form. The bureau is organized into four units including Account Maintenance and Cashiering, Information Capture, Electronic Services (E-Services), and Mail and Imaging.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	106.25	0.00	106.25	0.00	106.25	
Personal Services	6,260,574	26,814	6,287,388	43,254	6,303,828	12,591,216
Operating Expenses	2,874,648	31,181	2,905,829	30,887	2,905,535	5,811,364
Total Costs	\$9,135,222	\$57,995	\$9,193,217	\$74,141	\$9,209,363	\$18,402,580
General Fund	8,886,800	57,995	8,944,795	74,141	8,960,941	17,905,736
State/Other Special	208,419	0	208,419	0	208,419	416,838
Proprietary Funds	40,003	0	40,003	0	40,003	80,006
Total Funds	\$9,135,222	\$57,995	\$9,193,217	\$74,141	\$9,209,363	\$18,402,580

Department of Revenue - 58010

Citizen Services & Resource Mgmt - 05

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
	Statewide Present Law Adjustments			
SWPL - 1 - Personal Services	26,814	26,814	43,254	43,254
SWPL - 2 - Fixed Costs	29,599	29,599	29,313	29,313
SWPL - 3 - Inflation Deflation	1,582	1,582	1,574	1,574
<i>Total Statewide Present Law Adjustments</i>	<i>\$57,995</i>	<i>\$57,995</i>	<i>\$74,141</i>	<i>\$74,141</i>
Total Budget Adjustments	\$57,995	\$57,995	\$74,141	\$74,141

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$26,814	\$26,814
FY 2019	\$43,254	\$43,254

SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$29,599	\$29,599
FY 2019	\$29,313	\$29,313

SWPL - 2 - Fixed Costs -

The request includes funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

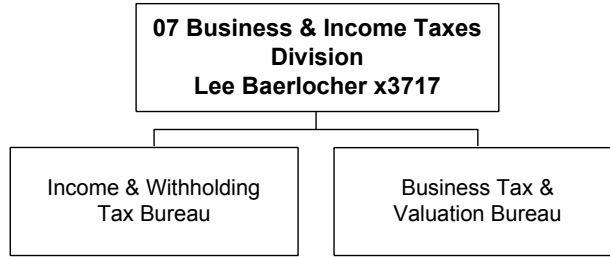
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$1,582	\$1,582
FY 2019	\$1,574	\$1,574

SWPL - 3 - Inflation Deflation -

This change package includes funding to cover budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Revenue - 58010

Business & Income Taxes Division - 07



Program Description - The Business and Income Taxes Division is responsible for the administration of and collection of nearly \$2 billion annually for 38 Montana taxes and fees including but not limited to corporation license, natural resource, withholding, individual income, lodging facilities, cigarette and tobacco products, contractor's gross receipts, and telecommunications taxes. The division also values all industrial and centrally assessed property in the state which generates \$250 million in state and local revenue annually. The division is responsible for ensuring that citizens and businesses pay their fair share of Montana taxes. Some of the duties associated with administration include: tax type expertise, taxpayer education, auditing, identification of nonfilers, and overall tax compliance. The Business Tax and Valuation Bureau and the Income and withholding Tax Bureau handle these functions for the department.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	133.45	2.00	135.45	2.00	135.45	
Personal Services	9,732,012	(128,637)	9,603,375	(95,887)	9,636,125	19,239,500
Operating Expenses	1,499,319	127,458	1,626,777	126,405	1,625,724	3,252,501
Total Costs	\$11,231,331	(\$1,179)	\$11,230,152	\$30,518	\$11,261,849	\$22,492,001
General Fund	10,281,351	20,161	10,301,512	49,338	10,330,689	20,632,201
State/Other Special	677,718	(16,005)	661,713	(14,115)	663,603	1,325,316
Federal Spec. Rev. Funds	272,262	(5,335)	266,927	(4,705)	267,557	534,484
Total Funds	\$11,231,331	(\$1,179)	\$11,230,152	\$30,518	\$11,261,849	\$22,492,001

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(245,455)	(266,795)	(216,405)	(235,225)
SWPL - 2 - Fixed Costs	109,894	109,894	108,548	108,548
SWPL - 3 - Inflation Deflation	814	814	1,107	1,107
<i>Total Statewide Present Law Adjustments</i>	<i>(\$134,747)</i>	<i>(\$156,087)</i>	<i>(\$106,750)</i>	<i>(\$125,570)</i>
Present Law Adjustments				
PL - 701 - Tobacco Stamps Increase BIT	16,750	16,750	16,750	16,750
<i>Total Present Law Adjustments</i>	<i>\$16,750</i>	<i>\$16,750</i>	<i>\$16,750</i>	<i>\$16,750</i>
New Proposals				
NP - 702 - BIT Restore 2017 Biennium Base Funding	138,158	138,158	139,338	139,338
<i>Total New Proposals</i>	<i>\$138,158</i>	<i>\$138,158</i>	<i>\$139,338</i>	<i>\$139,338</i>
Total Budget Adjustments	\$20,161	(\$1,179)	\$49,338	\$30,518

Department of Revenue - 58010

Business & Income Taxes Division - 07

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$245,455)	(\$266,795)
FY 2019	(\$216,405)	(\$235,225)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$266,795 in FY 2018 and \$235,225 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$109,894	\$109,894
FY 2019	\$108,548	\$108,548

SWPL - 2 - Fixed Costs -

The request includes \$109,894 in FY 2018 and \$108,548 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$814	\$814
FY 2019	\$1,107	\$1,107

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$814 in FY 2018 and \$1,107 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$16,750	\$16,750
FY 2019	\$16,750	\$16,750

PL - 701 - Tobacco Stamps Increase BIT -

Montana law requires all cigarettes sold in the state to be taxed. Like all states, Montana enforces this taxation through affixing a tax stamp to each pack of cigarettes sold. The tax stamp informs customers, retailers, and the department that the appropriate amount of tax was collected on the cigarettes sold. The Business Income Taxes Division is requesting \$16,750 in FY 2018 and \$16,750 in FY2019 to accommodate the increased cost of cigarette stamps.

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

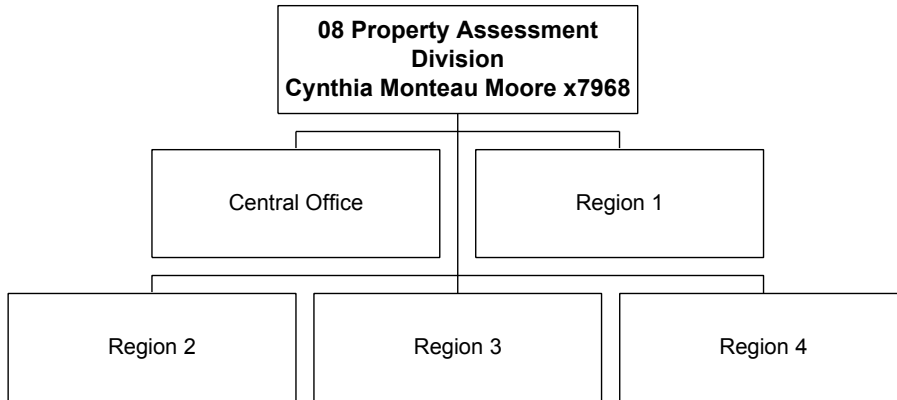
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$138,158	\$138,158
FY 2019	\$139,338	\$139,338

NP - 702 - BIT Restore 2017 Biennium Base Funding -

The Business Income Tax Division is requesting 2.00 FTE and personal services funding of \$138,158 in FY 2018 and \$139,338 in FY 2019. This funding was allocated to the Business & Income Tax Division from contingency base funding appropriated by the 2015 Legislature. The positions were modified at the time of the snapshot and therefore must be re-requested.

Department of Revenue - 58010

Property Assessment Division - 08



Program Description - The Property Assessment Division effectively and efficiently administers the state's real and personal property tax laws while emphasizing customer service. It accomplishes this through uniform and equitable valuation and assessment regulations for residential, commercial, agricultural, forestland, and business equipment property. The division discovers, appraises, and assesses real and personal property for the local governing bodies that include about 1,400 levy districts and another 1,400 individual taxing jurisdictions. The division provides accurate and proficient tax billing information to the local county treasurers for their generation of more than a half million tax bills and over \$1 billion in taxes for all classes of property. The division consists of the Central Office Bureau in Helena and 56 county offices divided into four regions. The Central Office Bureau primarily provides technical and administrative support to the department's 56 local revenue offices. The department's local office staff primarily meets with property taxpayers and provides customer service along with providing property tax information and assistance.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	293.35	9.00	302.35	9.00	302.35	
Personal Services	18,539,139	(997,217)	17,541,922	(939,209)	17,599,930	35,141,852
Operating Expenses	3,461,846	16,349	3,478,195	19,424	3,481,270	6,959,465
Equipment & Intangible Assets	0	0	0	0	0	0
Debt Service	6,385	0	6,385	0	6,385	12,770
Total Costs	\$22,007,370	(\$980,868)	\$21,026,502	(\$919,785)	\$21,087,585	\$42,114,087
General Fund	21,993,069	(980,868)	21,012,201	(919,785)	21,073,284	42,085,485
State/Other Special	14,301	0	14,301	0	14,301	28,602
Total Funds	\$22,007,370	(\$980,868)	\$21,026,502	(\$919,785)	\$21,087,585	\$42,114,087

Department of Revenue - 58010

Property Assessment Division - 08

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(311,087)	(311,087)	(253,022)	(253,022)
SWPL - 2 - Fixed Costs	67,275	67,275	62,989	62,989
SWPL - 3 - Inflation Deflation	17,959	17,959	25,320	25,320
<i>Total Statewide Present Law Adjustments</i>	<i>(\$225,853)</i>	<i>(\$225,853)</i>	<i>(\$164,713)</i>	<i>(\$164,713)</i>
Present Law Adjustments				
PL - 801 - County Rent PAD	13,369	13,369	13,369	13,369
<i>Total Present Law Adjustments</i>	<i>\$13,369</i>	<i>\$13,369</i>	<i>\$13,369</i>	<i>\$13,369</i>
New Proposals				
NP - 555 - Appropriation Rebase	(1,058,254)	(1,058,254)	(1,058,254)	(1,058,254)
NP - 802 - PAD Restore 2017 Biennium Base Funding	289,870	289,870	289,813	289,813
<i>Total New Proposals</i>	<i>(\$768,384)</i>	<i>(\$768,384)</i>	<i>(\$768,441)</i>	<i>(\$768,441)</i>
Total Budget Adjustments	(\$980,868)	(\$980,868)	(\$919,785)	(\$919,785)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$311,087)	(\$311,087)
FY 2019	(\$253,022)	(\$253,022)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$311,087 in FY 2018 and \$253,022 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$67,275	\$67,275
FY 2019	\$62,989	\$62,989

SWPL - 2 - Fixed Costs -

The request includes \$67,275 in FY 2018 and \$62,989 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$17,959	\$17,959
FY 2019	\$25,320	\$25,320

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$17,959 in FY 2018 and \$25,320 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Revenue - 58010

Property Assessment Division - 08

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$13,369	\$13,369
FY 2019	\$13,369	\$13,369

PL - 801 - County Rent PAD -

The Property Assessment Division requests \$13,369 in FY 2018 and \$13,369 in FY 2019 to allow the division to pay for increased cost of office space leased from local governments located in various city-county buildings.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$1,058,254)	(\$1,058,254)
FY 2019	(\$1,058,254)	(\$1,058,254)

NP - 555 - Appropriation Rebase -

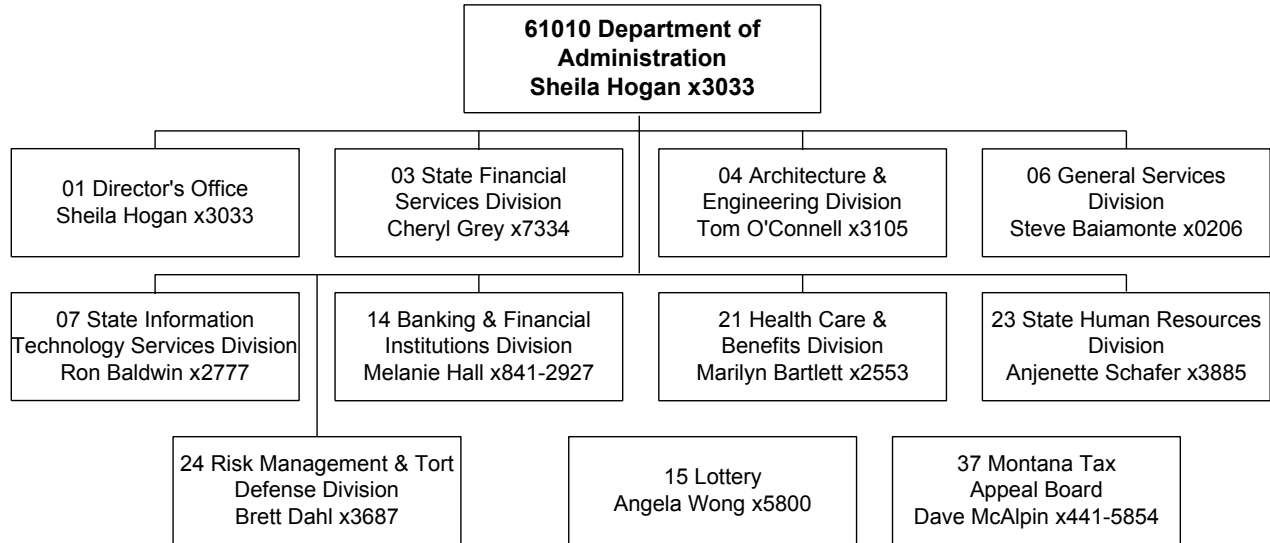
The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Property Assessment Division Appropriation Rebase totaling \$1,058,254 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$289,870	\$289,870
FY 2019	\$289,813	\$289,813

NP - 802 - PAD Restore 2017 Biennium Base Funding -

The Property Assessment Division is requesting 9.00 FTE and personal services funding of \$289,870 in FY 2018 and \$289,813 in FY 2019. This funding was allocated to the Property Assessment Division from the personal services contingency base funding appropriated by the 2015 Legislature to address increased workload as a result of SB 157 from the 2015 session which changed the 6-year reappraisal cycle to a 2 year reappraisal cycle. At the time of the snapshot the positions were modified and therefore must be re-requested.

Department of Administration - 61010



Mission Statement - The Department of Administration's mission is to serve as the backbone of state government by providing leading edge services to our customers and business partners.

Statutory Authority - Title 2, Chapters 7, 9, 15, 17 and 18; Title 10, Chapter 4; Title 15, Chapter 2; Title 17; Title 18; Title 23, Chapter 7; Title 31; Title 32; Title 39, Chapter 71; and Title 47, Chapter 1 MCA.

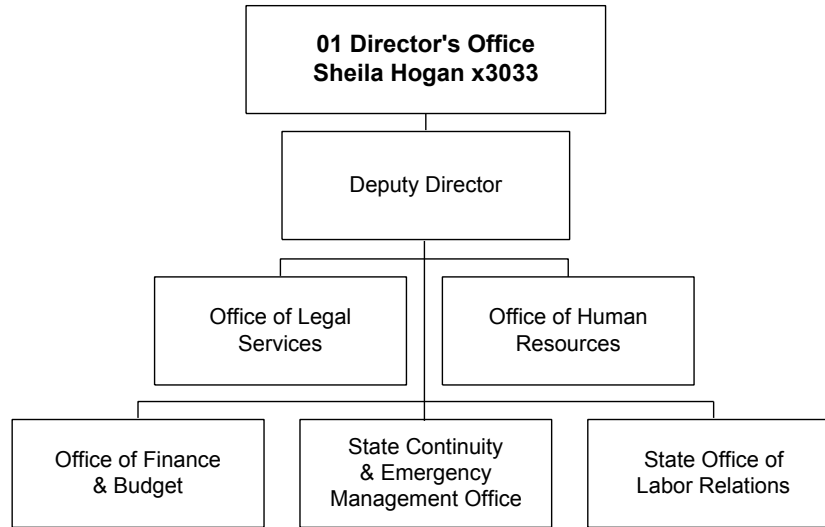
Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	140.75	140.75	
Personal Services	12,021,239	12,059,659	24,080,898
Operating Expenses	7,363,756	5,998,952	13,362,708
Equipment & Intangible Assets	19,500	19,500	39,000
Local Assistance	30,060	30,060	60,120
Transfers	0	0	0
Debt Service	89,977	89,977	179,954
Total Costs	\$19,524,532	\$18,198,148	\$37,722,680
General Fund	5,871,926	5,820,403	11,692,329
State/Other Special	6,658,026	6,671,883	13,329,909
Proprietary Funds	5,623,804	5,506,851	11,130,655
Federal Spec. Rev. Funds	1,370,776	199,011	1,569,787
Total Funds	\$19,524,532	\$18,198,148	\$37,722,680

Department of Administration - 61010

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Director's Office	1,187,789	1,212,779	1,104,811	1,130,225	(82,978)	(82,554)	(6.99)%	(6.81)%
03 - State Financial Services Division	5,092,557	5,557,103	5,177,265	5,691,559	84,708	134,456	1.66 %	2.42 %
04 - Architecture & Engineering Pgm	0	4,249,827	0	4,160,884	0	(88,943)	0.00 %	(2.09)%
06 - General Services Division	3,365,623	3,365,623	0	0	(3,365,623)	(3,365,623)	(100.00)%	(100.00)%
07 - State Information Technology Division	770,705	3,052,066	878,871	2,977,415	108,166	(74,651)	14.03 %	(2.45)%
14 - Banking and Financial Institutions Division	0	8,764,533	0	8,211,306	0	(553,227)	0.00 %	(6.31)%
15 - Montana State Lottery	0	12,220,187	0	11,019,909	0	(1,200,278)	0.00 %	(9.82)%
23 - State Human Resources Division	3,490,092	3,490,092	3,307,702	3,307,702	(182,390)	(182,390)	(5.23)%	(5.23)%
37 - Montana Tax Appeal Board	1,419,258	1,419,258	1,223,680	1,223,680	(195,578)	(195,578)	(13.78)%	(13.78)%
Agency Total	\$15,326,024	\$43,331,468	\$11,692,329	\$37,722,680	(\$3,633,695)	(\$5,608,788)	(23.71)%	(12.94)%

Department of Administration - 61010

Director's Office - 01



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

The Director's Office has 4.50 FTE funded through HB 2 and 27.00 FTE funded by the revenues generated from the internal fees charged to the Department of Administration's divisions and its attached-to agencies. These FTE provide services in the areas of legal, human resources, financial management, labor relations, project management and communications, continuity of government, emergency management, and homeland security.

- The Office of Legal Services advises the divisions on legal matters.
- The staff of the Office of Human Resources partner with DOA leadership and employees to enhance agency performance through strategic human resource programs and effective administrative processes (e.g., payroll administration, talent acquisition, policy development, etc.).
- The Office of Finance and Budget prepares and presents the biennial budget, processes budget change documents, monitors approved budgets for compliance with state law and legislative intent, and provides accounting assistance.
- Labor Relations provides labor relations services for managers and human resource officers and is the Governor's designated representative in collective bargaining.
- The State Continuity and Emergency Management Office provides leadership and support for the enterprise continuity of government, emergency management, and homeland security programs.
- The Office of Program and Information Management provides communication and project management services.

The customers served are internal to the department and its attached-to agencies, with the exception of the Office of Labor Relations and the State Continuity and Emergency Management Office, which serve the enterprise.

Department of Administration - 61010

Director's Office - 01

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	4.50	0.00	4.50	0.00	4.50	
Personal Services	441,262	3,790	445,052	5,176	446,438	891,490
Operating Expenses	79,371	59,154	138,525	(7,753)	71,618	210,143
Local Assistance	14,296	0	14,296	0	14,296	28,592
Total Costs	\$534,929	\$62,944	\$597,873	(\$2,577)	\$532,352	\$1,130,225
General Fund	522,222	62,944	585,166	(2,577)	519,645	1,104,811
Federal Spec. Rev. Funds	12,707	0	12,707	0	12,707	25,414
Total Funds	\$534,929	\$62,944	\$597,873	(\$2,577)	\$532,352	\$1,130,225

Program Proposed Budget Adjustments					
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019		
	General Fund	Total Funds	General Fund	Total Funds	
Statewide Present Law Adjustments					
SWPL - 1 - Personal Services	3,790	3,790	5,176	5,176	
SWPL - 2 - Fixed Costs	58,081	58,081	(8,826)	(8,826)	
<i>Total Statewide Present Law Adjustments</i>	<i>\$61,871</i>	<i>\$61,871</i>	<i>(\$3,650)</i>	<i>(\$3,650)</i>	
Present Law Adjustments					
PL - 4 - Allocate Department Indirect/Administrative Costs	1,073	1,073	1,073	1,073	
<i>Total Present Law Adjustments</i>	<i>\$1,073</i>	<i>\$1,073</i>	<i>\$1,073</i>	<i>\$1,073</i>	
Total Budget Adjustments	\$62,944	\$62,944	(\$2,577)	(\$2,577)	

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$3,790	\$3,790
FY 2019	\$5,176	\$5,176

SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$58,081	\$58,081
FY 2019	(\$8,826)	(\$8,826)

SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2018 and FY 2019 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Department of Administration - 61010

Director's Office - 01

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

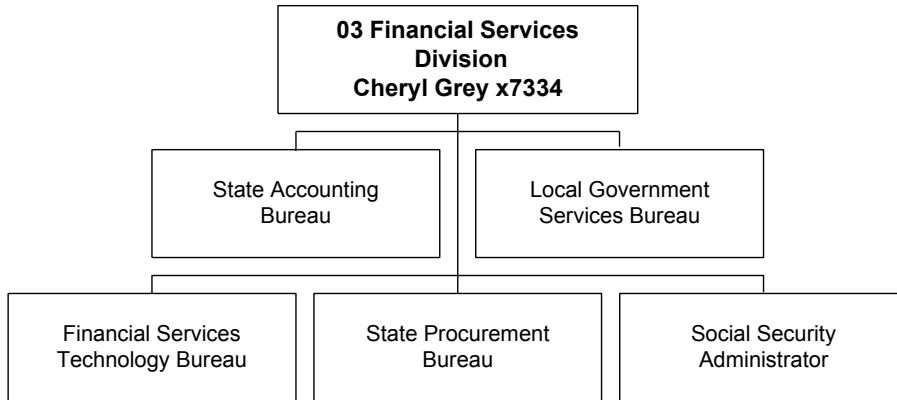
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$1,073	\$1,073
FY 2019	\$1,073	\$1,073

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

Department of Administration - 61010

State Financial Services Division - 03



Program Description - The State Financial Services Division performs many centralized functions and administers state and federal programs to state agencies, local government entities, and Montana citizens and businesses. The division consists of four bureaus and the State Social Security Administrator.

The division Strategies and Solutions Team (DSST) provides resources at a division level and focuses on operational business strategies and technology solutions to support division-wide initiatives.

The State Accounting Bureau (SAB) prepares and publishes the state's annual comprehensive financial report (CAFR) and maintains a statewide accounting structure with related policies and procedures to allow all branches of government to meet their individual reporting needs. The division also include the Treasury Unit and the Warrant Writer Unit. The bureau also serves as the process owner of the SABHRS financial modules and assists state agencies in operating the state's accounting system.

The Financial Services Technology Bureau (FSTB) provides system analysis, support, configuration, development, and maintenance of the state's enterprise accounting and budgeting systems. The bureau also manages system architecture and provides database administration for the entire Statewide Accounting Budgeting & Human Resources System (SABHRS) application. In addition, FSTB supports the Montana Acquisition and Contracting System (eMACS).

The State Procurement Bureau (SPB) provides professional procurement services to all state agencies for the acquisition of supplies and services. State Procurement advocates for compliance with all state statutes and procurement requirements; establishes term contracts for commonly used goods and services, manages the state's fuel and procurement card programs, and offers procurement training to state agencies. In addition, it promotes compliance with the Montana Procurement Act and is the business process owner of the Montana Acquisition and Contracting System (eMACS).

The Local Government Services Bureau works with local governments (counties, cities, towns, school districts, and special districts) to support uniform financial accountability and to assist the local governments in complying with their statutory financial and budgetary reporting requirements, including provisions of the Montana Single Audit Act. The bureau receives, and makes available to the public, local government financial, budget, and audit reports.

The State Social Security Administrator is responsible for administering Section 218 of the Social Security Act, providing education and outreach, and insuring proper application of Social Security coverage to all state and local government employees.

Department of Administration - 61010

State Financial Services Division - 03

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	29.42	(0.50)	28.92	(0.50)	28.92	
Personal Services	2,264,994	21,751	2,286,745	29,827	2,294,821	4,581,566
Operating Expenses	548,905	5,423	554,328	6,760	555,665	1,109,993
Total Costs	\$2,813,899	\$27,174	\$2,841,073	\$36,587	\$2,850,486	\$5,691,559
General Fund	2,580,029	3,939	2,583,968	13,268	2,593,297	5,177,265
State/Other Special	177,070	23,235	200,305	23,319	200,389	400,694
Proprietary Funds	55,373	0	55,373	0	55,373	110,746
Federal Spec. Rev. Funds	1,427	0	1,427	0	1,427	2,854
Total Funds	\$2,813,899	\$27,174	\$2,841,073	\$36,587	\$2,850,486	\$5,691,559

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	58,349	77,540	66,170	85,502
SWPL - 2 - Fixed Costs	5,680	7,845	6,878	8,986
SWPL - 3 - Inflation Deflation	27	27	151	151
<i>Total Statewide Present Law Adjustments</i>	<i>\$64,056</i>	<i>\$85,412</i>	<i>\$73,199</i>	<i>\$94,639</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	16,817	18,696	16,817	18,696
<i>Total Present Law Adjustments</i>	<i>\$16,817</i>	<i>\$18,696</i>	<i>\$16,817</i>	<i>\$18,696</i>
New Proposals				
NP - 301 - Transfer Position Between Divisions	40,942	40,942	41,128	41,128
NP - 555 - Appropriation Rebase	(117,876)	(117,876)	(117,876)	(117,876)
<i>Total New Proposals</i>	<i>(\$76,934)</i>	<i>(\$76,934)</i>	<i>(\$76,748)</i>	<i>(\$76,748)</i>
Total Budget Adjustments	\$3,939	\$27,174	\$13,268	\$36,587

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$58,349	\$77,540
FY 2019	\$66,170	\$85,502

SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$5,680	\$7,845
FY 2019	\$6,878	\$8,986

SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2018 and FY 2019 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Department of Administration - 61010

State Financial Services Division - 03

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$27	\$27
FY 2019	\$151	\$151

SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$16,817	\$18,696
FY 2019	\$16,817	\$18,696

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$40,942	\$40,942
FY 2019	\$41,128	\$41,128

NP - 301 - Transfer Position Between Divisions -

This request transfers .50 FTE from the General Services Division to the State Financial Services Division. The cost in the State Financial Services Division is \$40,942 in FY 2018 and \$41,128 in FY 2019, but this increase is offset by a reduction in the General Services Division.

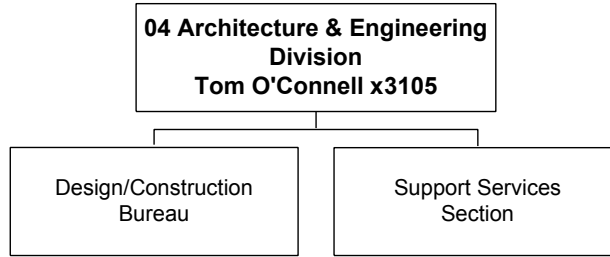
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$117,876)	(\$117,876)
FY 2019	(\$117,876)	(\$117,876)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a State Financial Services Division Appropriation Rebase totaling \$117,876 each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Administration - 61010

Architecture & Engineering Pgm - 04



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	16.50	0.00	16.50	0.00	16.50	
Personal Services	1,536,813	38,141	1,574,954	46,553	1,583,366	3,158,320
Operating Expenses	604,341	(102,598)	501,743	(103,520)	500,821	1,002,564
Equipment & Intangible Assets	0	0	0	0	0	0
Total Costs	\$2,141,154	(\$64,457)	\$2,076,697	(\$56,967)	\$2,084,187	\$4,160,884
State/Other Special	2,141,154	(64,457)	2,076,697	(56,967)	2,084,187	4,160,884
Total Funds	\$2,141,154	(\$64,457)	\$2,076,697	(\$56,967)	\$2,084,187	\$4,160,884

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	38,141	0	46,553
SWPL - 2 - Fixed Costs	0	(104,414)	0	(106,003)
SWPL - 3 - Inflation Deflation	0	931	0	1,598
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$65,342)</i>	<i>\$0</i>	<i>(\$57,852)</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	0	885	0	885
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$885</i>	<i>\$0</i>	<i>\$885</i>
Total Budget Adjustments	\$0	(\$64,457)	\$0	(\$56,967)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$38,141
FY 2019	\$0	\$46,553

SWPL - 1 - Personal Services -

The budget includes \$38,141 in FY 2018 and \$46,553 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Department of Administration - 61010

Architecture & Engineering Pgm - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$104,414)
FY 2019	\$0	(\$106,003)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$104,414 in FY 2018 and \$106,003 in FY 2019 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$931
FY 2019	\$0	\$1,598

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$931 in FY 2018 and \$1,598 in FY 2019 to reflect budgetary changes generated from the application and inflation factors to specific expenditure accounts. Affected accounts include food, postage, and gasoline.

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

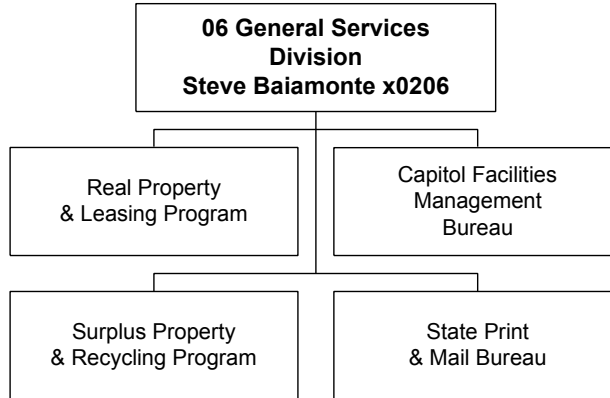
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$885
FY 2019	\$0	\$885

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

Department of Administration - 61010

General Services Division - 06



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

- The Facilities Management Bureau manages the following services for state agencies in the capitol complex and several state-owned buildings in the Helena area, either directly or through the administration of service contracts: repair, maintenance, construction, energy consumption, disaster response and recovery, space allocation, lease negotiation, security, janitorial, pest control, grounds maintenance, and garbage collection.
- The Print and Mail Services Bureau provides print and mail services to state agencies. Services include internal and external (contracted) printing, managed print services, mail preparation, central mail operations, and inter-agency (deadhead) mail. The bureau also operates the United States Post Office in the Capitol and provides one quick copy location on the Capitol Complex.
- In addition to the two bureaus, the division manages the State and Federal Surplus Property and Recycling programs.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	0.50	(0.50)	0.00	(0.50)	0.00	
Personal Services	49,000	(49,000)	0	(49,000)	0	0
Operating Expenses	5,000	(5,000)	0	(5,000)	0	0
Total Costs	\$54,000	(\$54,000)	\$0	(\$54,000)	\$0	\$0
General Fund	54,000	(54,000)	0	(54,000)	0	0
Total Funds	\$54,000	(\$54,000)	\$0	(\$54,000)	\$0	\$0

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(8,056)	(8,056)	(7,871)	(7,871)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$8,056)</i>	<i>(\$8,056)</i>	<i>(\$7,871)</i>	<i>(\$7,871)</i>
New Proposals				
NP - 301 - Transfer Position Between Divisions	(45,944)	(45,944)	(46,129)	(46,129)
<i>Total New Proposals</i>	<i>(\$45,944)</i>	<i>(\$45,944)</i>	<i>(\$46,129)</i>	<i>(\$46,129)</i>
Total Budget Adjustments	(\$54,000)	(\$54,000)	(\$54,000)	(\$54,000)

Department of Administration - 61010

General Services Division - 06

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$8,056)	(\$8,056)
FY 2019	(\$7,871)	(\$7,871)

SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

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

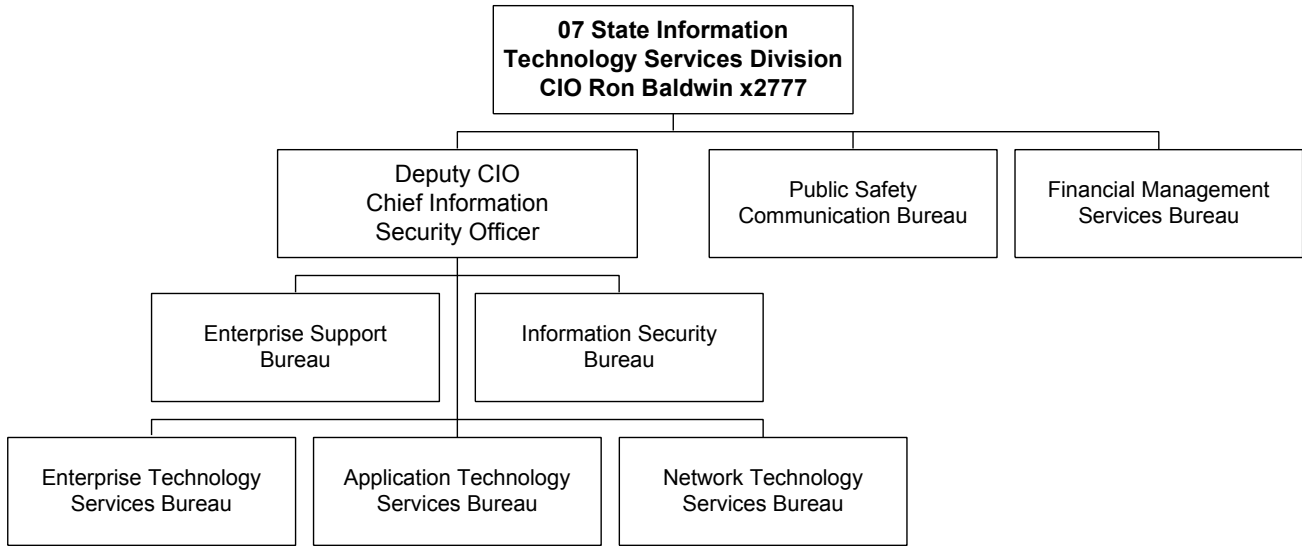
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$45,944)	(\$45,944)
FY 2019	(\$46,129)	(\$46,129)

NP - 301 - Transfer Position Between Divisions -

This request transfers .50 FTE from the General Services Division to the State Financial Services Division. The reduction in personal services and operating expenditures is offset by the increase in State Financial Services Division.

Department of Administration - 61010

State Information Technology Division - 07



Program Description - The State Information Technology Services Division (SITSD) is a proprietary program that provides central computing, data network, and telecommunications services to more than 100 government customers throughout the state. SITSD manages two state-of-the-art data centers, a statewide data network, and provides IT services to all branches of state government, the Office of Public Instruction, the Montana University System, and various city and county municipalities.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	6.09	(0.51)	5.58	(0.51)	5.58	
Personal Services	517,810	90,454	608,264	92,423	610,233	1,218,497
Operating Expenses	286,020	1,179,522	1,465,542	7,356	293,376	1,758,918
Transfers	0	0	0	0	0	0
Total Costs	\$803,830	\$1,269,976	\$2,073,806	\$99,779	\$903,609	\$2,977,415
General Fund	388,922	49,957	438,879	51,070	439,992	878,871
State/Other Special	330,031	(51,746)	278,285	(51,291)	278,740	557,025
Federal Spec. Rev. Funds	84,877	1,271,765	1,356,642	100,000	184,877	1,541,519
Total Funds	\$803,830	\$1,269,976	\$2,073,806	\$99,779	\$903,609	\$2,977,415

Department of Administration - 61010

State Information Technology Division - 07

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	114,568	59,971	115,243	61,189
SWPL - 2 - Fixed Costs	6,420	11,373	6,063	10,928
SWPL - 3 - Inflation Deflation	97	97	141	141
<i>Total Statewide Present Law Adjustments</i>	<i>\$121,085</i>	<i>\$71,441</i>	<i>\$121,447</i>	<i>\$72,258</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	(1,611)	(3,713)	(1,611)	(3,713)
PL - 706 - FirstNet Grant (Biennial)	0	1,271,765	0	100,000
<i>Total Present Law Adjustments</i>	<i>(\$1,611)</i>	<i>\$1,268,052</i>	<i>(\$1,611)</i>	<i>\$96,287</i>
New Proposals				
NP - 705 - Reduce Public Safety Position Funding	(69,517)	(69,517)	(68,766)	(68,766)
<i>Total New Proposals</i>	<i>(\$69,517)</i>	<i>(\$69,517)</i>	<i>(\$68,766)</i>	<i>(\$68,766)</i>
Total Budget Adjustments	\$49,957	\$1,269,976	\$51,070	\$99,779

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$114,568	\$59,971
FY 2019	\$115,243	\$61,189

SWPL - 1 - Personal Services -

The budget include adjustments in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$6,420	\$11,373
FY 2019	\$6,063	\$10,928

SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2018 and FY 2019 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$97	\$97
FY 2019	\$141	\$141

SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Administration - 61010

State Information Technology Division - 07

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$1,611)	(\$3,713)
FY 2019	(\$1,611)	(\$3,713)

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$1,271,765
FY 2019	\$0	\$100,000

PL - 706 - FirstNet Grant (Biennial) -

The budget includes \$1,271,765 in FY 2018 and \$100,000 in FY 2019 to support the FirstNet grant program. This grant supports the planning process for a specific frequency for emergency first responders. The intent is that the state's FirstNet planning efforts include substantive participation from private telecommunication network providers, both wireline and wireless, and that the plan seeks to maximize the use of existing private telecommunication infrastructure.

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

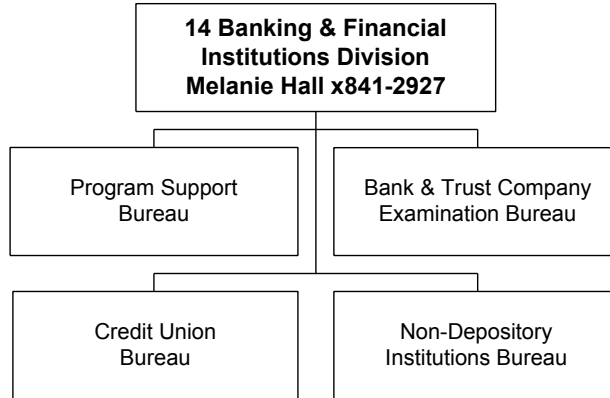
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$69,517)	(\$69,517)
FY 2019	(\$68,766)	(\$68,766)

NP - 705 - Reduce Public Safety Position Funding -

The budget includes a reduction of .51 FTE in FY 2018 and FY 2019 to adjust for a position that is split between general fund and state special revenue funding.

Department of Administration - 61010

Banking and Financial Institutions Division - 14



Program Description - The Division of Banking and Financial Institutions licenses, supervises, regulates, and examines financial institutions doing business in Montana. Those institutions include 50 banks and trust companies, with 356 branch banks, nine credit unions, 99 consumer finance companies, 152 sales finance companies, and eight escrow companies. The division also licenses and examines 3,403 residential mortgage loan service providers. All program functions are statutorily mandated in Title 32, Chapters 1-11, and Title 31, Chapter 1, Parts 7 & 8, MCA.

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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	35.80	(1.80)	34.00	(1.80)	34.00	
Personal Services	3,465,015	(303,514)	3,161,501	(294,197)	3,170,818	6,332,319
Operating Expenses	927,737	13,501	941,238	10,012	937,749	1,878,987
Total Costs	\$4,392,752	(\$290,013)	\$4,102,739	(\$284,185)	\$4,108,567	\$8,211,306
State/Other Special	4,392,752	(290,013)	4,102,739	(284,185)	4,108,567	8,211,306
Total Funds	\$4,392,752	(\$290,013)	\$4,102,739	(\$284,185)	\$4,108,567	\$8,211,306

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(128,823)	0	(119,377)
SWPL - 2 - Fixed Costs	0	12,156	0	7,495
SWPL - 3 - Inflation Deflation	0	2,446	0	3,498
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$114,221)</i>	<i>\$0</i>	<i>(\$108,384)</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	0	(5,410)	0	(5,410)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$5,410)</i>	<i>\$0</i>	<i>(\$5,410)</i>
New Proposals				
NP - 1401 - Lease Vehicle	0	4,309	0	4,429
NP - 555 - Appropriation Rebase	0	(174,691)	0	(174,820)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$170,382)</i>	<i>\$0</i>	<i>(\$170,391)</i>
Total Budget Adjustments	\$0	(\$290,013)	\$0	(\$284,185)

Department of Administration - 61010

Banking and Financial Institutions Division - 14

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$128,823)
FY 2019	\$0	(\$119,377)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$128,823 in FY 2018 and \$119,377 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$12,156
FY 2019	\$0	\$7,495

SWPL - 2 - Fixed Costs -

The request includes an increase of \$12,156 in in FY 2018 and \$7,495 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$2,446
FY 2019	\$0	\$3,498

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,446 in FY 2018 and \$3,498 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, and in-state motor pool charges.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$5,410)
FY 2019	\$0	(\$5,410)

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$4,309
FY 2019	\$0	\$4,429

NP - 1401 - Lease Vehicle -

This change package requests extra operating budget for a new leased vehicle, which is to be used by the employee that will fill the IT Bank Examiner Position. This person will be traveling from Missoula to financial institutions across Montana.

Department of Administration - 61010

Banking and Financial Institutions Division - 14

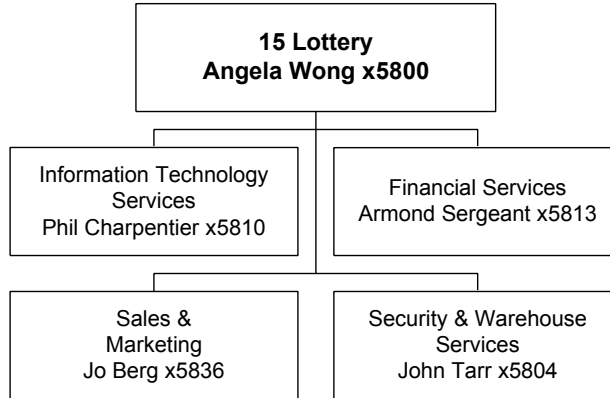
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$174,691)
FY 2019	\$0	(\$174,820)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a Banking and Financial Institutions Division Appropriation Rebase totaling \$174,691 in FY 2018 and \$174,820 in FY 2019, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Administration - 61010

Montana State Lottery - 15



Program Description - The Montana State Lottery was created in November 1986 by a referendum vote of the people of Montana. The general purpose is to allow lottery games in which players purchase from the state, through the administration of the lottery, a chance to win a prize. A five-member Lottery Commission, appointed by the Governor, sets policy and oversees program activities and procedures. Lottery's operations are accounted for in an enterprise fund. Lottery is required to transfer its net revenue to the general fund on a quarterly basis. The Montana State Lottery is attached to the Department of Administration for administrative purposes only.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	31.50	0.00	31.50	0.00	31.50	
Personal Services	2,270,210	(31,313)	2,238,897	(24,653)	2,245,557	4,484,454
Operating Expenses	3,081,390	138,667	3,220,057	15,054	3,096,444	6,316,501
Equipment & Intangible Assets	19,500	0	19,500	0	19,500	39,000
Debt Service	89,977	0	89,977	0	89,977	179,954
Total Costs	\$5,461,077	\$107,354	\$5,568,431	(\$9,599)	\$5,451,478	\$11,019,909
Proprietary Funds	5,461,077	107,354	5,568,431	(9,599)	5,451,478	11,019,909
Total Funds	\$5,461,077	\$107,354	\$5,568,431	(\$9,599)	\$5,451,478	\$11,019,909

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(31,313)	0	(24,653)
SWPL - 2 - Fixed Costs	0	134,363	0	8,486
SWPL - 3 - Inflation Deflation	0	(8,261)	0	(5,997)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$94,789</i>	<i>\$0</i>	<i>(\$22,164)</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	0	12,565	0	12,565
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$12,565</i>	<i>\$0</i>	<i>\$12,565</i>
Total Budget Adjustments	\$0	\$107,354	\$0	(\$9,599)

Department of Administration - 61010

Montana State Lottery - 15

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$31,313)
FY 2019	\$0	(\$24,653)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$31,313 in FY 2018 and \$24,653 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$134,363
FY 2019	\$0	\$8,486

SWPL - 2 - Fixed Costs -

The request includes an increase of \$134,363 in FY 2018 and a reduction of \$8,486 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$8,261)
FY 2019	\$0	(\$5,997)

SWPL - 3 - Inflation Deflation -

This change package includes a decrease of \$8,261 in FY 2018 and \$5,997 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include natural gas, electricity, and in-state motor pool costs.

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

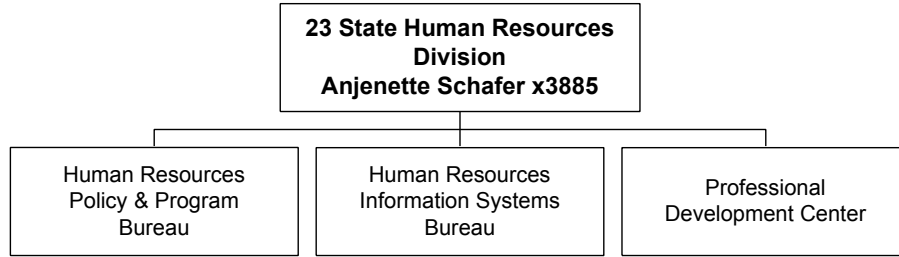
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$12,565
FY 2019	\$0	\$12,565

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

Department of Administration - 61010

State Human Resources Division - 23



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

- The Human Resources Policy and Programs Bureau, which establishes the human resource rules, policies, and standards for Montana’s executive branch.
- The Professional Development Center, offering training and other professional development services to Montana state government and other organizations.
- The Human Resources Information Systems Bureau, which processes the biweekly payroll, and other human resources information systems, for all branches of state government.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	14.25	0.00	14.25	0.00	14.25	
Personal Services	1,213,390	30,762	1,244,152	38,481	1,251,871	2,496,023
Operating Expenses	395,125	10,204	405,329	11,225	406,350	811,679
Total Costs	\$1,608,515	\$40,966	\$1,649,481	\$49,706	\$1,658,221	\$3,307,702
General Fund	1,608,515	40,966	1,649,481	49,706	1,658,221	3,307,702
Total Funds	\$1,608,515	\$40,966	\$1,649,481	\$49,706	\$1,658,221	\$3,307,702

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	100,053	100,053	107,772	107,772
SWPL - 2 - Fixed Costs	5,761	5,761	6,670	6,670
SWPL - 3 - Inflation Deflation	52	52	164	164
<i>Total Statewide Present Law Adjustments</i>	<i>\$105,866</i>	<i>\$105,866</i>	<i>\$114,606</i>	<i>\$114,606</i>
Present Law Adjustments				
PL - 4 - Allocate Department Indirect/Administrative Costs	4,391	4,391	4,391	4,391
<i>Total Present Law Adjustments</i>	<i>\$4,391</i>	<i>\$4,391</i>	<i>\$4,391</i>	<i>\$4,391</i>
New Proposals				
NP - 555 - Appropriation Rebase	(69,291)	(69,291)	(69,291)	(69,291)
<i>Total New Proposals</i>	<i>(\$69,291)</i>	<i>(\$69,291)</i>	<i>(\$69,291)</i>	<i>(\$69,291)</i>
Total Budget Adjustments	\$40,966	\$40,966	\$49,706	\$49,706

Department of Administration - 61010

State Human Resources Division - 23

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$100,053	\$100,053
FY 2019	\$107,772	\$107,772

SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$5,761	\$5,761
FY 2019	\$6,670	\$6,670

SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2018 and FY 2019 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$52	\$52
FY 2019	\$164	\$164

SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, and in-state motor pool charges.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$4,391	\$4,391
FY 2019	\$4,391	\$4,391

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

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

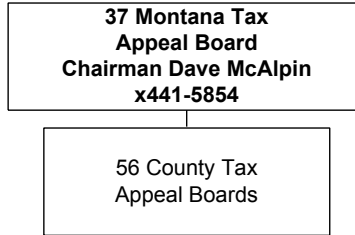
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$69,291)	(\$69,291)
FY 2019	(\$69,291)	(\$69,291)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a State Human Resources Division Appropriation Rebase totaling \$69,291 each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Administration - 61010

Montana Tax Appeal Board - 37



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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	5.50	0.00	5.50	0.00	5.50	
Personal Services	518,529	(56,855)	461,674	(61,974)	456,555	918,229
Operating Expenses	129,309	7,685	136,994	7,620	136,929	273,923
Local Assistance	15,764	0	15,764	0	15,764	31,528
Total Costs	\$663,602	(\$49,170)	\$614,432	(\$54,354)	\$609,248	\$1,223,680
General Fund	663,602	(49,170)	614,432	(54,354)	609,248	1,223,680
Total Funds	\$663,602	(\$49,170)	\$614,432	(\$54,354)	\$609,248	\$1,223,680

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(66,561)	(66,561)	(64,204)	(64,204)
SWPL - 2 - Fixed Costs	576	576	497	497
SWPL - 3 - Inflation Deflation	(27)	(27)	(13)	(13)
<i>Total Statewide Present Law Adjustments</i>	(\$66,012)	(\$66,012)	(\$63,720)	(\$63,720)
Present Law Adjustments				
PL - 3702 - Increase in Board per Diem	29,706	29,706	22,230	22,230
PL - 4 - Allocate Department Indirect/Administrative Costs	(860)	(860)	(860)	(860)
PL - 5 - Increase in MTAB Operating Expenditures	19,325	19,325	19,325	19,325
<i>Total Present Law Adjustments</i>	\$48,171	\$48,171	\$40,695	\$40,695
New Proposals				
NP - 555 - Appropriation Rebase	(31,329)	(31,329)	(31,329)	(31,329)
<i>Total New Proposals</i>	(\$31,329)	(\$31,329)	(\$31,329)	(\$31,329)
Total Budget Adjustments	(\$49,170)	(\$49,170)	(\$54,354)	(\$54,354)

Department of Administration - 61010

Montana Tax Appeal Board - 37

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$66,561)	(\$66,561)
FY 2019	(\$64,204)	(\$64,204)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$66,561 in FY 2018 and \$64,204 in FY 2019 to annualize various personal services costs include FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$576	\$576
FY 2019	\$497	\$497

SWPL - 2 - Fixed Costs -

The request includes an increase of \$576 in FY 2018 and \$497 in FY 2019 to provide the funding required in the budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$27)	(\$27)
FY 2019	(\$13)	(\$13)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$27 in FY 2018 and \$13 in FY 2019 to reflect budgetary changes generated from the application and deflation factors to specific expenditure accounts. Affected accounts include food, postage, and in-state state motor pool.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$29,706	\$29,706
FY 2019	\$22,230	\$22,230

PL - 3702 - Increase in Board per Diem -

The budget includes an increase of \$29,706 in FY 2018 and \$22,230 in FY 2019 to adjust for additional board per diem expenses.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$860)	(\$860)
FY 2019	(\$860)	(\$860)

PL - 4 - Allocate Department Indirect/Administrative Costs -

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$19,325	\$19,325
FY 2019	\$19,325	\$19,325

PL - 5 - Increase in MTAB Operating Expenditures -

This change package increases funding to bring FY 2018 and FY 2019 budgeted expenditures to FY 2016 actuals.

Department of Administration - 61010

Montana Tax Appeal Board - 37

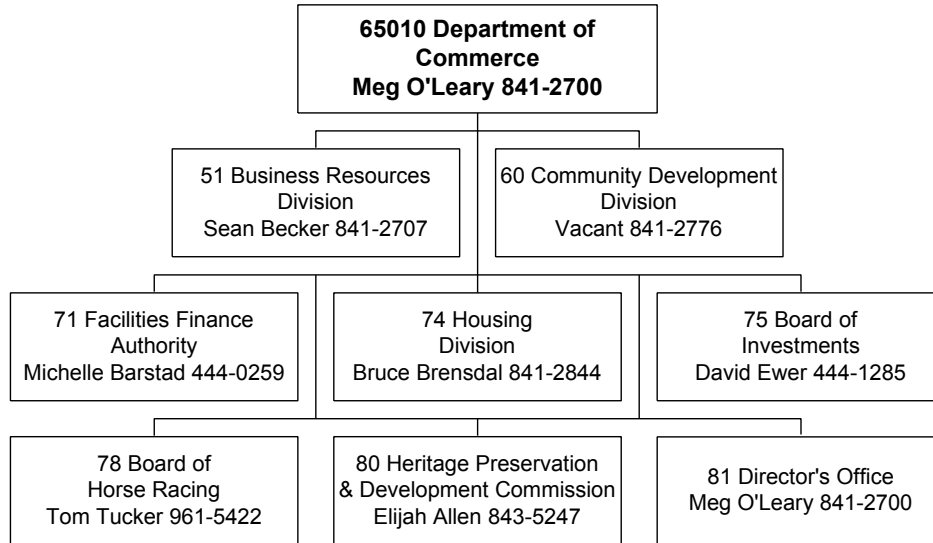
-----**New Proposals**-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$31,329)	(\$31,329)
FY 2019	(\$31,329)	(\$31,329)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a Montana Tax Appeal Board Appropriation Rebase totaling \$31,329 each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Commerce - 65010



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

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

Language - The following language is recommended for inclusion in HB 2:

"If HB 3 is not passed and approved in a form that appropriates \$1,945,617 state special revenue for Coal Board grants, then the Community Development Division is appropriated the difference between any appropriation included in HB 3 for the coal board and \$1,945,617, up to \$1,945,617, state special revenue for the 2019 biennium for Coal Board grants."

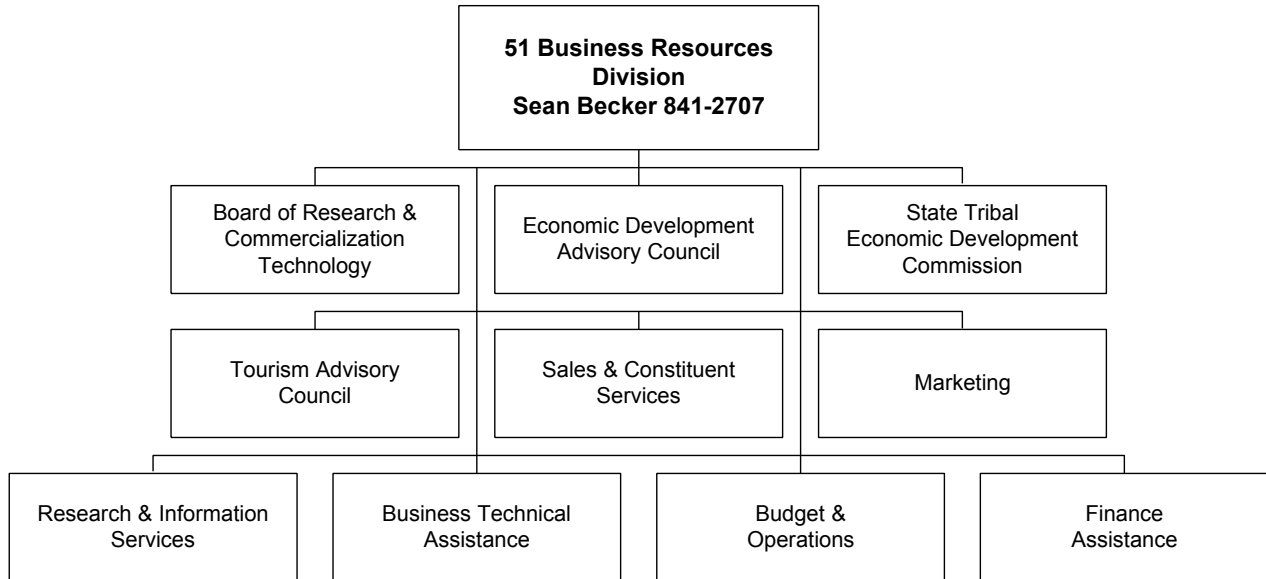
Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	47.06	47.06	
Personal Services	3,777,941	3,789,630	7,567,571
Operating Expenses	4,845,787	4,791,652	9,637,439
Grants	19,749,219	19,749,760	39,498,979
Benefits & Claims	358,921	358,921	717,842
Transfers	600,000	600,000	1,200,000
Total Costs	\$29,331,868	\$29,289,963	\$58,621,831
General Fund	5,106,184	5,103,445	10,209,629
State/Other Special	6,104,910	6,072,383	12,177,293
Federal Spec. Rev. Funds	18,120,774	18,114,135	36,234,909
Total Funds	\$29,331,868	\$29,289,963	\$58,621,831

Department of Commerce - 65010

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
51 - Office of Tourism & Business Development	9,920,935	17,625,071	8,521,631	15,349,457	(1,399,304)	(2,275,614)	(14.10)%	(12.91)%
60 - Community Development Division	3,273,233	43,522,320	1,687,998	41,006,187	(1,585,235)	(2,516,133)	(48.43)%	(5.78)%
74 - Housing Division	0	2,652,649	0	867,842	0	(1,784,807)	0.00 %	(67.28)%
78 - Board of Horse Racing	0	369,012	0	398,345	0	29,333	0.00 %	7.95 %
81 - Directors Office	0	1,100,000	0	1,000,000	0	(100,000)	0.00 %	(9.09)%
Agency Total	\$13,194,168	\$65,269,052	\$10,209,629	\$58,621,831	(\$2,984,539)	(\$6,647,221)	(22.62)%	(10.18)%

Department of Commerce - 65010

Office of Tourism & Business Development - 51



Program Description - The Montana Office of Tourism and Business Development (MOTBD) markets Montana's spectacular unspoiled nature, vibrant and charming small towns, breathtaking experiences, relaxing hospitality, and competitive business climate to promote the state as a place to visit and do business. Its goal is to sustain and enhance the quality of life for all Montanans and their communities by strengthening the economy through job creation and business development. In conjunction with other divisions of the Montana Department of Commerce and partners around the state, MOTBD's programs aim to support businesses through technical assistance, research, and access to grants and loans while inspiring visitation to maximize the economic impact of tourism, encourage private sector investment, and ensure that Montana is a great place to live, work, and play today and for future generations.

The Office of Tourism and Business Development Division responsibilities are mandated primarily in Title 15, Chapter 35, Section 108; Title 17, Chapter 6, Part 4; Title 39, Chapter 11; Title 90, Chapters 1 and 3, Title 15, Chapter 65, and Title 2, Chapter 15, MCA.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	19.35	0.00	19.35	0.00	19.35	
Personal Services	1,823,211	(141,585)	1,681,626	(134,637)	1,688,574	3,370,200
Operating Expenses	2,844,981	(183,855)	2,661,126	(227,783)	2,617,198	5,278,324
Grants	1,614,100	1,139,862	2,753,962	1,132,871	2,746,971	5,500,933
Transfers	0	600,000	600,000	600,000	600,000	1,200,000
Total Costs	\$6,282,292	\$1,414,422	\$7,696,714	\$1,370,451	\$7,652,743	\$15,349,457
General Fund	2,694,886	1,565,970	4,260,856	1,565,889	4,260,775	8,521,631
State/Other Special	2,794,625	(159,612)	2,635,013	(202,351)	2,592,274	5,227,287
Federal Spec. Rev. Funds	792,781	8,064	800,845	6,913	799,694	1,600,539
Total Funds	\$6,282,292	\$1,414,422	\$7,696,714	\$1,370,451	\$7,652,743	\$15,349,457

Department of Commerce - 65010

Office of Tourism & Business Development - 51

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(97,079)	(231,885)	(94,123)	(228,928)
SWPL - 2 - Fixed Costs	(288)	36,114	(3,537)	(8,684)
SWPL - 3 - Inflation Deflation	298	254	510	466
<i>Total Statewide Present Law Adjustments</i>	<i>(\$97,069)</i>	<i>(\$195,517)</i>	<i>(\$97,150)</i>	<i>(\$237,146)</i>
Present Law Adjustments				
PL - 5104 - OTBD Administrative Costs Adjustments	0	124,160	0	121,818
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$124,160</i>	<i>\$0</i>	<i>\$121,818</i>
New Proposals				
NP - 5110 - Primary Sector Business Training - (Restricted/OTO)	600,000	600,000	600,000	600,000
NP - 5120 - Indian Country Economic Development - (Restricted/OTO)	800,000	800,000	800,000	800,000
NP - 5130 - Native Language Preservation - (Restricted/Biennial/OTO)	400,000	400,000	400,000	400,000
NP - 555 - Appropriation Rebase	(136,961)	(314,221)	(136,961)	(314,221)
<i>Total New Proposals</i>	<i>\$1,663,039</i>	<i>\$1,485,779</i>	<i>\$1,663,039</i>	<i>\$1,485,779</i>
Total Budget Adjustments	\$1,565,970	\$1,414,422	\$1,565,889	\$1,370,451

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$97,079)	(\$231,885)
FY 2019	(\$94,123)	(\$228,928)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$231,885 in FY 2018 and \$228,928 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings. The FY 2017 IBARS budget starting point includes 2.00 FTE allocated to the Primary Business Sector training program in the Department of Commerce. Consensus between the Executive and the LFD in April of 2016 was not reached on making the aforementioned FTE permanent.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$288)	\$36,114
FY 2019	(\$3,537)	(\$8,684)

SWPL - 2 - Fixed Costs -

The request includes an increase of \$36,114 in FY 2018 and a reduction of \$8,684 in FY 2019 to adjust funding for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$298	\$254
FY 2019	\$510	\$466

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$254 in FY 2018 and \$466 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, gasoline, in-state motor pool, and other expenses.

Department of Commerce - 65010

Office of Tourism & Business Development - 51

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$124,160
FY 2019	\$0	\$121,818

PL - 5104 - OTBD Administrative Costs Adjustments -

This decision package adjusts the 2019 biennium appropriation request to match the amount of anticipated private funds to be received. This request also adjusts for per diem and other board expenses for the Microbusiness Finance program and support services paid to the Director's Office.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$600,000	\$600,000
FY 2019	\$600,000	\$600,000

NP - 5110 - Primary Sector Business Training - (Restricted/OTO) -

The Primary Sector Workforce Training Grant program is a state-funded program that provides grant funds to primary sector businesses for training Montanans in newly created full-time and part-time jobs. The program has historically been funded in HB 2 with general fund as an OTO item. This request provides \$600,000 general fund each year of the biennium for these grants.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$800,000	\$800,000
FY 2019	\$800,000	\$800,000

NP - 5120 - Indian Country Economic Development - (Restricted/OTO) -

The Indian Country Economic Development program develops and promotes sustainable economies for Native Americans by providing technical assistance and financial resources to existing tribal businesses to help them expand operations and facilities, training and employing new workers, assisting in the development of tribal businesses, creating new job opportunities, enhancing the overall economies of Montana's reservations, delivering business skills training to the growing number of Native American entrepreneurs, and helping native businesses access capital. Over the long term, the projects funded will allow the tribal governments to provide more employment opportunities and greater wages to their citizens. This change package provides \$800,000 general fund each year of the biennium to continue this funding.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$400,000	\$400,000
FY 2019	\$400,000	\$400,000

NP - 5130 - Native Language Preservation - (Restricted/Biennial/OTO) -

This request includes funding for the documentation and preservation of the Native American languages of the various tribes in Montana. Speakers fluent in the Native American languages will be recorded, and written materials will be developed, to allow younger generations of the various tribes, as well as others, to develop language skills for the various Native American languages. The request is for \$400,000 from the general fund as a restricted, biennial, and one-time-only appropriation to continue funding for this program.

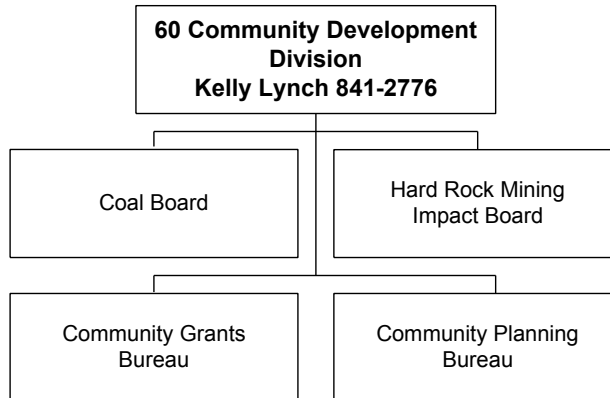
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$136,961)	(\$314,221)
FY 2019	(\$136,961)	(\$314,221)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes an Office of Tourism and Business Development Appropriation Rebase totaling \$314,221 for each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Commerce - 65010

Community Development Division - 60



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

- Community Development Block Grant Program (CDBG);
- Community Technical Assistance Program (CTAP);
- HOME Investment Partnerships Program (HOME);
- Montana Main Street Program;
- Quality Schools Grant Program; and
- Treasure State Endowment Program (TSEP).

Two citizen boards, appointed by the Governor, are attached to CDD for administrative purposes. The division provides office facilities, staff, and administrative support for:

- Montana Coal Board; and
- Montana Hard Rock Mining Impact Board.

Program Proposed Budget	Starting Point	Budget Adjustments	Total	Budget Adjustments	Total	Executive
Budget Item	Fiscal 2017	Fiscal 2018	Exec. Budget Fiscal 2018	Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	26.46	0.00	26.46	0.00	26.46	
Personal Services	2,145,411	(66,938)	2,078,473	(63,542)	2,081,869	4,160,342
Operating Expenses	1,925,864	2,466	1,928,330	(6,395)	1,919,469	3,847,799
Grants	17,012,567	(517,310)	16,495,257	(509,778)	16,502,789	32,998,046
Total Costs	\$21,083,842	(\$581,782)	\$20,502,060	(\$579,715)	\$20,504,127	\$41,006,187
General Fund	886,891	(41,563)	845,328	(44,221)	842,670	1,687,998
State/Other Special	3,993,948	(798,224)	3,195,724	(788,011)	3,205,937	6,401,661
Federal Spec. Rev. Funds	16,203,003	258,005	16,461,008	252,517	16,455,520	32,916,528
Total Funds	\$21,083,842	(\$581,782)	\$20,502,060	(\$579,715)	\$20,504,127	\$41,006,187

Department of Commerce - 65010

Community Development Division - 60

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(18,046)	(69,164)	(17,619)	(65,768)
SWPL - 2 - Fixed Costs	6,494	3,270	3,317	(9,566)
SWPL - 3 - Inflation Deflation	155	269	247	475
<i>Total Statewide Present Law Adjustments</i>	<i>(\$11,397)</i>	<i>(\$65,625)</i>	<i>(\$14,055)</i>	<i>(\$74,859)</i>
Present Law Adjustments				
PL - 6002 - CDD Administrative Costs Adjustments	0	(769,612)	0	(758,311)
PL - 6003 - CDD Federal Grants Adjustments	0	283,621	0	283,621
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$485,991)</i>	<i>\$0</i>	<i>(\$474,690)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(30,166)	(30,166)	(30,166)	(30,166)
<i>Total New Proposals</i>	<i>(\$30,166)</i>	<i>(\$30,166)</i>	<i>(\$30,166)</i>	<i>(\$30,166)</i>
Total Budget Adjustments	(\$41,563)	(\$581,782)	(\$44,221)	(\$579,715)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$18,046)	(\$69,164)
FY 2019	(\$17,619)	(\$65,768)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$69,164 in FY 2018 and \$65,768 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$6,494	\$3,270
FY 2019	\$3,317	(\$9,566)

SWPL - 2 - Fixed Costs -

The request includes an increase of \$3,270 in FY 2018 and a reduction of \$9,566 in FY 2019 to adjust funding for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$155	\$269
FY 2019	\$247	\$475

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$269 in FY 2018 and \$475 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, gasoline, in-state motore pool, and other expenses.

Department of Commerce - 65010

Community Development Division - 60

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$769,612)
FY 2019	\$0	(\$758,311)

PL - 6002 - CDD Administrative Costs Adjustments -

This adjustment includes per diem for the Hard Rock Mining Impact Board and the Coal Board and the maintenance of a reserve account that is set forth in statute for the Hard Rock Mining Impact Board. Additional costs of this decision package include computer equipment and support services, as well as an adjustment for Coal Board grants due to a statutory change in the revenues to the Coal Board state special revenue account.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$283,621
FY 2019	\$0	\$283,621

PL - 6003 - CDD Federal Grants Adjustments -

This decision package adjusts normal ongoing federal appropriations for grants received by the Community Development Division to match available federal funds for the 2019 biennium.

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

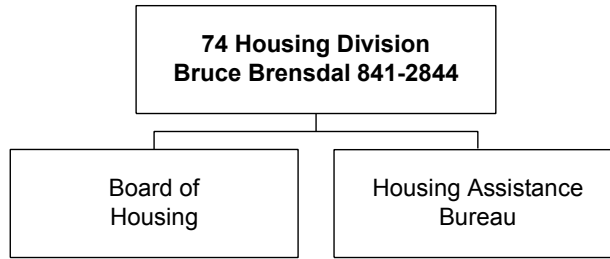
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$30,166)	(\$30,166)
FY 2019	(\$30,166)	(\$30,166)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes a Community Development Division Appropriation Rebase totaling \$30,166 for each fiscal year, which was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Commerce - 65010

Housing Division - 74



Program Description - The Housing Division includes the Housing and Urban Development (HUD) Section 8 Housing programs and the Board of Housing and its programs.

The Montana Housing Act of 1975 created the Montana Board of Housing. The board is an agency of the state and operates within the Department of Commerce for administrative purposes. The powers of the board are vested in a seven member board, appointed by the Governor, subject to the confirmation of the State Senate. The board provides policy direction to the agency staff, authorizes bond issues, approves development financing, and evaluates Board of Housing Programs. These programs include the Regular Bond Homeownership Program, Special Set-Aside Homeownership Program, Multifamily Loan Programs, Low Income Housing Tax Credit Program, Housing Montana Fund, and the Reverse Annuity Mortgage (RAM) Program.

The Board of Housing is funded by five enterprise funds, with revenues derived from an administrative charge applied to the projects and mortgages financed. Under the Montana Housing Act of 1975, the board does not receive any general fund and is completely self-supporting.

The Housing Assistance Bureau consists of three programs: Housing and Urban Development (HUD) Project Based Section 8 Housing Contract Administration Program; the HUD Tenant Based Section 8 Housing Choice Vouchers; and Moderate Rehabilitation programs Contract Administration.

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	0.00	0.00	0.00	0.00	0.00	
Personal Services	0	0	0	1,346	1,346	1,346
Operating Expenses	875,141	(800,141)	75,000	(801,487)	73,654	148,654
Grants	92,174	(92,174)	0	(92,174)	0	0
Benefits & Claims	358,921	0	358,921	0	358,921	717,842
Total Costs	\$1,326,236	(\$892,315)	\$433,921	(\$892,315)	\$433,921	\$867,842
State/Other Special	150,000	(75,000)	75,000	(75,000)	75,000	150,000
Federal Spec. Rev. Funds	1,176,236	(817,315)	358,921	(817,315)	358,921	717,842
Total Funds	\$1,326,236	(\$892,315)	\$433,921	(\$892,315)	\$433,921	\$867,842

Department of Commerce - 65010

Housing Division - 74

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
	Statewide Present Law Adjustments			
SWPL - 1 - Personal Services	0	1,346	0	1,346
SWPL - 2 - Fixed Costs	0	(11,477)	0	(11,477)
SWPL - 3 - Inflation Deflation	0	13	0	40
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$10,118)</i>	<i>\$0</i>	<i>(\$10,091)</i>
Present Law Adjustments				
PL - 7404 - HD Administrative Costs Adjustments	0	(882,197)	0	(882,224)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$882,197)</i>	<i>\$0</i>	<i>(\$882,224)</i>
Total Budget Adjustments	\$0	(\$892,315)	\$0	(\$892,315)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$1,346
FY 2019	\$0	\$1,346

SWPL - 1 - Personal Services -

The budget includes funding in FY 2018 and FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$11,477)
FY 2019	\$0	(\$11,477)

SWPL - 2 - Fixed Costs -

The request includes funding for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$13
FY 2019	\$0	\$40

SWPL - 3 - Inflation Deflation -

This change package includes funding in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage, in-state motor pool, and other expenses.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$882,197)
FY 2019	\$0	(\$882,224)

PL - 7404 - HD Administrative Costs Adjustments -

This decision package includes \$50,000 in each year of the 2019 biennium in state special revenue to record revolving loans in the Mobile Home Revolving Loan Fund on the state's accounting system and adjusts normal ongoing federal appropriations for grants received by the Housing Division's Shelter Care Plus, HUD Comprehensive Counseling, Emergency Homeowner Loan, and Foreclosure Mitigation programs to match available funds for the 2019 biennium.

Department of Commerce - 65010

Board of Horse Racing - 78

78 Board of Horse Racing
Tom Tucker 961-5422

Program Description - The Board of Horse Racing program is responsible for:

1. Regulating the live, simulcast and advance deposit wagering horse racing industry;
2. Ensuring compliance by approximately 1,200 licensees with state laws and board rules;
3. Licensing all racing personnel, establishing race dates for various communities, and establishing veterinary practices and standards in connection with horse racing meets;
4. Auditing, supervising, and conducting investigations related to the pari-mutuel racing system in Montana.

The program work is mandated in Title 2, Chapter 15, and Title 23, Chapter 4, MCA.

The Board of Horse Racing is funded with state special revenue derived from a 1% tax on gross receipts from pari-mutuel betting. For live racing and simulcast facilities, the tax is the greater of 1% of gross betting receipts or the actual cost to the board for regulating the meet.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	1.25	0.00	1.25	0.00	1.25	
Personal Services	36,793	(18,951)	17,842	(18,952)	17,841	35,683
Operating Expenses	148,835	32,496	181,331	32,496	181,331	362,662
Total Costs	\$185,628	\$13,545	\$199,173	\$13,544	\$199,172	\$398,345
State/Other Special	185,628	13,545	199,173	13,544	199,172	398,345
Total Funds	\$185,628	\$13,545	\$199,173	\$13,544	\$199,172	\$398,345

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	79,171	0	79,244
SWPL - 3 - Inflation Deflation	0	(4)	0	(4)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$79,167</i>	<i>\$0</i>	<i>\$79,240</i>
Present Law Adjustments				
PL - 7801 - BOHR Administrative Costs Adjustments	0	(65,622)	0	(65,696)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$65,622)</i>	<i>\$0</i>	<i>(\$65,696)</i>
Total Budget Adjustments	\$0	\$13,545	\$0	\$13,544

Department of Commerce - 65010

Board of Horse Racing - 78

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$79,171
FY 2019	\$0	\$79,244

SWPL - 1 - Personal Services -

The budget includes an increase of \$79,171 in FY 2018 and \$79,244 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and to fund increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$4)
FY 2019	\$0	(\$4)

SWPL - 3 - Inflation Deflation -

This change package includes a decrease of \$4 in FY 2018 and FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include postage.

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

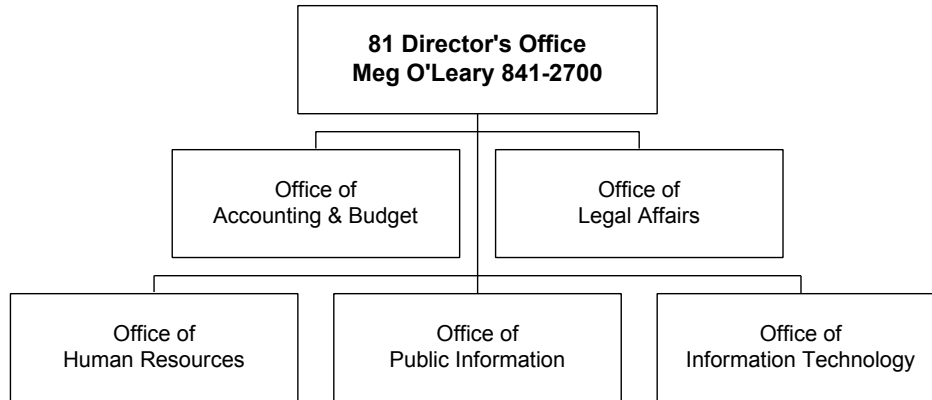
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$65,622)
FY 2019	\$0	(\$65,696)

PL - 7801 - BOHR Administrative Costs Adjustments -

This change package reduces the Board of Horse Racing's 2019 biennium personal services budget, by \$65,622 for FY 2018 and \$65,696 for FY 2019, to what is currently estimated to be needed.

Department of Commerce - 65010

Directors Office - 81



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

The Montana Council on Developmental Disabilities (MCDD), which is administratively attached to the department, is a citizen based advocacy group. Its members, appointed by the Governor, work to provide increased independence, integration and productivity for persons with developmental disabilities.

Program Proposed Budget							
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium	
Grants	550,000	(50,000)	500,000	(50,000)	500,000	1,000,000	
Total Costs	\$550,000	(\$50,000)	\$500,000	(\$50,000)	\$500,000	\$1,000,000	
Federal Spec. Rev. Funds	550,000	(50,000)	500,000	(50,000)	500,000	1,000,000	

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Present Law Adjustments				
PL - 8101 - DO Federal Grants Adjustments	0	(50,000)	0	(50,000)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$50,000)</i>	<i>\$0</i>	<i>(\$50,000)</i>
Total Budget Adjustments	\$0	(\$50,000)	\$0	(\$50,000)

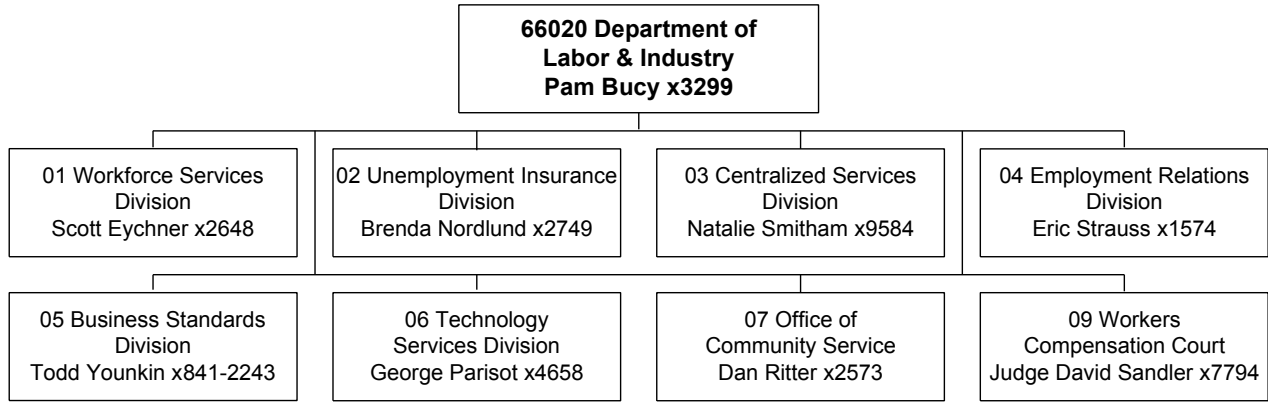
-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$50,000)
FY 2019	\$0	(\$50,000)

PL - 8101 - DO Federal Grants Adjustments -

This decision package adjusts normal ongoing federal appropriations for grants received by the Director's Office to match estimated available federal funds for the 2019 biennium for the Montana Council on Developmental Disabilities.

Department of Labor and Industry - 66020



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

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

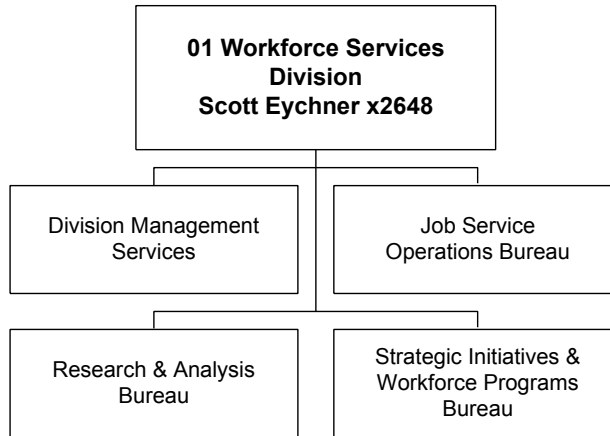
Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
Budget Item			
FTE	692.06	692.06	
Personal Services	47,475,532	47,621,182	95,096,714
Operating Expenses	26,858,172	26,914,425	53,772,597
Equipment & Intangible Assets	377,099	309,524	686,623
Grants	8,767,792	8,767,792	17,535,584
Benefits & Claims	100,389	100,389	200,778
Transfers	311,983	311,983	623,966
Debt Service	247,729	247,729	495,458
Total Costs	\$84,138,696	\$84,273,024	\$168,411,720
General Fund	1,821,042	1,824,137	3,645,179
State/Other Special	49,251,497	49,611,357	98,862,854
Federal Spec. Rev. Funds	33,066,157	32,837,530	65,903,687
Total Funds	\$84,138,696	\$84,273,024	\$168,411,720

Department of Labor and Industry - 66020

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Workforce Services Division	0	60,433,697	0	60,108,684	0	(325,013)	0.00 %	(0.54)%
02 - Unemployment Insurance Division	0	32,794,887	0	31,904,083	0	(890,804)	0.00 %	(2.72)%
03 - Commissioner's Office	595,770	2,351,768	582,041	2,253,542	(13,729)	(98,226)	(2.30)%	(4.18)%
04 - Employment Relations Division	2,914,907	28,425,637	2,767,539	28,360,507	(147,368)	(65,130)	(5.06)%	(0.23)%
05 - Business Standards Division	0	38,128,362	0	36,544,483	0	(1,583,879)	0.00 %	(4.15)%
07 - Office of Community Services	305,366	6,740,348	295,599	7,715,788	(9,767)	975,440	(3.20)%	14.47 %
09 - Workers Compensation Court	0	1,510,120	0	1,524,633	0	14,513	0.00 %	0.96 %
Agency Total	\$3,816,043	\$170,384,819	\$3,645,179	\$168,411,720	(\$170,864)	(\$1,973,099)	(4.48)%	(1.16)%

Department of Labor and Industry - 66020

Workforce Services Division - 01



Program Description - The Workforce Services Division (WSD) is a gateway to government services that include retraining and reemployment services for laid-off workers and employment and training services for people transitioning from welfare to work, as well as for youth, veterans, seasonal/migrant farm workers, and general job seekers. WSD operates through four bureaus. The Job Service Operations Bureau coordinates and guides the delivery of workforce development services to communities through a network of 24 Job Service Centers across the state. The Strategic Initiatives and Workforce Programs Bureau performs oversight, regulatory, registration, and support functions statewide for both state and federal programs such as the State Displaced Homemaker Program, Workforce Innovation and Opportunity Act (WIOA), Apprenticeship & Training, and Jobs for Montana Graduates. The Research and Analysis Bureau works in partnership with the US Department of Labor to provide labor market information that is used at the national and state level by businesses, policy makers, and educators. The bureau also provides k-adult career resources for use by educators, students, workforce development agencies, and job seekers. The Division Management Services Bureau provides support functions for the entire division including fiscal, federal reporting, and policy services. Also housed within WSD are the Incumbent Worker Training Program and State Workforce Innovation Board (SWIB).

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	267.00	0.00	267.00	0.00	267.00	
Personal Services	17,797,512	(177,996)	17,619,516	(126,046)	17,671,466	35,290,982
Operating Expenses	6,367,207	128,202	6,495,409	132,328	6,499,535	12,994,944
Equipment & Intangible Assets	12,908	0	12,908	0	12,908	25,816
Grants	5,697,770	0	5,697,770	0	5,697,770	11,395,540
Transfers	45,114	0	45,114	0	45,114	90,228
Debt Service	155,587	0	155,587	0	155,587	311,174
Total Costs	\$30,076,098	(\$49,794)	\$30,026,304	\$6,282	\$30,082,380	\$60,108,684
State/Other Special	11,809,335	634,849	12,444,184	855,001	12,664,336	25,108,520
Federal Spec. Rev. Funds	18,266,763	(684,643)	17,582,120	(848,719)	17,418,044	35,000,164
Total Funds	\$30,076,098	(\$49,794)	\$30,026,304	\$6,282	\$30,082,380	\$60,108,684

Department of Labor and Industry - 66020

Workforce Services Division - 01

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
	Statewide Present Law Adjustments			
SWPL - 1 - Personal Services	0	(398,414)	0	(346,464)
SWPL - 2 - Fixed Costs	0	(73,223)	0	(75,037)
SWPL - 3 - Inflation Deflation	0	2,829	0	8,769
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$468,808)</i>	<i>\$0</i>	<i>(\$412,732)</i>
New Proposals				
NP - 1001 - WSD Fund Switch	0	0	0	0
NP - 1002 - WSD Workforce Development Partnership	0	111,744	0	111,744
NP - 1003 - WSD Jobs for Montana Graduates	0	222,270	0	222,270
NP - 1004 - WSD MT Career Information System (MCIS)	0	85,000	0	85,000
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$419,014</i>	<i>\$0</i>	<i>\$419,014</i>
Total Budget Adjustments	\$0	(\$49,794)	\$0	\$6,282

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$398,414)
FY 2019	\$0	(\$346,464)

SWPL - 1 - Personal Services -

The budget includes reductions of \$398,414 in FY 2018 and \$346,464 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$73,223)
FY 2019	\$0	(\$75,037)

SWPL - 2 - Fixed Costs -

The request includes reduction of \$73,223 in FY 2018 and \$75,037 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$2,829
FY 2019	\$0	\$8,769

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,829 in FY 2018 and \$8,769 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Labor and Industry - 66020

Workforce Services Division - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$0
FY 2019	\$0	\$0

NP - 1001 - WSD Fund Switch -

The request includes a fund switch of \$175,166 in FY 2018 and \$391,612 in FY 2019 between state special revenue and federal special revenue funding sources.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$111,744
FY 2019	\$0	\$111,744

NP - 1002 - WSD Workforce Development Partnership -

The Workforce Services Division is requesting state special revenue funding of \$111,744 in FY 2019 to fund the department's portion of the costs for the director of the Industry Driven Workforce Development Partnerships position. Costs for this position are shared with the Office of the Commissioner of Higher Education. The department currently pays their portion of the cost of this employee with grant funding that will expire in FY 2018.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$222,270
FY 2019	\$0	\$222,270

NP - 1003 - WSD Jobs for Montana Graduates -

The Workforce Services Division is requesting additional state special revenue to continue operating the Jobs for Montana Graduates program in certain tribal schools. The federal grant currently used is no longer available.

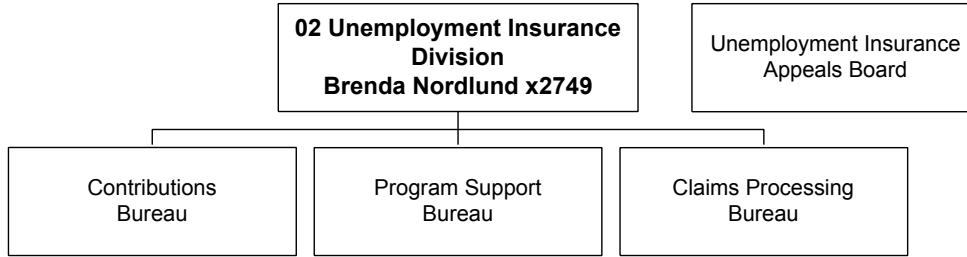
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$85,000
FY 2019	\$0	\$85,000

NP - 1004 - WSD MT Career Information System (MCIS) -

The Montana Career Information System (MCIS) is a comprehensive career information delivery system that is accessible online and currently available at no cost to all Montanans through grant funding that will be ending in FY 2017. The Workforce Services Division charges a fee for optional components used by other organizations. The division is requesting additional state special revenue spending authority in order to continue providing the basic service free of cost.

Department of Labor and Industry - 66020

Unemployment Insurance Division - 02



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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	147.62	0.00	147.62	0.00	147.62	
Personal Services	10,135,817	(729,417)	9,406,400	(699,676)	9,436,141	18,842,541
Operating Expenses	6,575,848	(95,904)	6,479,944	(54,060)	6,521,788	13,001,732
Debt Service	29,905	0	29,905	0	29,905	59,810
Total Costs	\$16,741,570	(\$825,321)	\$15,916,249	(\$753,736)	\$15,987,834	\$31,904,083
State/Other Special	5,381,281	148,942	5,530,223	291,525	5,672,806	11,203,029
Federal Spec. Rev. Funds	11,360,289	(974,263)	10,386,026	(1,045,261)	10,315,028	20,701,054
Total Funds	\$16,741,570	(\$825,321)	\$15,916,249	(\$753,736)	\$15,987,834	\$31,904,083

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(779,417)	0	(749,676)
SWPL - 2 - Fixed Costs	0	(117,064)	0	(125,983)
SWPL - 3 - Inflation Deflation	0	(28,840)	0	(28,077)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$925,321)</i>	<i>\$0</i>	<i>(\$903,736)</i>
Present Law Adjustments				
PL - 2002 - UID Contract Accelerator	0	50,000	0	100,000
PL - 2003 - UID Overtime (RST)	0	50,000	0	50,000
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$100,000</i>	<i>\$0</i>	<i>\$150,000</i>
New Proposals				
NP - 2004 - UID Fund Switch	0	0	0	0
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Total Budget Adjustments	\$0	(\$825,321)	\$0	(\$753,736)

Department of Labor and Industry - 66020

Unemployment Insurance Division - 02

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$779,417)
FY 2019	\$0	(\$749,676)

SWPL - 1 - Personal Services -

The budget includes reductions of \$779,417 in FY 2018 and \$749,676 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$117,064)
FY 2019	\$0	(\$125,983)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$117,064 in FY 2018 and \$125,983 in FY 2019 to provide the funding required in the budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$28,840)
FY 2019	\$0	(\$28,077)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$28,840 in FY 2018 and \$28,077 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$50,000
FY 2019	\$0	\$100,000

PL - 2002 - UID Contract Accelerator -

This request is for an incremental contract adjustment for Unemployment Insurance (UI) Division's STAARS system. It reflects an increase of \$50,000 in FY 2018 and \$100,000 in FY 2019 from state special revenue funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$50,000
FY 2019	\$0	\$50,000

PL - 2003 - UID Overtime (RST) -

The Unemployment Insurance Division (UI) is requesting a base adjustment for overtime. UI has a higher workload in winter months, and overtime is used instead of hiring additional staff for peak workload times. The overtime request is for \$50,000 per year.

Department of Labor and Industry - 66020

Unemployment Insurance Division - 02

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

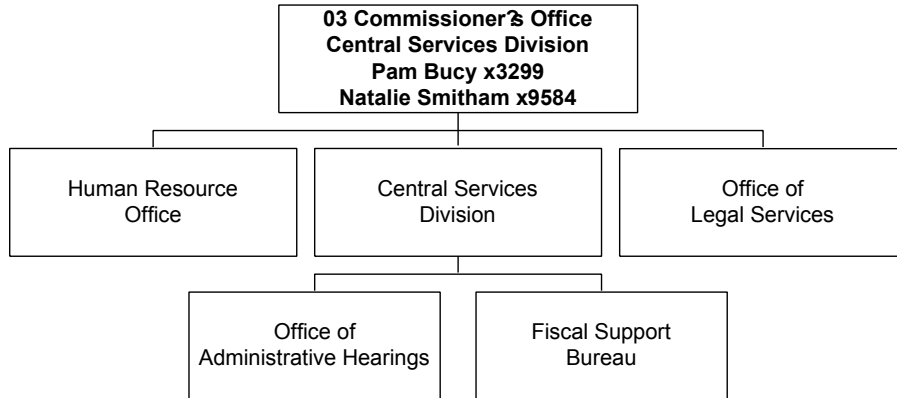
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$0
FY 2019	\$0	\$0

NP - 2004 - UID Fund Switch -

The request includes a fund switch of \$340,000 in FY 2018 and \$431,000 in FY 2019 between state special revenue and federal special revenue funding sources.

Department of Labor and Industry - 66020

Commissioner's Office - 03



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

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	10.50	0.00	10.50	0.00	10.50	
Personal Services	905,052	(103,374)	801,678	(102,198)	802,854	1,604,532
Operating Expenses	332,949	(10,041)	322,908	(9,235)	323,714	646,622
Transfers	0	0	0	0	0	0
Debt Service	1,194	0	1,194	0	1,194	2,388
Total Costs	\$1,239,195	(\$113,415)	\$1,125,780	(\$111,433)	\$1,127,762	\$2,253,542
General Fund	312,441	(21,504)	290,937	(21,337)	291,104	582,041
State/Other Special	394,916	(35,535)	359,381	(35,340)	359,576	718,957
Federal Spec. Rev. Funds	531,838	(56,376)	475,462	(54,756)	477,082	952,544
Total Funds	\$1,239,195	(\$113,415)	\$1,125,780	(\$111,433)	\$1,127,762	\$2,253,542

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(7,187)	(96,291)	(7,199)	(95,115)
SWPL - 2 - Fixed Costs	(95)	(2,117)	78	(1,358)
SWPL - 3 - Inflation Deflation	(56)	(841)	(50)	(794)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$7,338)</i>	<i>(\$99,249)</i>	<i>(\$7,171)</i>	<i>(\$97,267)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(14,166)	(14,166)	(14,166)	(14,166)
<i>Total New Proposals</i>	<i>(\$14,166)</i>	<i>(\$14,166)</i>	<i>(\$14,166)</i>	<i>(\$14,166)</i>
Total Budget Adjustments	(\$21,504)	(\$113,415)	(\$21,337)	(\$111,433)

Department of Labor and Industry - 66020

Commissioner's Office - 03

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$7,187)	(\$96,291)
FY 2019	(\$7,199)	(\$95,115)

SWPL - 1 - Personal Services -

The budget includes adjustments to annualize various personal services costs include FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$95)	(\$2,117)
FY 2019	\$78	(\$1,358)

SWPL - 2 - Fixed Costs -

The request includes funding to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$56)	(\$841)
FY 2019	(\$50)	(\$794)

SWPL - 3 - Inflation Deflation -

This change package includes funding to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

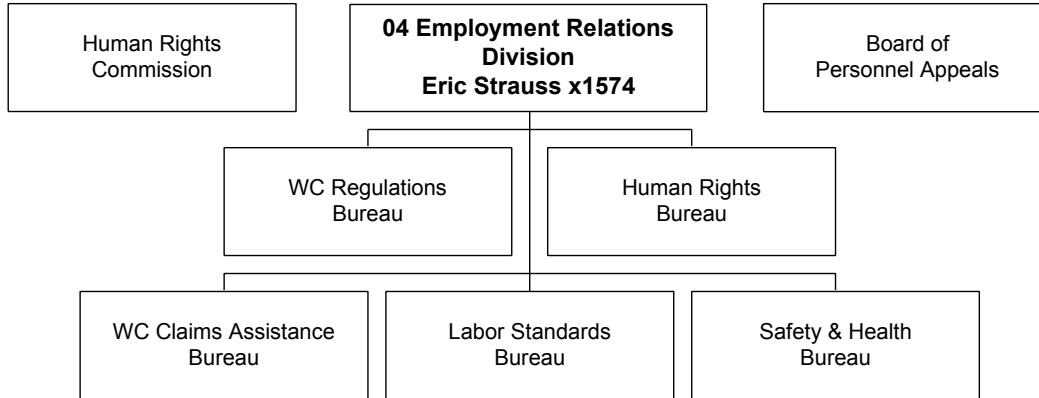
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$14,166)	(\$14,166)
FY 2019	(\$14,166)	(\$14,166)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes the Office of Administrative Hearings Appropriation Rebase totaling \$14,166 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Labor and Industry - 66020

Employment Relations Division - 04



Program Description - The Employment Relations Division (ERD) provides five service areas to the public:

- 1) Workers' Compensation (WC) Regulation Bureau, regulates WC insurance coverage requirements, policy compliance, contractor registration, and independent contractor exemptions/registration, Professional Employer Organization (PEO) license, Managed Care Organization (MCO) license, Uninsured Employers, Subsequent Injury Fund (SIF) applications and management of Extra Territorial agreements;
- 2) WC Claims Assistance Bureau, which assists organizations and individuals to arrive at early, less expensive settlements of their disputes, and provides management information on the workers' compensation system;
- 3) Labor Standards Bureau (and administratively attached Board of Personnel Appeals), which enforces state and federal labor laws related to the payment of wages and administers the Collective Bargaining Act for Public Employees;
- 4) Safety and Health Bureau, which administers federal and state industrial safety laws and works with businesses, mines and public entities to improve their safety through training and consultation services; and
- 5) Human Rights Bureau, which informally investigates complaints of discrimination, facilitates voluntary resolution, and educates Montanans on their rights and responsibilities under both state and federal anti-discrimination laws.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	117.06	0.00	117.06	0.00	117.06	
Personal Services	9,439,208	(518,483)	8,920,725	(494,455)	8,944,753	17,865,478
Operating Expenses	5,123,253	(5,986)	5,117,267	(2,329)	5,120,924	10,238,191
Equipment & Intangible Assets	10,941	0	10,941	0	10,941	21,882
Benefits & Claims	100,389	0	100,389	0	100,389	200,778
Debt Service	17,089	0	17,089	0	17,089	34,178
Total Costs	\$14,690,880	(\$524,469)	\$14,166,411	(\$496,784)	\$14,194,096	\$28,360,507
General Fund	1,473,343	(90,812)	1,382,531	(88,335)	1,385,008	2,767,539
State/Other Special	12,271,641	(414,312)	11,857,329	(391,052)	11,880,589	23,737,918
Federal Spec. Rev. Funds	945,896	(19,345)	926,551	(17,397)	928,499	1,855,050
Total Funds	\$14,690,880	(\$524,469)	\$14,166,411	(\$496,784)	\$14,194,096	\$28,360,507

Department of Labor and Industry - 66020

Employment Relations Division - 04

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
	Statewide Present Law Adjustments			
SWPL - 1 - Personal Services	(18,556)	(451,783)	(16,171)	(427,755)
SWPL - 2 - Fixed Costs	46	(5,592)	30	(6,087)
SWPL - 3 - Inflation Deflation	(230)	4,978	(122)	9,130
<i>Total Statewide Present Law Adjustments</i>	<i>(\$18,740)</i>	<i>(\$452,397)</i>	<i>(\$16,263)</i>	<i>(\$424,712)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(72,072)	(72,072)	(72,072)	(72,072)
<i>Total New Proposals</i>	<i>(\$72,072)</i>	<i>(\$72,072)</i>	<i>(\$72,072)</i>	<i>(\$72,072)</i>
Total Budget Adjustments	(\$90,812)	(\$524,469)	(\$88,335)	(\$496,784)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$18,556)	(\$451,783)
FY 2019	(\$16,171)	(\$427,755)

SWPL - 1 - Personal Services -

The budget includes reductions of \$451,783 in FY 2018 and \$427,755 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$46	(\$5,592)
FY 2019	\$30	(\$6,087)

SWPL - 2 - Fixed Costs -

The request includes reductions of \$5,592 in FY 2018 and \$6,087 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$230)	\$4,978
FY 2019	(\$122)	\$9,130

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$4,978 in FY 2018 and \$9,130 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Labor and Industry - 66020

Employment Relations Division - 04

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

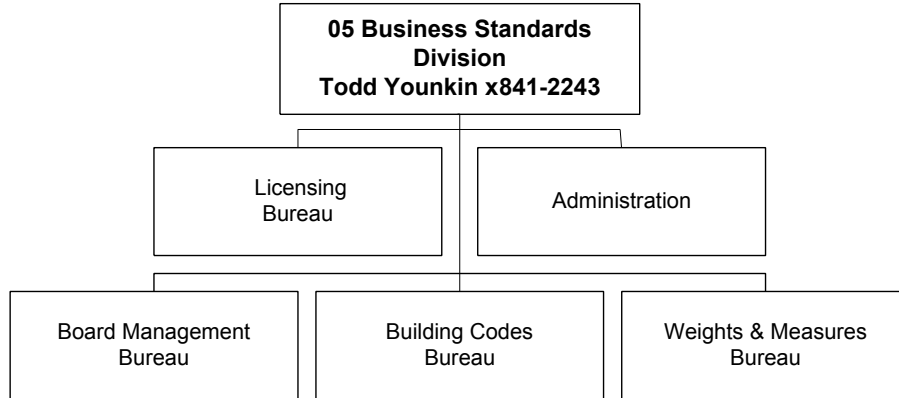
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$72,072)	(\$72,072)
FY 2019	(\$72,072)	(\$72,072)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes the Human Rights Bureau Appropriation Rebase totaling \$72,072 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Labor and Industry - 66020

Business Standards Division - 05



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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
FTE	139.88	(1.00)	138.88	(1.00)	138.88	
Personal Services	10,158,872	(381,248)	9,777,624	(349,087)	9,809,785	19,587,409
Operating Expenses	8,373,889	(298,013)	8,075,876	(292,728)	8,081,161	16,157,037
Equipment & Intangible Assets	288,725	64,525	353,250	(3,050)	285,675	638,925
Grants	5,000	0	5,000	0	5,000	10,000
Transfers	34,869	0	34,869	0	34,869	69,738
Debt Service	42,081	(1,394)	40,687	(1,394)	40,687	81,374
Total Costs	\$18,903,436	(\$616,130)	\$18,287,306	(\$646,259)	\$18,257,177	\$36,544,483
State/Other Special	18,903,053	(616,130)	18,286,923	(646,259)	18,256,794	36,543,717
Federal Spec. Rev. Funds	383	0	383	0	383	766
Total Funds	\$18,903,436	(\$616,130)	\$18,287,306	(\$646,259)	\$18,257,177	\$36,544,483

Department of Labor and Industry - 66020

Business Standards Division - 05

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
	Statewide Present Law Adjustments			
SWPL - 1 - Personal Services	0	(182,482)	0	(150,321)
SWPL - 2 - Fixed Costs	0	(11,784)	0	(12,499)
SWPL - 3 - Inflation Deflation	0	(61,867)	0	(45,867)
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$256,133)</i>	<i>\$0</i>	<i>(\$208,687)</i>
Present Law Adjustments				
PL - 5001 - BSD BCB Vehicles	0	64,525	0	(3,050)
PL - 5002 - BSD Contract Changes	0	62,860	0	52,860
PL - 5003 - Real Estate Appraiser Compliance (RST)	0	42,000	0	42,000
PL - 5004 - BSD Public Accountant Appropriation Reduction	0	(529,382)	0	(529,382)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$359,997)</i>	<i>\$0</i>	<i>(\$437,572)</i>
Total Budget Adjustments	\$0	(\$616,130)	\$0	(\$646,259)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$182,482)
FY 2019	\$0	(\$150,321)

SWPL - 1 - Personal Services -

The budget includes adjustments to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$11,784)
FY 2019	\$0	(\$12,499)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$11,784 in FY 2018 and \$12,499 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$61,867)
FY 2019	\$0	(\$45,867)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$61,867 in FY 2018 and \$45,867 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Labor and Industry - 66020

Business Standards Division - 05

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$64,525
FY 2019	\$0	(\$3,050)

PL - 5001 - BSD BCB Vehicles -

Business Standards Division's (BSD) Building Codes Bureau is requesting a base appropriation adjustment in order to replace high mileage, aged vehicles which are used by Building Codes, Crane, and Elevator Inspectors. The request will allow for replacement of 11 vehicles in FY 2018 and eight in FY 2019. The request is for an increase of \$64,525 in FY 2018 and a reduction of (\$3,050) in FY 2019.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$62,860
FY 2019	\$0	\$52,860

PL - 5002 - BSD Contract Changes -

The Licensing and Board Management Bureaus requests a general operating increase for anticipated changes to contracts for various programs.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$42,000
FY 2019	\$0	\$42,000

PL - 5003 - Real Estate Appraiser Compliance (RST) -

Business Standards Division is requesting \$42,000 in each year of the biennium to comply with a federal mandate that requires the Board of Real Estate Appraisers to collect fees for the National Registry. The board will then forward the fees to the federal agency responsible for oversight of the National Registry.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$529,382)
FY 2019	\$0	(\$529,382)

PL - 5004 - BSD Public Accountant Appropriation Reduction -

Business Standards Division is requesting a reduction of 1.00 FTE and related operating budget for the Board of Public Accountants. During the 2015 session, HB 560 created a statutorily appropriated enterprise fund for the board allowing authority to be removed from the state special revenue fund in HB 2. This reduction will eliminate the state special revenue fund in the 2019 biennium.

Department of Labor and Industry - 66020

Office of Community Services - 07

**07 Office of
Community Service
Dan Ritter x2573**

Program Description - The Office of Community Service (OCS) was created by the 1993 Legislature, at the request of the Governor, with the mission to renew the ethic of civic responsibility in the state, to engage citizens in service, and support volunteer opportunities focused on critical community needs. The OCS provides administration for the Corporation for National and Community Service' AmeriCorps state programs, creates opportunities for individuals to engage in their community, and recognizes the power of individuals who make a difference through service. OCS also administers the ReadyMontana initiative, a statewide effort to encourage individual disaster preparedness.

Program Proposed Budget	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium
Budget Item						
FTE	4.00	0.00	4.00	0.00	4.00	
Personal Services	311,588	29,512	341,100	32,413	344,001	685,101
Operating Expenses	176,339	40,816	217,155	41,245	217,584	434,739
Grants	2,654,519	410,503	3,065,022	410,503	3,065,022	6,130,044
Transfers	232,000	0	232,000	0	232,000	464,000
Debt Service	952	0	952	0	952	1,904
Total Costs	\$3,375,398	\$480,831	\$3,856,229	\$484,161	\$3,859,559	\$7,715,788
General Fund	154,992	(7,418)	147,574	(6,967)	148,025	295,599
State/Other Special	13,040	0	13,040	0	13,040	26,080
Federal Spec. Rev. Funds	3,207,366	488,249	3,695,615	491,128	3,698,494	7,394,109
Total Funds	\$3,375,398	\$480,831	\$3,856,229	\$484,161	\$3,859,559	\$7,715,788

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(11,175)	0	(8,274)
SWPL - 2 - Fixed Costs	56	(1,113)	476	(715)
SWPL - 3 - Inflation Deflation	45	45	76	76
<i>Total Statewide Present Law Adjustments</i>	<i>\$101</i>	<i>(\$12,243)</i>	<i>\$552</i>	<i>(\$8,913)</i>
Present Law Adjustments				
PL - 7001 - OCS Federal Appropriation	0	500,593	0	500,593
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$500,593</i>	<i>\$0</i>	<i>\$500,593</i>
New Proposals				
NP - 555 - Appropriation Rebase	(7,519)	(7,519)	(7,519)	(7,519)
<i>Total New Proposals</i>	<i>(\$7,519)</i>	<i>(\$7,519)</i>	<i>(\$7,519)</i>	<i>(\$7,519)</i>
Total Budget Adjustments	(\$7,418)	\$480,831	(\$6,967)	\$484,161

Department of Labor and Industry - 66020

Office of Community Services - 07

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$11,175)
FY 2019	\$0	(\$8,274)

SWPL - 1 - Personal Services -

The budget includes reductions of \$11,175 in FY 2018 and \$8,274 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$56	(\$1,113)
FY 2019	\$476	(\$715)

SWPL - 2 - Fixed Costs -

The request includes reductions of \$1,113 in FY 2018 and \$715 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$45	\$45
FY 2019	\$76	\$76

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$45 in FY 2018 and \$76 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$500,593
FY 2019	\$0	\$500,593

PL - 7001 - OCS Federal Appropriation -

The Office of Community Service is requesting \$500,593 in each year of the biennium for additional AmeriCorps federal grant funding. This request supports AmeriCorps program grants which provide funding opportunities for local communities in the areas of Environmental Stewardship, Education, Disaster Services, Economic Opportunity, Veterans & Military Families and American Indian Affairs.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$7,519)	(\$7,519)
FY 2019	(\$7,519)	(\$7,519)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes the Office of Community Services Appropriation Rebase totaling \$7,519 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Labor and Industry - 66020

Workers Compensation Court - 09

**09 Workers
Compensation Court
Judge David Sandler
x7794**

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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	7.00	0.00	7.00	0.00	7.00	
Personal Services	610,349	(1,860)	608,489	1,833	612,182	1,220,671
Operating Expenses	149,571	42	149,613	148	149,719	299,332
Debt Service	2,315	0	2,315	0	2,315	4,630
Total Costs	\$762,235	(\$1,818)	\$760,417	\$1,981	\$764,216	\$1,524,633
State/Other Special	762,235	(1,818)	760,417	1,981	764,216	1,524,633
Total Funds	\$762,235	(\$1,818)	\$760,417	\$1,981	\$764,216	\$1,524,633

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(1,860)	0	1,833
SWPL - 2 - Fixed Costs	0	(25)	0	(33)
SWPL - 3 - Inflation Deflation	0	67	0	181
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$1,818)</i>	<i>\$0</i>	<i>\$1,981</i>
Total Budget Adjustments	\$0	(\$1,818)	\$0	\$1,981

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$1,860)
FY 2019	\$0	\$1,833

SWPL - 1 - Personal Services -

The budget includes a reduction of \$1,860 in FY 2018 and an increase of \$1,833 in FY 2019 to annualize various personal services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$25)
FY 2019	\$0	(\$33)

SWPL - 2 - Fixed Costs -

The request includes a reduction of \$25 in FY 2018 and \$33 in FY 2019 to provide the funding required in the budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Department of Labor and Industry - 66020

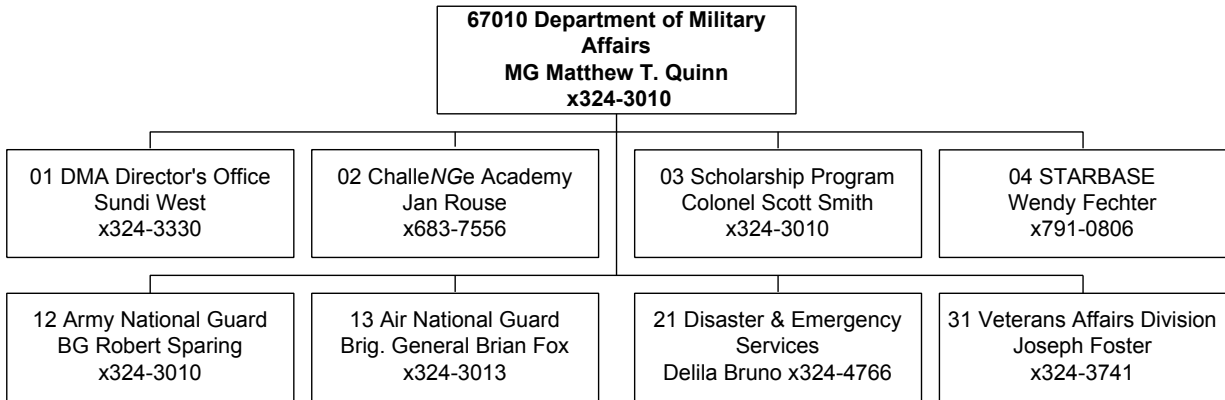
Workers Compensation Court - 09

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$67
FY 2019	\$0	\$181

SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$67 in FY 2018 and \$181 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Department of Military Affairs - 67010



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

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

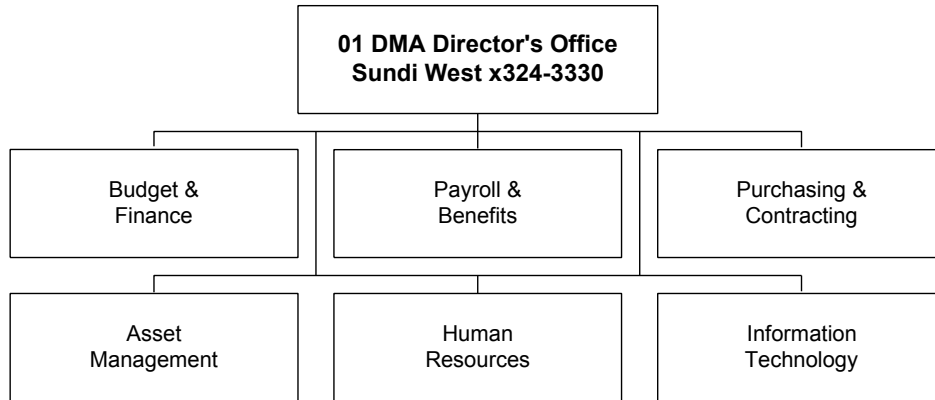
Statutory Authority - Article I, U.S. Constitution; Article VI, Section 13, Montana Constitution; Title 10, MCA

Agency Proposed Budget	Total Exec. Budget Fiscal 2018	Total Exec. Budget Fiscal 2019	Total Exec. Budget 2019 Biennium
FTE	204.21	204.21	
Personal Services	14,816,562	14,861,664	29,678,226
Operating Expenses	20,181,542	20,180,044	40,361,586
Equipment & Intangible Assets	150,536	150,536	301,072
Grants	11,672,953	11,672,953	23,345,906
Benefits & Claims	0	0	0
Transfers	2,609,514	2,609,514	5,219,028
Total Costs	\$49,431,107	\$49,474,711	\$98,905,818
General Fund	6,570,636	6,580,880	13,151,516
State/Other Special	864,949	867,173	1,732,122
Federal Spec. Rev. Funds	41,995,522	42,026,658	84,022,180
Total Funds	\$49,431,107	\$49,474,711	\$98,905,818

Agency Appropriated Biennium to Biennium Comparison								
Program	2017 Biennium Appropriated Budget		2019 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Director's Office	1,566,909	2,546,866	1,609,282	2,599,320	42,373	52,454	2.70 %	2.06 %
02 - Challenge Academy	2,122,809	8,414,346	2,242,620	8,890,185	119,811	475,839	5.64 %	5.66 %
03 - Scholarship Program	418,818	418,818	418,818	418,818	0	0	0.00 %	0.00 %
04 - Starbase	0	865,331	0	686,512	0	(178,819)	0.00 %	(20.66)%
12 - Army National Guard	3,374,031	37,785,740	3,244,504	37,278,755	(129,527)	(506,985)	(3.84)%	(1.34)%
13 - Air National Guard	868,639	10,594,096	735,039	10,547,533	(133,600)	(46,563)	(15.38)%	(0.44)%
21 - Disaster & Emergency Services	2,577,451	34,633,033	2,381,189	34,352,631	(196,262)	(280,402)	(7.61)%	(0.81)%
31 - Veterans Affairs Division	2,185,236	3,627,281	2,520,064	4,132,064	334,828	504,783	15.32 %	13.92 %
Agency Total	\$13,113,893	\$98,885,511	\$13,151,516	\$98,905,818	\$37,623	\$20,307	0.29 %	0.02 %

Department of Military Affairs - 67010

Director's Office - 01



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	12.76	0.00	12.76	0.00	12.76	
Personal Services	1,115,031	14,679	1,129,710	17,669	1,132,700	2,262,410
Operating Expenses	109,839	7,923	117,762	5,629	115,468	233,230
Benefits & Claims	0	0	0	0	0	0
Transfers	38,880	12,960	51,840	12,960	51,840	103,680
Total Costs	\$1,263,750	\$35,562	\$1,299,312	\$36,258	\$1,300,008	\$2,599,320
General Fund	770,391	34,092	804,483	34,408	804,799	1,609,282
Federal Spec. Rev. Funds	493,359	1,470	494,829	1,850	495,209	990,038
Total Funds	\$1,263,750	\$35,562	\$1,299,312	\$36,258	\$1,300,008	\$2,599,320

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	13,209	14,679	15,819	17,669
SWPL - 2 - Fixed Costs	8,008	8,008	5,709	5,709
SWPL - 3 - Inflation Deflation	(85)	(85)	(80)	(80)
<i>Total Statewide Present Law Adjustments</i>	<i>\$21,132</i>	<i>\$22,602</i>	<i>\$21,448</i>	<i>\$23,298</i>
New Proposals				
NP - 104 - EAP for MT Veterans	12,960	12,960	12,960	12,960
<i>Total New Proposals</i>	<i>\$12,960</i>	<i>\$12,960</i>	<i>\$12,960</i>	<i>\$12,960</i>
Total Budget Adjustments	\$34,092	\$35,562	\$34,408	\$36,258

Department of Military Affairs - 67010

Director's Office - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$13,209	\$14,679
FY 2019	\$15,819	\$17,669

SWPL - 1 - Personal Services -

The budget includes \$14,679 in FY 2018 and \$17,669 in FY 2017 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$8,008	\$8,008
FY 2019	\$5,709	\$5,709

SWPL - 2 - Fixed Costs -

This request includes an increase of \$8,008 in FY 2018 and an increase of \$5,709 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$85)	(\$85)
FY 2019	(\$80)	(\$80)

SWPL - 3 - Inflation Deflation -

This change packet includes a reduction of \$85 in FY 2018 and \$80 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

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

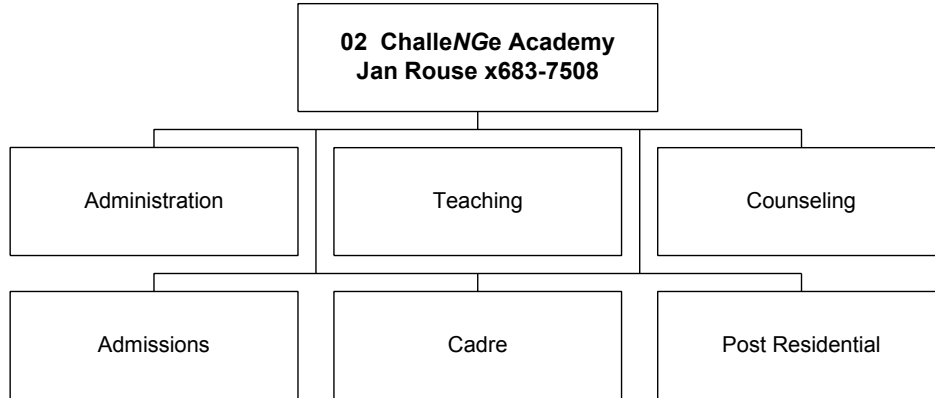
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$12,960	\$12,960
FY 2019	\$12,960	\$12,960

NP - 104 - EAP for MT Veterans -

This request provides state general fund support for the Department of Military Affairs Director's Office to extend the Employee Assistance Program to Montana veterans in order to address suicide rates among Montana veterans.

Department of Military Affairs - 67010

Challenge Academy - 02



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	53.15	0.00	53.15	0.00	53.15	
Personal Services	3,083,112	151,840	3,234,952	160,140	3,243,252	6,478,204
Operating Expenses	1,175,780	35,478	1,211,258	24,943	1,200,723	2,411,981
Total Costs	\$4,258,892	\$187,318	\$4,446,210	\$185,083	\$4,443,975	\$8,890,185
General Fund	1,074,760	46,829	1,121,589	46,271	1,121,031	2,242,620
Federal Spec. Rev. Funds	3,184,132	140,489	3,324,621	138,812	3,322,944	6,647,565
Total Funds	\$4,258,892	\$187,318	\$4,446,210	\$185,083	\$4,443,975	\$8,890,185

Program Proposed Budget Adjustments	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	37,960	151,840	40,035	160,140
SWPL - 2 - Fixed Costs	8,642	34,570	5,849	23,397
SWPL - 3 - Inflation Deflation	227	908	387	1,546
<i>Total Statewide Present Law Adjustments</i>	<i>\$46,829</i>	<i>\$187,318</i>	<i>\$46,271</i>	<i>\$185,083</i>
Total Budget Adjustments	\$46,829	\$187,318	\$46,271	\$185,083

Department of Military Affairs - 67010

Challenge Academy - 02

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$37,960	\$151,840
FY 2019	\$40,035	\$160,140

SWPL - 1 - Personal Services -

The budget includes \$151,840 in FY 2018 and \$160,140 in FY 2017 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$8,642	\$34,570
FY 2019	\$5,849	\$23,397

SWPL - 2 - Fixed Costs -

This request includes an increase of \$34,570 in FY 2018 and an increase of \$23,397 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget.

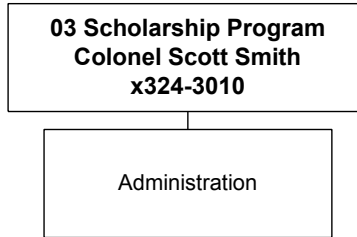
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$227	\$908
FY 2019	\$387	\$1,546

SWPL - 3 - Inflation Deflation -

This change packet includes an increase of \$908 in FY 2018 and \$1,546 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

Department of Military Affairs - 67010

Scholarship Program - 03

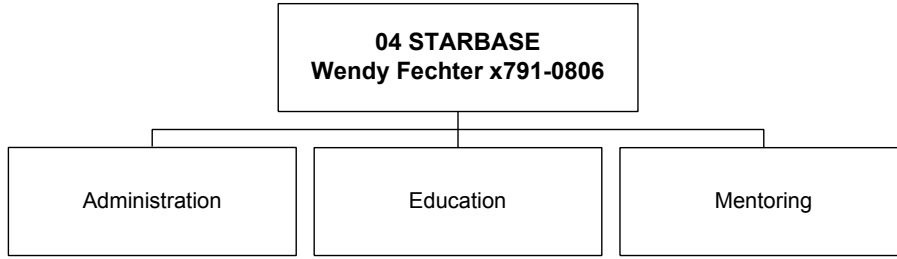


Program Description - The Montana National Guard Scholarship Program provides scholarships to eligible Montana National Guard personnel enrolled as undergraduate students in Montana colleges, universities, or training programs. The program assists Montana in recruiting and retaining personnel in both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

Program Proposed Budget							
Budget Item	Starting Point Fiscal 2017	Budget Adjustments Fiscal 2018	Total Exec. Budget Fiscal 2018	Budget Adjustments Fiscal 2019	Total Exec. Budget Fiscal 2019	Executive Budget Request 2019 Biennium	
Operating Expenses	209,409	0	209,409	0	209,409	418,818	418,818
Total Costs	\$209,409	\$0	\$209,409	\$0	\$209,409	\$418,818	\$418,818
General Fund	209,409	0	209,409	0	209,409	418,818	418,818
Total Funds	\$209,409	\$0	\$209,409	\$0	\$209,409	\$418,818	\$418,818

Department of Military Affairs - 67010

Starbase - 04



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2017	Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	2.00	0.00	2.00	0.00	2.00	
Personal Services	257,962	(92,048)	165,914	(91,065)	166,897	332,811
Operating Expenses	175,814	1,413	177,227	660	176,474	353,701
Total Costs	\$433,776	(\$90,635)	\$343,141	(\$90,405)	\$343,371	\$686,512
Federal Spec. Rev. Funds	433,776	(90,635)	343,141	(90,405)	343,371	686,512

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	0	(92,048)	0	(91,065)
SWPL - 2 - Fixed Costs	0	1,410	0	646
SWPL - 3 - Inflation Deflation	0	3	0	14
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$90,635)</i>	<i>\$0</i>	<i>(\$90,405)</i>
Total Budget Adjustments	\$0	(\$90,635)	\$0	(\$90,405)

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	(\$92,048)
FY 2019	\$0	(\$91,065)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$92,048 in FY 2018 and \$91,065 in FY 2017 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

Department of Military Affairs - 67010

Starbase - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$1,410
FY 2019	\$0	\$646

SWPL - 2 - Fixed Costs -

This request includes an increase of \$1,410 in FY 2018 and an increase of \$646 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$3
FY 2019	\$0	\$14

SWPL - 3 - Inflation Deflation -

This change packet includes an increase of \$3 in FY 2018 and \$14 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

Department of Military Affairs - 67010

Army National Guard - 12



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	43.30	2.00	45.30	2.00	45.30	
Personal Services	3,418,693	(46,093)	3,372,600	(35,942)	3,382,751	6,755,351
Operating Expenses	15,385,550	(309,406)	15,076,144	(289,362)	15,096,188	30,172,332
Equipment & Intangible Assets	150,536	0	150,536	0	150,536	301,072
Transfers	25,000	0	25,000	0	25,000	50,000
Total Costs	\$18,979,779	(\$355,499)	\$18,624,280	(\$325,304)	\$18,654,475	\$37,278,755
General Fund	1,731,062	(114,653)	1,616,409	(102,967)	1,628,095	3,244,504
State/Other Special	420	0	420	0	420	840
Federal Spec. Rev. Funds	17,248,297	(240,846)	17,007,451	(222,337)	17,025,960	34,033,411
Total Funds	\$18,979,779	(\$355,499)	\$18,624,280	(\$325,304)	\$18,654,475	\$37,278,755

Program Proposed Budget Adjustments	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(5,438)	(181,249)	(5,136)	(171,193)
SWPL - 2 - Fixed Costs	2,819	23,871	10,376	15,684
SWPL - 3 - Inflation Deflation	(30,566)	(173,576)	(26,739)	(145,288)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$33,185)</i>	<i>(\$330,954)</i>	<i>(\$21,499)</i>	<i>(\$300,797)</i>
New Proposals				
NP - 1201 - ARNG ESS Position	0	56,923	0	56,961
NP - 1202 - ARNG Antiterrorism Coordinator Position	0	0	0	0
NP - 555 - Appropriation Rebase	(81,468)	(81,468)	(81,468)	(81,468)
<i>Total New Proposals</i>	<i>(\$81,468)</i>	<i>(\$24,545)</i>	<i>(\$81,468)</i>	<i>(\$24,507)</i>
Total Budget Adjustments	(\$114,653)	(\$355,499)	(\$102,967)	(\$325,304)

Department of Military Affairs - 67010

Army National Guard - 12

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$5,438)	(\$181,249)
FY 2019	(\$5,136)	(\$171,193)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$181,249 in FY 2018 and \$171,193 in FY 2017 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$2,819	\$23,871
FY 2019	\$10,376	\$15,684

SWPL - 2 - Fixed Costs -

This request includes an increase of \$23,871 in FY 2018 and an increase of \$15,684 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$30,566)	(\$173,576)
FY 2019	(\$26,739)	(\$145,288)

SWPL - 3 - Inflation Deflation -

This change packet includes a reduction of \$173,576 in FY 2018 and \$145,288 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$56,923
FY 2019	\$0	\$56,961

NP - 1201 - ARNG ESS Position -

The 1.00 FTE requested for the Electronic Security Systems (ESS) position would provide backup to the current ESS manager and assist with the workload volume including newly acquired access control equipment, scheduled for installation throughout 2016 at various Army National Guard facilities across the state. This significant project, along with ESS maintenance, has created a large work load surpassing the capability of a single individual.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$0
FY 2019	\$0	\$0

NP - 1202 - ARNG Antiterrorism Coordinator Position -

The request for 1.00 FTE antiterrorism program coordinator position will serve as a liaison with state, federal, and military law enforcement and intelligence entities. This net-zero increase to the Army National Guard budget includes a reduction in contracted services.

Department of Military Affairs - 67010

Army National Guard - 12

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$81,468)	(\$81,468)
FY 2019	(\$81,468)	(\$81,468)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes the Army National Guard Appropriation Rebase totaling \$81,468 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Military Affairs - 67010

Air National Guard - 13



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	40.00	1.00	41.00	1.00	41.00	
Personal Services	3,352,399	(70,417)	3,281,982	(57,947)	3,294,452	6,576,434
Operating Expenses	1,989,876	(7,385)	1,982,491	(1,268)	1,988,608	3,971,099
Equipment & Intangible Assets	0	0	0	0	0	0
Total Costs	\$5,342,275	(\$77,802)	\$5,264,473	(\$59,215)	\$5,283,060	\$10,547,533
General Fund	433,155	(66,574)	366,581	(64,697)	368,458	735,039
Federal Spec. Rev. Funds	4,909,120	(11,228)	4,897,892	5,482	4,914,602	9,812,494
Total Funds	\$5,342,275	(\$77,802)	\$5,264,473	(\$59,215)	\$5,283,060	\$10,547,533

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(55,019)	(550,197)	(54,552)	(545,516)
SWPL - 2 - Fixed Costs	1,991	15,099	725	10,495
SWPL - 3 - Inflation Deflation	(9,926)	(39,703)	(7,250)	(28,982)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$62,954)</i>	<i>(\$574,801)</i>	<i>(\$61,077)</i>	<i>(\$564,003)</i>
Present Law Adjustments				
PL - 1301 - ANG Fire FLSA Salaries Federal Authority	0	418,500	0	426,288
PL - 1306 - ANG General Fund Support for Firefighters	10,000	10,000	10,000	10,000
PL - 1309 - ANG Natural Gas SWPL Deflation Correction	6,946	27,785	6,946	27,785
<i>Total Present Law Adjustments</i>	<i>\$16,946</i>	<i>\$456,285</i>	<i>\$16,946</i>	<i>\$464,073</i>
New Proposals				
NP - 1304 - ANG Real Property Specialist FTE	0	61,280	0	61,281
NP - 555 - Appropriation Rebase	(20,566)	(20,566)	(20,566)	(20,566)
<i>Total New Proposals</i>	<i>(\$20,566)</i>	<i>\$40,714</i>	<i>(\$20,566)</i>	<i>\$40,715</i>
Total Budget Adjustments	(\$66,574)	(\$77,802)	(\$64,697)	(\$59,215)

Department of Military Affairs - 67010

Air National Guard - 13

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$55,019)	(\$550,197)
FY 2019	(\$54,552)	(\$545,516)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$550,197 in FY 2018 and \$545,516 in FY 217 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$1,991	\$15,099
FY 2019	\$725	\$10,495

SWPL - 2 - Fixed Costs -

This request includes an increase of \$15,099 in FY 2018 and an increase of \$10,495 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$9,926)	(\$39,703)
FY 2019	(\$7,250)	(\$28,982)

SWPL - 3 - Inflation Deflation -

This change packet includes a reduction of \$39,703 in FY 2018 and \$28,982 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$418,500
FY 2019	\$0	\$426,288

PL - 1301 - ANG Fire FLSA Salaries Federal Authority -

This is a request for 100% federal spending authority for firefighter FLSA salaries and benefits that exceed those of a traditional FTE, due to the 24/7 nature of the fire protection services at MANG. Hours over 2080 per FTE, and overtime costs, are zero based and are not captured in the personnel services snapshot used for initial budget preparation. Each biennium this Federal authority is requested through the EPP process.

Department of Military Affairs - 67010

Air National Guard - 13

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$10,000	\$10,000
FY 2019	\$10,000	\$10,000

PL - 1306 - ANG General Fund Support for Firefighters -

This is a request for general fund support for the Montana Air National Guard Fire Department state specific salary, training, and medical needs not funded by the federal government. A total of \$20,000 is requested for the 2019 biennium for the following underfunded annual needs: \$5,000 annually for 30 firefighter physicals and physician contracted services; \$5,000 for mandatory state training for 30 fire personnel.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$6,946	\$27,785
FY 2019	\$6,946	\$27,785

PL - 1309 - ANG Natural Gas SWPL Deflation Correction -

This is a 75% federal / 25% general fund request to restore an automatic deflation reduction in the 62603 Natural Gas utility budget that should not apply to the Air National Guard program. A Statewide Present Law deflation reduction of (\$27,785) has been automatically applied to both years of MANG's biennial budget. MANG utilities are not negotiated or contracted by the State of Montana Department of Administration. No such reduced utilization or cost decreases in natural gas utility will occur.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$61,280
FY 2019	\$0	\$61,281

NP - 1304 - ANG Real Property Specialist FTE -

This request is for the 1.00 FTE Real Property Specialist to become permanent. This position is integral to the readiness programs at the Montana Air National Guard and is the lead worker on the new mandatory Federal Independent Audit Review program and 100% federally reimbursed.

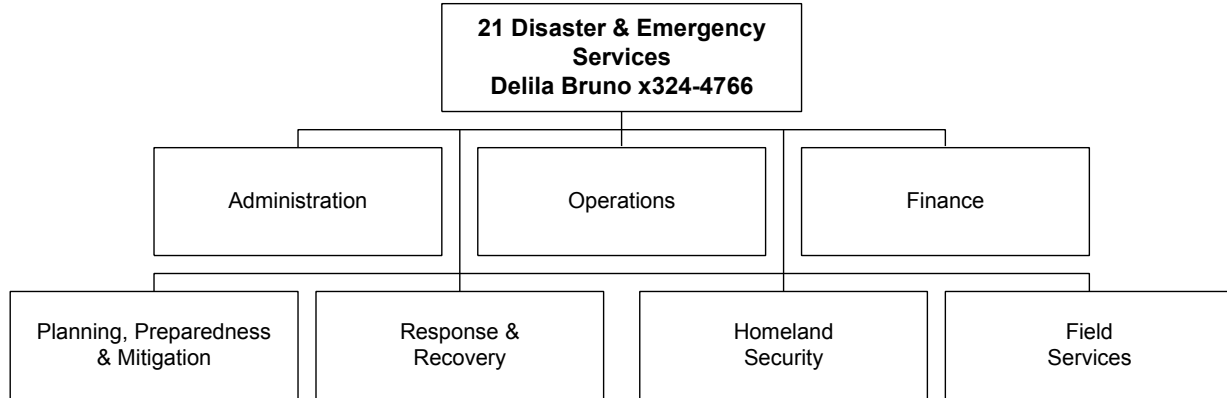
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	(\$20,566)	(\$20,566)
FY 2019	(\$20,566)	(\$20,566)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Air National Guard Appropriation Rebase totaling \$20,566 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Military Affairs - 67010

Disaster & Emergency Services - 21



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2018	Fiscal 2018	Fiscal 2019	Fiscal 2019	2019 Biennium
FTE	23.00	0.00	23.00	0.00	23.00	
Personal Services	1,855,861	(105,693)	1,750,168	(99,377)	1,756,484	3,506,652
Operating Expenses	1,205,297	17,732	1,223,029	6,399	1,211,696	2,434,725
Grants	11,733,943	(60,990)	11,672,953	(60,990)	11,672,953	23,345,906
Transfers	2,532,674	0	2,532,674	0	2,532,674	5,065,348
Total Costs	\$17,327,775	(\$148,951)	\$17,178,824	(\$153,968)	\$17,173,807	\$34,352,631
General Fund	1,298,820	(107,225)	1,191,595	(109,226)	1,189,594	2,381,189
State/Other Special	59,641	0	59,641	0	59,641	119,282
Federal Spec. Rev. Funds	15,969,314	(41,726)	15,927,588	(44,742)	15,924,572	31,852,160
Total Funds	\$17,327,775	(\$148,951)	\$17,178,824	(\$153,968)	\$17,173,807	\$34,352,631

Program Proposed Budget Adjustments	Budget Adjustments		Budget Adjustments	
	Fiscal 2018		Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(52,847)	(105,693)	(49,689)	(99,377)
SWPL - 2 - Fixed Costs	6,647	17,803	1,453	6,398
SWPL - 3 - Inflation Deflation	(35)	(71)	0	1
<i>Total Statewide Present Law Adjustments</i>	<i>(\$46,235)</i>	<i>(\$87,961)</i>	<i>(\$48,236)</i>	<i>(\$92,978)</i>
New Proposals				
NP - 555 - Appropriation Rebase	(60,990)	(60,990)	(60,990)	(60,990)
<i>Total New Proposals</i>	<i>(\$60,990)</i>	<i>(\$60,990)</i>	<i>(\$60,990)</i>	<i>(\$60,990)</i>
Total Budget Adjustments	(\$107,225)	(\$148,951)	(\$109,226)	(\$153,968)

Department of Military Affairs - 67010

Disaster & Emergency Services - 21

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

	General Fund Total	Total Funds
FY 2018	(\$52,847)	(\$105,693)
FY 2019	(\$49,689)	(\$99,377)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$105,693 in FY 2018 and \$99,377 in FY 217 to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and vacancy savings. In addition, the request includes the impact of market adjustments made to adjust staff to 85% of the 2012 market.

	General Fund Total	Total Funds
FY 2018	\$6,647	\$17,803
FY 2019	\$1,453	\$6,398

SWPL - 2 - Fixed Costs -

This request includes an increase of \$17,803 in FY 2018 and an increase of \$6,398 in FY 2019 to provide the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget.

	General Fund Total	Total Funds
FY 2018	(\$35)	(\$71)
FY 2019	\$0	\$1

SWPL - 3 - Inflation Deflation -

This change packet includes a reduction of \$71 in FY 2018 and an increase of \$1 in FY 2019 to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

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

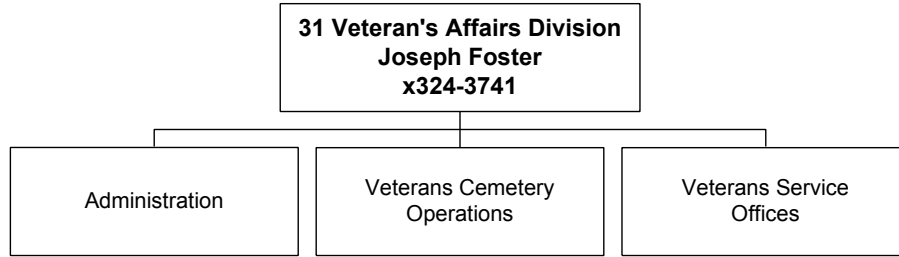
	General Fund Total	Total Funds
FY 2018	(\$60,990)	(\$60,990)
FY 2019	(\$60,990)	(\$60,990)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes the Disaster and Emergency Services Appropriation Rebase totaling \$60,990 and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Department of Military Affairs - 67010

Veterans Affairs Division - 31



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

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2017	Adjustments Fiscal 2018	Exec. Budget Fiscal 2018	Adjustments Fiscal 2019	Exec. Budget Fiscal 2019	Budget Request 2019 Biennium
FTE	26.00	1.00	27.00	1.00	27.00	
Personal Services	1,660,813	220,423	1,881,236	224,315	1,885,128	3,766,364
Operating Expenses	123,411	60,811	184,222	58,067	181,478	365,700
Total Costs	\$1,784,224	\$281,234	\$2,065,458	\$282,382	\$2,066,606	\$4,132,064
General Fund	1,114,724	145,846	1,260,570	144,770	1,259,494	2,520,064
State/Other Special	669,500	135,388	804,888	137,612	807,112	1,612,000
Total Funds	\$1,784,224	\$281,234	\$2,065,458	\$282,382	\$2,066,606	\$4,132,064

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2018		Budget Adjustments Fiscal 2019	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	84,706	169,412	86,636	173,272
SWPL - 2 - Fixed Costs	10,447	10,447	7,115	7,115
SWPL - 3 - Inflation Deflation	682	1,364	976	1,952
<i>Total Statewide Present Law Adjustments</i>	<i>\$95,835</i>	<i>\$181,223</i>	<i>\$94,727</i>	<i>\$182,339</i>
Present Law Adjustments				
PL - 3102 - State Special Veteran's Affairs Funding	0	50,000	0	50,000
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$50,000</i>	<i>\$0</i>	<i>\$50,000</i>
New Proposals				
NP - 3101 - Veteran's Service Officer	50,011	50,011	50,043	50,043
<i>Total New Proposals</i>	<i>\$50,011</i>	<i>\$50,011</i>	<i>\$50,043</i>	<i>\$50,043</i>
Total Budget Adjustments	\$145,846	\$281,234	\$144,770	\$282,382

Department of Military Affairs - 67010

Veterans Affairs Division - 31

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$84,706	\$169,412
FY 2019	\$86,636	\$173,272

SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal service costs including pay plan adjustments and increases to state share cost for health insurance passed by the 2015 legislature, benefit rate adjustment, longevity adjustments related to incumbents in each position at the time the snapshot, and restoring vacancy savings. In addition, the request includes the impact of market adjustments made to bring staff to 85% of the 2012 market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$10,447	\$10,447
FY 2019	\$7,115	\$7,115

SWPL - 2 - Fixed Costs -

This request includes the funding required in the budget to pay increases in fixed cost assessed by other agencies within state government for the services they provide. Examples of fixed costs or liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$682	\$1,364
FY 2019	\$976	\$1,952

SWPL - 3 - Inflation Deflation -

This change packet includes funding to reflect the budgetary changes generated from the application of inflation and deflation to certain specific expenditure accounts. Affected accounts include food, library books, electricity, gasoline, and others.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$0	\$50,000
FY 2019	\$0	\$50,000

PL - 3102 - State Special Veteran's Affairs Funding -

This request is to reestablish the one-time-only fund switch implemented last biennium to reduce the use of general fund due to available state special revenue in the veteran's service account. The veteran's service account is projected to be able to support \$50,000 of funding for two more years.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2018	\$50,011	\$50,011
FY 2019	\$50,043	\$50,043

NP - 3101 - Veteran's Service Officer -

This request is for 1.00 FTE veterans service officer to augment existing agency staff in the Veteran's Affairs Division to serve existing and future clients who are requesting federal veterans benefits through claim production and advocacy representation.