



GOVERNOR  
GREG GIANFORTE  
STATE OF MONTANA

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## SECTION A: GENERAL GOVERNMENT

Legislative Branch  
Consumer Counsel  
Governor'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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OBPP Staff:

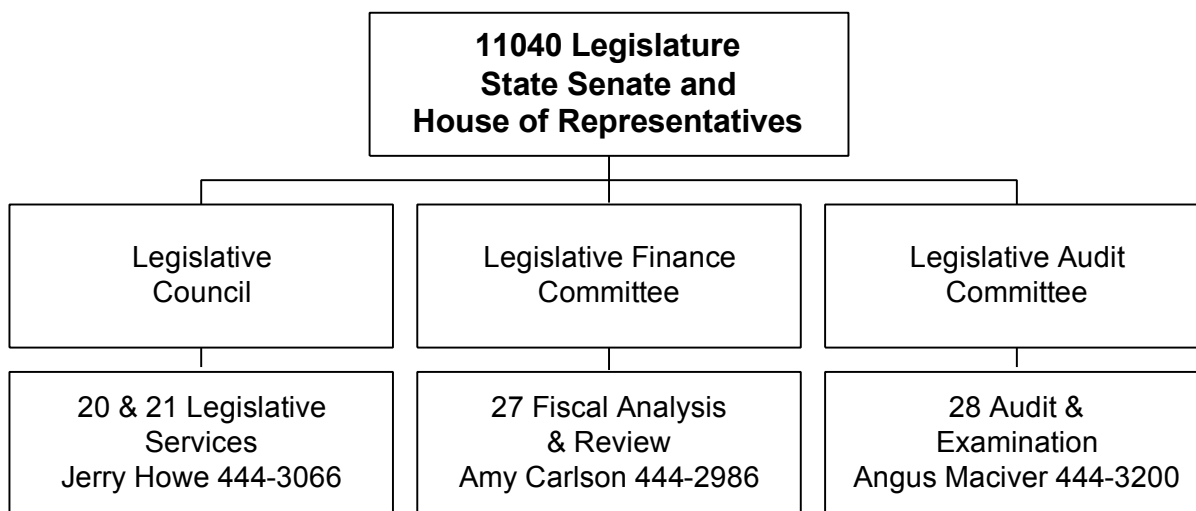
Sonia Powell  
Angie Nelson

444-4588  
444-0054



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 by the Constitution of the State of Montana and to fulfill its constitutional duties. The mission of the agencies within the Legislative Branch, i.e., the consolidated legislative agency (5-2-201, MCA), is to provide the administration structure to support accomplishment of the powers and duties 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 Montanan Constitution, and support by the Legislative Audit Division with principal statutory authority in The Legislative Audit Act, Title 5, Chapter 13, MCA.

**Budget Submission** - 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.

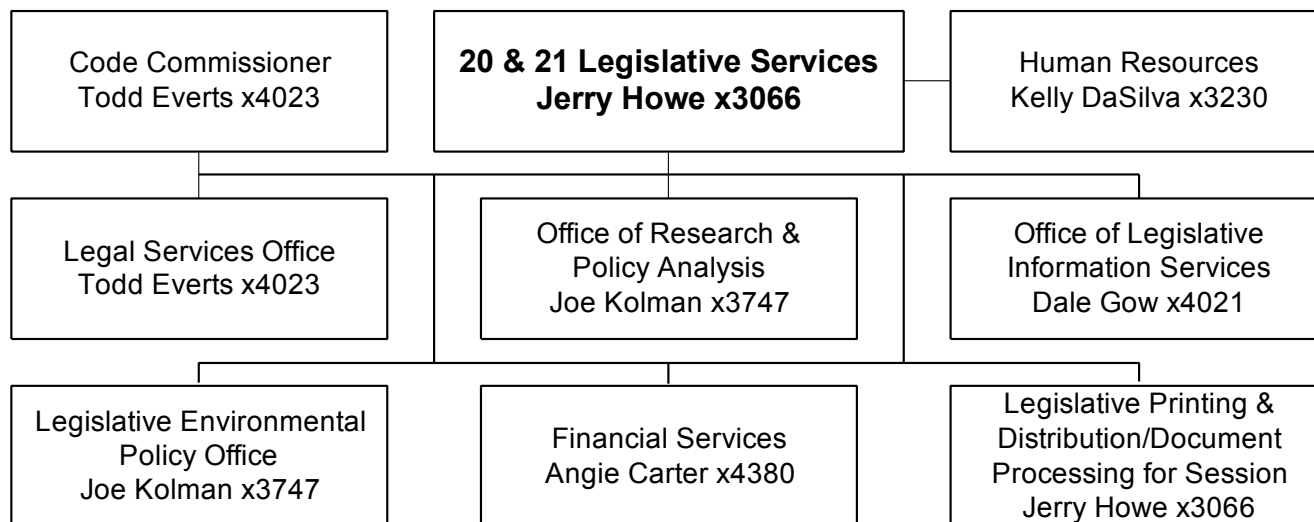
Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	167.34	167.34	
Personal Services	17,659,919	17,583,839	35,243,758
Operating Expenses	5,986,722	5,759,194	11,745,916
Equipment & Intangible Assets	2,784,823	2,008,947	4,793,770
Transfers	220,560	195,040	415,600
<b>Total Costs</b>	<b>\$26,652,024</b>	<b>\$25,547,020</b>	<b>\$52,199,044</b>
General Fund	24,178,379	23,273,645	47,452,024
State/Other Special	2,473,645	2,273,375	4,747,020
<b>Total Funds</b>	<b>\$26,652,024</b>	<b>\$25,547,020</b>	<b>\$52,199,044</b>

## Legislative Branch - 11040

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	22,899,852	23,805,055	31,978,138	32,278,689	9,078,286	8,473,634	39.64 %	35.60 %
21 - Legis. Committees & Activities	2,421,783	2,546,783	2,633,977	2,633,977	212,194	87,194	8.76 %	3.42 %
27 - Fiscal Analysis & Review	4,809,104	4,809,104	6,044,934	6,044,934	1,235,830	1,235,830	25.70 %	25.70 %
28 - Audit & Examination	5,868,275	10,256,025	6,794,975	11,241,444	926,700	985,419	15.79 %	9.61 %
<b>Agency Total</b>	<b>\$35,999,014</b>	<b>\$41,416,967</b>	<b>\$47,452,024</b>	<b>\$52,199,044</b>	<b>\$11,453,010</b>	<b>\$10,782,077</b>	<b>31.81 %</b>	<b>26.03 %</b>

## Legislative Branch - 11040

### Legislative Services - 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 and records management 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. Support for session and interim committees;
6. Legal services and counseling on legislative matters and agency legal support;
7. Review of the text of proposed ballot measures;
8. Personnel and business services;
9. Planning, installation, and maintenance of branch information technology;
10. Broadcasting of state government and public policy events; and
11. Provision of legislative information to the public.

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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	68.67	20.00	88.67	20.00	88.67	
Personal Services	7,146,086	1,932,865	9,078,951	2,018,664	9,164,750	18,243,701
Operating Expenses	3,571,958	673,925	4,245,883	1,007,777	4,579,735	8,825,618
Equipment & Intangible Assets	457,196	2,327,627	2,784,823	1,551,751	2,008,947	4,793,770
Transfers	144,000	76,560	220,560	51,040	195,040	415,600
<b>Total Costs</b>	<b>\$11,319,240</b>	<b>\$5,010,977</b>	<b>\$16,330,217</b>	<b>\$4,629,232</b>	<b>\$15,948,472</b>	<b>\$32,278,689</b>
General Fund	11,065,248	5,015,446	16,080,694	4,832,196	15,897,444	31,978,138
State/Other Special	253,992	(4,469)	249,523	(202,964)	51,028	300,551
<b>Total Funds</b>	<b>\$11,319,240</b>	<b>\$5,010,977</b>	<b>\$16,330,217</b>	<b>\$4,629,232</b>	<b>\$15,948,472</b>	<b>\$32,278,689</b>

# Legislative Branch - 11040

## Legislative Services - 20

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(94,601)	95,400	175,105	175,105
SWPL - 2 - Fixed Costs	(71,547)	(71,547)	435,874	435,874
SWPL - 3 - Inflation Deflation	167,526	167,526	199,606	199,606
<i>Total Statewide Present Law Adjustments</i>	<i>\$1,378</i>	<i>\$191,379</i>	<i>\$810,585</i>	<i>\$810,585</i>
<b>Present Law Adjustments</b>				
PL - 4 - Present Law Adjustments	527,959	587,233	530,709	391,488
<i>Total Present Law Adjustments</i>	<i>\$527,959</i>	<i>\$587,233</i>	<i>\$530,709</i>	<i>\$391,488</i>
<b>New Proposals</b>				
NP - 10 - FTE Request- Branch Professional/Support Staff	380,337	380,337	375,180	375,180
NP - 11 - FTE Request- Modified to Permanent (PG 20)	655,377	655,377	643,005	643,005
NP - 13 - Legal Services (BIEN/OTO)	25,000	25,000	25,000	25,000
NP - 14 - OLIS Projects (BIEN/OTO)	2,337,900	2,337,900	1,558,600	1,558,600
NP - 15 - Stabilize Leg Staff- Competitive Pay Plan	1	1	1	1
NP - 17 - Funding Switch	253,744	0	63,743	0
NP - 5 - FTE Request- Cloud Administrators	224,804	224,804	222,359	222,359
NP - 6 - FTE Request- Database Administrator	106,015	106,015	104,768	104,768
NP - 7 - FTE Request- IT Security Engineer	126,008	126,008	124,838	124,838
NP - 8 - FTE Request- IT Software Engineers	264,056	264,056	261,762	261,762
NP - 9 - FTE Request- Business Analyst	112,867	112,867	111,646	111,646
<i>Total New Proposals</i>	<i>\$4,486,109</i>	<i>\$4,232,365</i>	<i>\$3,490,902</i>	<i>\$3,427,159</i>
<b>Total Budget Adjustments</b>	<b>\$5,015,446</b>	<b>\$5,010,977</b>	<b>\$4,832,196</b>	<b>\$4,629,232</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$94,601)	\$95,400
FY 2025	\$175,105	\$175,105

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$95,400 in FY 2024 and an increase of \$175,105 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	(\$71,547)	(\$71,547)
FY 2025	\$435,874	\$435,874

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$71,547 in FY 2024 and an increase of \$435,874 in FY 2025 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.

## Legislative Branch - 11040

### Legislative Services - 20

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$167,526	\$167,526
FY 2025	\$199,606	\$199,606

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$167,526 in FY 2024 and an increase of \$199,606 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$527,959	\$587,233
FY 2025	\$530,709	\$391,488

#### PL - 4 - Present Law Adjustments -

The legislature adopted increases in state information technology services division rates for network connectivity, remote services, device authentication, and enterprise rates as well as contingency services for programming and web development. The General Fund increase for FY 2024 is \$587,233 and for FY 2025 is \$391,488. These amounts are comprised mostly of as follows:

1. ITSD rates and units increased by \$759,000
2. Transfers for Capitol Security increased by \$128,000

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$380,337	\$380,337
FY 2025	\$375,180	\$375,180

#### NP - 10 - FTE Request- Branch Professional/Support Staff -

This new proposal is requesting 4.00 FTE for the Legislative Services Division. Position- 1.00 Interim Committee Secretary, 1.00 Accounting Technician, 1.00 Research Analyst I, and 1.00 Legislative Attorney I. (All Full-Time/Permanent), a total general fund increase of \$380,337 in FY 2024 and \$375,180 in FY 2025.

As Legislative Interim Committee work increases, so does the need for staffing. From state fiscal year 2017 to state fiscal year 2022, interim committees increased from a net of 12 to 16. This includes subcommittees (ex. HJ 37 - subcommittee of Water Policy Interim Committee). This number does not include the interim budget committees provided for in HB 497 (which LSD also supports). In addition, the number of regular interim committee meetings from state fiscal year 2020 to state fiscal year 2022 has increased from 160 meeting days to 188 meeting days. None of these numbers include the Districting and Apportionment commission (OTO every 10 years). The scheduling of the meetings has been difficult, and often there are overlaps leaving Legislative Services Division to find adequate committee secretary, legal, and research analyst coverage.

## Legislative Branch - 11040

### Legislative Services - 20

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$655,377	\$655,377
FY 2025	\$643,005	\$643,005

#### **NP - 11 - FTE Request- Modified to Permanent (PG 20) -**

This new proposal is requesting 9.00 FTE for the Legislative Services Division. Position- 3.00 Conference, Audio Visual Techs, 2.00 Remote Meeting Coordinators (aggregate), 2.00 Network Administrators, and 2.00 Interim Committee Secretary Pool (aggregate). (All Full-Time/Permanent), a total general fund increase of \$655,377 in FY 2024 and \$643,005 in FY 2025.

**3.00 FTE - Conference Center Support:** During the 67<sup>th</sup> Legislative Session, funds were allocated (HB 632) to provide conference center support for meetings within the Capitol. This was essential as meeting support has required much more support to conduct hybrid meetings. The existing modified positions have proven to be highly successful in support of legislative meetings and other meetings held by outside agencies such as the Governor's office, the Fish, Wildlife and Parks Commission, and Office of Public Instruction. Creating permanent positions ensures that these well trained and well qualified staff will maintain employment with LSD and not search for more "permanent" work.

**2.00 Remote Meeting Coordinators (Aggregate):** The 2020 Interim and 2021 session saw the introduction of remote participation by legislators, public, and staff. This service will continue, as will the need for remote meeting managers and coordinators and requires permanent FTE.

**2.00 Network Administrators:** 2.00 permanent network administrators are necessary for network support, help desk support, and increased workload due to the increase in legislative needs, and the increase in software and hardware maintenance and upgrade requirements.

**2.00 Interim Committee Secretary Pool (Aggregate):** HB 497 established 7 new interim budget committees. LSD is requesting 2.00 FTE (aggregate) to provide secretarial support to these statutory committees. This proposal is for additional Interim Budget Committee meeting administration. Support and coordination with interim policy committees, on areas including public safety committees, health and human services, and local government committees, on data and fiscal analysis.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$25,000	\$25,000
FY 2025	\$25,000	\$25,000

#### **NP - 13 - Legal Services (BIEN/OTO) -**

LSD is requesting one-time only funding for use to hire outside attorney/legal services for the 2025 biennium. This new proposal is requesting a total general fund increase of \$25,000 in FY 2024 and FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$2,337,900	\$2,337,900
FY 2025	\$1,558,600	\$1,558,600

#### **NP - 14 - OLIS Projects (BIEN/OTO) -**

LSD is requesting one-time-only funding for information technology automation systems and systems upgrade.

## Legislative Branch - 11040

### Legislative Services - 20

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$1	\$1
FY 2025	\$1	\$1

#### **NP - 15 - Stabilize Leg Staff- Competitive Pay Plan -**

The Legislative Branch is requesting base pay adjustments to stabilize legislative staff with competitive pay. This proposal for the Legislative Services Division is a total general fund increase of \$1 in FY 2024 and \$1 in FY 2025. This is a placeholder to be updated during the legislative session.

Growth in market pay rates for professional and business services occupations has exceeded inflation and statewide wage growth. The Legislative Branch requests a base pay adjustment to accommodate this change in the economic environment. The Legislative Branch requests base pay adjustment to stabilize legislative staff with competitive pay. Growth in market pay rates for professional and business services occupations has exceeded inflation and statewide wage growth. The Legislative Branch requests a base pay adjustment to accommodate this change in the economic environment. In preparation for session, additional market research will be conducted this fall to determine appropriate wages for the 2025 Biennium by division. This research will include performance-based pay as a factor in determining appropriate pay rates relative to the market.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$253,744	\$0
FY 2025	\$63,743	\$0

#### **NP - 17 - Funding Switch -**

This new proposal is requesting a funding shift from state special revenue to general fund for the production of MCAs (1-11-301, MCA). This equates to a total general fund increase of \$253,744 in FY 2024 and \$63,743 in FY 2025. Conversely, there is a decrease in state special revenues of \$253,744 in FY 2024 and \$63,743 in FY 2025.

State special revenue collections from the sale of Montana Code Annotated and ancillary publications are decreasing because fewer copies are printed and sold. While revenues are decreasing, costs to produce the MCA are not decreasing at the same rate. This results in the need for additional general fund to produce these texts. When this issue was presented to the Legislative Council at its August, 2022, meeting, it was determined to no longer be feasible to continue to partially fund personal services using an unpredictable and decreasing funding source.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$224,804	\$224,804
FY 2025	\$222,359	\$222,359

#### **NP - 5 - FTE Request- Cloud Administrators -**

This new proposal is requesting 2.00 FTE for the Office of Legislative Information Technology (Legislative Services Division). Position- 2.00 Cloud Administrators (Full-Time/Permanent), a total general fund increase of \$ 224,804 in FY2024 and \$ 222,359 in FY 2025.

With the Legislative Branch taking on the administration of its own email system for both staff and legislators, these positions are necessary to ensure the continued operation of the branch's primary communications and general business processing applications in the Microsoft Office 365 tenant space. These positions will work in tandem to properly administer Exchange Online email, Teams, and SharePoint, as well as the rest of the regular Office suite of applications. These positions will also be primarily responsible for training, support, and security of the Branch's Microsoft cloud environment.



## Legislative Branch - 11040

### Legislative Services - 20

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$106,015	\$106,015
FY 2025	\$104,768	\$104,768

#### **NP - 6 - FTE Request- Database Administrator -**

This new proposal is requesting 1.00 FTE for the Office of Legislative Information Technology (Legislative Services Division). Position- 1.00 Database Administrator (Full-Time/Permanent), a total general fund increase of \$106,015 in FY 2024 and \$104,768 in FY 2025.

The Legislative Branch's database usage has grown considerably in the past several years, but OLIS' ability to properly administer its database systems has not kept up. Legislative Branch engineers and developers have done a good job staying on top of the various aspects of database management, from patching and updating database server software to creating new databases for various applications, but it's never been done in a deliberate, intentional manner. The growth in our application and data storage needs have gone beyond what an ad hoc approach to database administration can properly support. Small Access and PostgreSQL databases have proliferated to address tactical needs, but with little thought to long-term strategic needs or maintainability. A database administrator would help to coordinate these database systems in an organized and thoughtful manner, with the goals of maintainability, supportability, availability, and recoverability in mind.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$126,008	\$126,008
FY 2025	\$124,838	\$124,838

#### **NP - 7 - FTE Request- IT Security Engineer -**

This new proposal is requesting 1.00 FTE for the Office of Legislative Information Technology (Legislative Services Division). Position- 1.00 Security Engineer (Full-Time/Permanent), a total general fund increase of \$126,008 in FY 2024 and \$124,838 in FY 2025.

As the Branch continues adopt new technologies to meet business needs, attention to cybersecurity becomes ever more important. To date security responsibilities have been distributed among our existing FTE, but it is not their primary focus. This position allows the Branch to have a security expert that is focused solely on cybersecurity risk management, policy, training and awareness, and enforcement, ensuring our network and systems are secure, protected, and prepared to respond to any security threats.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$264,056	\$264,056
FY 2025	\$261,762	\$261,762

#### **NP - 8 - FTE Request- IT Software Engineers -**

This new proposal is requesting 2.00 FTE for the Office of Legislative Information Technology (Legislative Services Division). Position- 2.00 Software Engineer (Full-Time/Permanent), a total general fund increase of \$264,056 in FY 2024 and \$261,762 in FY 2025.

Without the dedication of staff to the LAWS II environment, Legislative Branch will continue to rely on the contractors for the changes needed in the LAWS II applications. These FTE will be assigned to LAWS II technology stacks and support of LAWS II applications. This would increase OLIS staff assigned to LAWS II and would allow the Branch to fully take over the knowledge, day to day support, and upgrades. The intent would be that within four years, the Branch would no longer be dependent on the contractor. This is the same model other states have used to move away from the contractor supporting a highly complicated system/applications. This would also save hundreds of thousands of dollars in change orders and augmentation that would be needed to program and troubleshoot issues within the environment.

## Legislative Branch - 11040

### Legislative Services - 20

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$112,867	\$112,867
FY 2025	\$111,646	\$111,646

#### **NP - 9 - FTE Request- Business Analyst -**

This new proposal is requesting 1.00 FTE for the Office of Legislative Information Technology (Legislative Services Division). Position- 1.00 Business Analyst (Full-Time/Permanent), a total general fund increase of \$112,867 in FY 2024 and \$111,646 in FY 2025.

The LAWS II project continues to be the dominant priority for project manager/business analyst staff, with a focus on full implementation of LAWS II applications, and building a support model that includes backups. An additional business analyst/project manager is needed to serve the other areas of the branch, as well as increase support levels for LAWS II. Most areas of support or services have only one business analyst in place. This creates organizational liability if there is turnover and limits the organization's ability to mature applications and services due to being in a "break/fix" mode.

## 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	0.97	0.95	1.92	0.95	1.92	
Personal Services	132,661	255,198	387,859	72,191	204,852	592,711
Operating Expenses	790,274	464,582	1,254,856	(3,864)	786,410	2,041,266
<b>Total Costs</b>	<b>\$922,935</b>	<b>\$719,780</b>	<b>\$1,642,715</b>	<b>\$68,327</b>	<b>\$991,262</b>	<b>\$2,633,977</b>
General Fund	922,935	719,780	1,642,715	68,327	991,262	2,633,977
State/Other Special	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$922,935</b>	<b>\$719,780</b>	<b>\$1,642,715</b>	<b>\$68,327</b>	<b>\$991,262</b>	<b>\$2,633,977</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	92,635	92,635	74,386	74,386
SWPL - 3 - Inflation Deflation	4,459	4,459	5,481	5,481
<i>Total Statewide Present Law Adjustments</i>	<i>\$97,094</i>	<i>\$97,094</i>	<i>\$79,867</i>	<i>\$79,867</i>
<b>Present Law Adjustments</b>				
PL - 4 - Present Law Adjustments	555,458	555,458	(78,979)	(78,979)
<i>Total Present Law Adjustments</i>	<i>\$555,458</i>	<i>\$555,458</i>	<i>(\$78,979)</i>	<i>(\$78,979)</i>
<b>New Proposals</b>				
NP - 12 - FTE Request- .05 to 1.0 (PG 21)	67,228	67,228	67,439	67,439
<i>Total New Proposals</i>	<i>\$67,228</i>	<i>\$67,228</i>	<i>\$67,439</i>	<i>\$67,439</i>
<b>Total Budget Adjustments</b>	<b>\$719,780</b>	<b>\$719,780</b>	<b>\$68,327</b>	<b>\$68,327</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$92,635	\$92,635
FY 2025	\$74,386	\$74,386

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$92,635 FY 2024 and an increase of \$74,386 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$4,459	\$4,459
FY 2025	\$5,481	\$5,481

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$4,459 FY 2024 and an increase of \$5,481 FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$555,458	\$555,458
FY 2025	(\$78,979)	(\$78,979)

#### PL - 4 - Present Law Adjustments -

The legislature adopted the following changes from the 2023 base budget. The General Fund change is an increase for FY 2024 of \$555,458 and a decrease for FY 2025 of \$78,979. Due to the cyclical nature of the legislative interim, an increase in present law funding in the even year is higher. These amounts are comprised mostly of as follows:

1. An increase in all of the interim committee meeting days - Increase GF \$171,000 for the biennium.
  1. Education Interim Committee and State Tribal Interim Committee each holding meetings outside of Helena
  2. Criminal Justice Oversight Council was transferred last biennium from Department of Corrections to Legislative Branch (HB 2)
2. An increase in Legislator Activities (dues, travel, participation) \$165,000

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$67,228	\$67,228
FY 2025	\$67,439	\$67,439

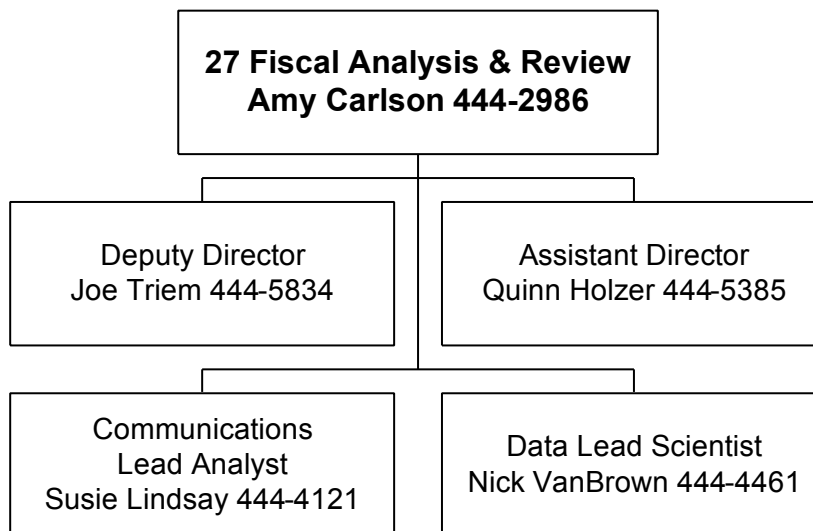
#### NP - 12 - FTE Request- .05 to 1.0 (PG 21) -

This new proposal is requesting .95 FTE for the Legislative Services Division - Interim Committees and Activities Program. Position- 0.95 Environmental Policy Committee Secretary a total general fund increase of \$67,228 in FY 2024 and \$67,439 in FY 2025.

LSD is requesting an increase and funding for this position from .050 to 1.00 FTE. The Environmental Policy interim committee activity has increased and justifies the funding for this position to full-time permanent.

## 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	21.00	3.00	24.00	3.00	24.00	
Personal Services	2,347,771	511,116	2,858,887	497,210	2,844,981	5,703,868
Operating Expenses	114,285	82,953	197,238	29,543	143,828	341,066
<b>Total Costs</b>	<b>\$2,462,056</b>	<b>\$594,069</b>	<b>\$3,056,125</b>	<b>\$526,753</b>	<b>\$2,988,809</b>	<b>\$6,044,934</b>
General Fund	2,462,056	594,069	3,056,125	526,753	2,988,809	6,044,934
<b>Total Funds</b>	<b>\$2,462,056</b>	<b>\$594,069</b>	<b>\$3,056,125</b>	<b>\$526,753</b>	<b>\$2,988,809</b>	<b>\$6,044,934</b>

# Legislative Branch - 11040

## Fiscal Analysis & Review - 27

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	119,358	119,358	124,623	124,623
SWPL - 3 - Inflation Deflation	2,388	2,388	2,952	2,952
<i>Total Statewide Present Law Adjustments</i>	<i>\$121,746</i>	<i>\$121,746</i>	<i>\$127,575</i>	<i>\$127,575</i>
<b>Present Law Adjustments</b>				
PL - 4 - Present Law Adjustments	105,770	105,770	42,203	42,203
<i>Total Present Law Adjustments</i>	<i>\$105,770</i>	<i>\$105,770</i>	<i>\$42,203</i>	<i>\$42,203</i>
<b>New Proposals</b>				
NP - 10 - FTE Request- Branch Professional/Support Staff	366,552	366,552	356,974	356,974
NP - 15 - Stabilize Leg Staff- Competitive Pay Plan	1	1	1	1
<i>Total New Proposals</i>	<i>\$366,553</i>	<i>\$366,553</i>	<i>\$356,975</i>	<i>\$356,975</i>
<b>Total Budget Adjustments</b>	<b>\$594,069</b>	<b>\$594,069</b>	<b>\$526,753</b>	<b>\$526,753</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$119,358	\$119,358
FY 2025	\$124,623	\$124,623

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$119,358 in FY 2024 and an increase of \$124,623 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$2,388	\$2,388
FY 2025	\$2,952	\$2,952

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,388 in FY 2024 and an increase of \$2,952 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$105,770	\$105,770
FY 2025	\$42,203	\$42,203

#### PL - 4 - Present Law Adjustments -

This proposal includes present law changes from the 2023 base budget for the Legislative Fiscal Division, a total general fund increase of \$105,770 in FY 2024 and \$42,203 in FY 2025.

HB 497 (L. 2021) established 7 new interim budget committees. This proposal provides for personal services and travel for legislative membership participation during the 2025 biennium.

# Legislative Branch - 11040

## Fiscal Analysis & Review - 27

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$366,552	\$366,552
FY 2025	\$356,974	\$356,974

#### **NP - 10 - FTE Request- Branch Professional/Support Staff -**

This proposal is requesting 3.00 FTE for the Legislative Fiscal Division, a total general fund increase of \$366,552 in FY 2024 and \$356,974 in FY 2025.

This proposal considers the additional staff wide workload in the following areas, largely with respect to interim committee work:

- Interim Budget Committee meeting administration (incl. agenda development, analysis, communications support.)
- Support and coordination with interim policy committees, on areas including public safety committees, health and human services, and local government committees, on data and fiscal analysis.
- Core data analysis work related to policy committees, including outreach to policy experts.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$1	\$1
FY 2025	\$1	\$1

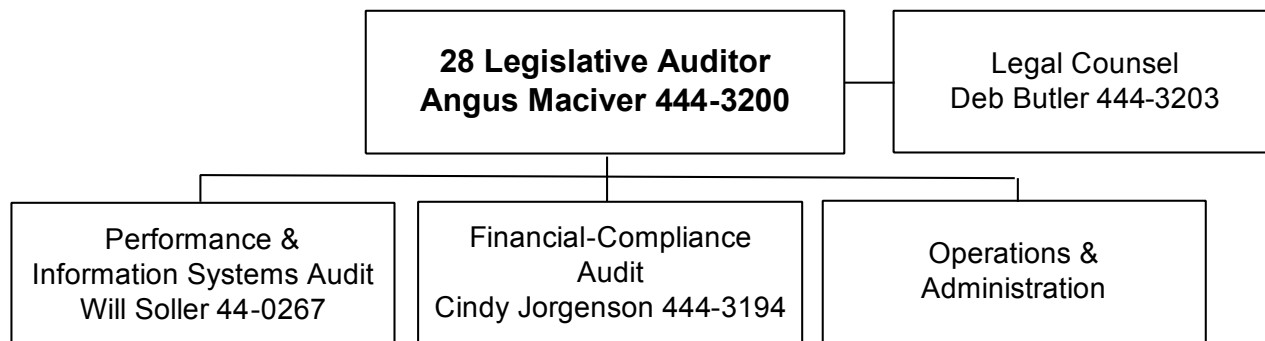
#### **NP - 15 - Stabilize Leg Staff- Competitive Pay Plan -**

The Legislative Branch is requesting base pay adjustments to stabilize legislative staff with competitive pay. This proposal for the Legislative Fiscal Division is a total general fund increase of \$1 in FY 2024 and \$1 in FY 2025. This is a placeholder to be updated during the legislative session.

Growth in market pay rates for professional and business services occupations has exceeded inflation and statewide wage growth. The Legislative Branch requests a base pay adjustment to accommodate this change in the economic environment. The Legislative Branch requests base pay adjustment to stabilize legislative staff with competitive pay. Growth in market pay rates for professional and business services occupations has exceeded inflation and statewide wage growth. The Legislative Branch requests a base pay adjustment to accommodate this change in the economic environment. In preparation for session, additional market research will be conducted this fall to determine appropriate wages for the 2025 Biennium by division. This research will include performance-based pay as a factor in determining appropriate pay rates relative to the market.

## Legislative Branch - 11040

### Audit & Examination - 28



**Program Description** - The division is the state's independent auditor and a key part of the Legislature's responsibility for strict accountability of public funds. The division's products and services provide legislative and executive managers of the public trust with factual, objective and unbiased information on how state government works and how to make it work better. These products and services include the following:

- Auditing the state's Comprehensive Annual Financial Report and the biennial Federal Single Audit.
- Conducting performance audits to focus on agency or program operations and management, efficiency and effectiveness in delivery of government services, or public policy outcomes and impacts.
- Conducting financial-compliance audits of each state agency at least every two years to assess adherence to accounting principles, compliance with material laws, and internal controls.
- Conducting information systems audits to address the design, operation and maintenance of technology systems and processes, and providing assurances on the quality and reliability of system data.
- Maintaining the state's Hotline for reporting fraud, waste and abuse in state government and conducting work to verify allegations and substantiate reported cases.
- Reporting violations of penal statutes, instances of misfeasance, malfeasance, or nonfeasance, and any instances of apparent criminal violations of the state code of ethics discovered in an audit.
- Auditing records of entities under contract with the state.
- Assisting the Legislature, its committees, and its members by providing information related to the fiscal affairs of state government.

The Legislative Auditor is responsible for managing the division, and appointing and defining the duties of the division's employees. The Legislative Auditor is appointed by the Legislative Audit Committee, a twelve-member, bipartisan, bicameral permanent joint committee of the legislature.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	52.75	0.00	52.75	0.00	52.75	
Personal Services	4,868,321	465,901	5,334,222	500,935	5,369,256	10,703,478
Operating Expenses	249,391	39,354	288,745	(170)	249,221	537,966
<b>Total Costs</b>	<b>\$5,117,712</b>	<b>\$505,255</b>	<b>\$5,622,967</b>	<b>\$500,765</b>	<b>\$5,618,477</b>	<b>\$11,241,444</b>
General Fund	2,964,400	434,445	3,398,845	431,730	3,396,130	6,794,975
State/Other Special	2,153,312	70,810	2,224,122	69,035	2,222,347	4,446,469
<b>Total Funds</b>	<b>\$5,117,712</b>	<b>\$505,255</b>	<b>\$5,622,967</b>	<b>\$500,765</b>	<b>\$5,618,477</b>	<b>\$11,241,444</b>



# Legislative Branch - 11040

## Audit & Examination - 28

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	241,271	415,985	261,591	451,019
SWPL - 2 - Fixed Costs	0	(893)	0	(893)
SWPL - 3 - Inflation Deflation	4,924	8,490	5,639	9,723
<i>Total Statewide Present Law Adjustments</i>	<i>\$246,195</i>	<i>\$423,582</i>	<i>\$267,230</i>	<i>\$459,849</i>
<b>Present Law Adjustments</b>				
PL - 4 - Present Law Adjustments	18,419	31,757	(5,220)	(9,000)
<i>Total Present Law Adjustments</i>	<i>\$18,419</i>	<i>\$31,757</i>	<i>(\$5,220)</i>	<i>(\$9,000)</i>
<b>New Proposals</b>				
NP - 16 - Position Reclassifications	28,951	49,915	28,951	49,915
NP - 17 - Funding Switch	140,879	0	140,768	0
<i>Total New Proposals</i>	<i>\$169,830</i>	<i>\$49,915</i>	<i>\$169,719</i>	<i>\$49,915</i>
<b>Total Budget Adjustments</b>	<b>\$434,444</b>	<b>\$505,254</b>	<b>\$431,729</b>	<b>\$500,764</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$241,271	\$415,985
FY 2025	\$261,591	\$451,019

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$415,985 in FY 2024 and an increase of \$451,019 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	(\$893)
FY 2025	\$0	(\$893)

#### SWPL - 2 - Fixed Costs -

The request includes a decrease of \$893 in FY 2024 and FY 2025 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 2024	\$4,924	\$8,490
FY 2025	\$5,639	\$9,723

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$8,490 in FY 2024 and an increase of \$9,723 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Legislative Branch - 11040

### Audit & Examination - 28

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$18,419	\$31,757
FY 2025	(\$5,220)	(\$9,000)

#### **PL - 4 - Present Law Adjustments -**

This proposal includes present law changes from the 2023 base budget for the Legislative Audit Division. Present law adjustments include cyclical adjustments for actuarial services and contracted services (Legislative Branch contract audit), other adjustments include for technical training, increased software licensing, and Government Accountability Office Peer Review services.

This proposal also includes a present law adjustment to reduce general fund and state special revenue appropriations for FY 2024 and FY 2025 for the information technology training and Legislative Audit SABHRS support- a decrease in general fund of \$11,600 each fiscal year and \$8,400 in state special revenue funding each fiscal year. During the 2021 Legislature, this appropriation was requested as one-time-only, but was implemented as "base". The Legislative Audit Division is requesting this same appropriation for the 2025 biennium, as a present law adjustment.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$28,951	\$49,915
FY 2025	\$28,951	\$49,915

#### **NP - 16 - Position Reclassifications -**

This new proposal is requesting funding for position reclassifications. A total general fund increase of \$49,915 in FY 2024 and FY 2025.

As presented to the Legislative Audit Committee, Legislative Audit Division (LAD) is shifting toward risk-based audits. As part of this shift, LAD is requesting funding for position reclassifications to allow for the hiring of auditors in positions for these risk-based audits.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$140,879	\$0
FY 2025	\$140,768	\$0

#### **NP - 17 - Funding Switch -**

This new proposal is requesting a funding shift within Legislative Audit Division, a general fund increase and subsequent decrease in state special revenue fund of \$140,879 in FY 2024 and \$140,768 in FY 2025.

The Legislative Audit Division is moving towards a risk-based model for conducting its audit work, which includes a shift in prioritization of work load. As a result, LAD is requesting an increase in general fund to offset anticipated decreases in state special revenue collections.

## Consumer Counsel - 11120

01 Consumer Counsel  
Jason Brown 444-2771

**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

### Administrative 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 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2023	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	5.54	0.00	5.54	0.00	5.54	
Personal Services	691,543	7,006	698,549	12,014	703,557	1,402,106
Operating Expenses	967,336	31,781	999,117	47,102	1,014,438	2,013,555
Debt Service	41,608	624	42,232	1,257	42,865	85,097
<b>Total Costs</b>	<b>\$1,700,487</b>	<b>\$39,411</b>	<b>\$1,739,898</b>	<b>\$60,373</b>	<b>\$1,760,860</b>	<b>\$3,500,758</b>
State/Other Special	1,700,487	39,411	1,739,898	60,373	1,760,860	3,500,758
<b>Total Funds</b>	<b>\$1,700,487</b>	<b>\$39,411</b>	<b>\$1,739,898</b>	<b>\$60,373</b>	<b>\$1,760,860</b>	<b>\$3,500,758</b>

Program Proposed Budget Adjustments					
		Budget Adjustments		Budget Adjustments	
		Fiscal 2024		Fiscal 2025	
		General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>					
SWPL - 1 - Personal Services		0	7,006	0	12,014
SWPL - 2 - Fixed Costs		0	(16,129)	0	(15,977)
SWPL - 3 - Inflation Deflation		0	47,910	0	63,079
<i>Total Statewide Present Law Adjustments</i>		<i>\$0</i>	<i>\$38,787</i>	<i>\$0</i>	<i>\$59,116</i>
<b>Present Law Adjustments</b>					
PL - 4 - Debt Service - ROU Lease		0	624	0	1,257
<i>Total Present Law Adjustments</i>		<i>\$0</i>	<i>\$624</i>	<i>\$0</i>	<i>\$1,257</i>
<b>Total Budget Adjustments</b>		<b>\$0</b>	<b>\$39,411</b>	<b>\$0</b>	<b>\$60,373</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$7,006
FY 2025	\$0	\$12,014

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$7,006 in FY 2024 and an increase of \$12,014 in FY 2025 to annualize various personal services costs including the FY 2023 statewide pay plan, benefit rate adjustments, and longevity adjustments related to incumbents in each position at the time of the snapshot.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$16,129)
FY 2025	\$0	(\$15,977)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$16,129 in FY 2024 and a reduction of \$15,977 in FY 2025 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, warrant writer services, payroll processing, and others. The rates charged for these services are approved in other budgets.

## Consumer Counsel - 11120

### Administrative Program - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$47,910
FY 2025	\$0	\$63,079

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$47,910 in FY 2024 and an increase of \$63,079 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

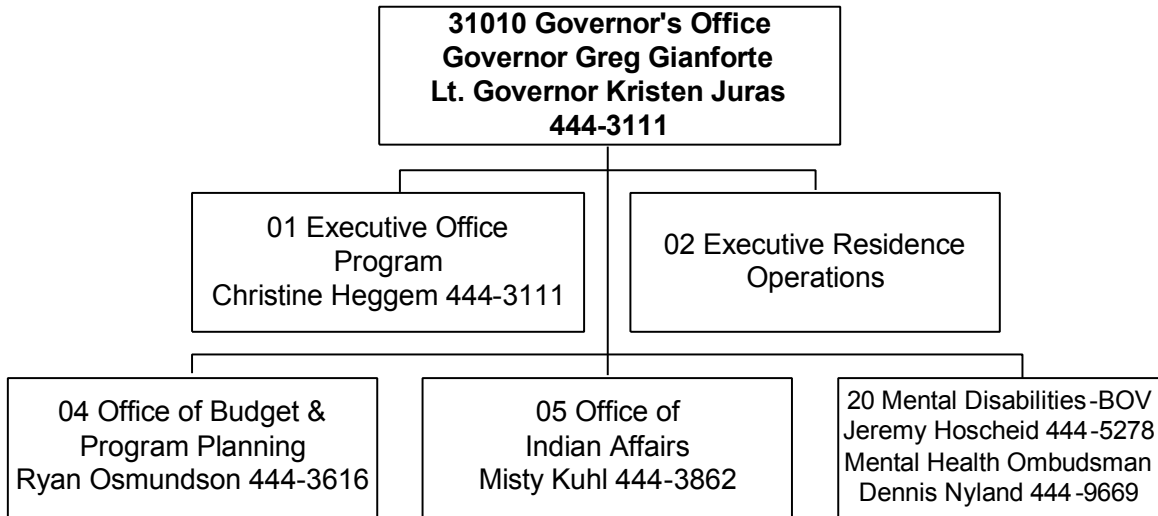
### -----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$624
FY 2025	\$0	\$1,257

#### **PL - 4 - Debt Service - ROU Lease -**

This change package includes an increase of \$624 in FY 2024 and an increase of \$1,257 in FY 2025 to reflect a 1.5-percent increase in the office space rent each year of the biennium, as per the lease agreement.

## 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			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	60.57	60.57	
Personal Services	5,907,194	6,011,857	11,919,051
Operating Expenses	1,668,854	1,583,891	3,252,745
<b>Total Costs</b>	<b>\$7,576,048</b>	<b>\$7,595,748</b>	<b>\$15,171,796</b>
General Fund	7,526,048	7,545,748	15,071,796
State/Other Special	50,000	50,000	100,000
<b>Total Funds</b>	<b>\$7,576,048</b>	<b>\$7,595,748</b>	<b>\$15,171,796</b>

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	7,232,457	7,232,457	6,880,381	6,880,381	(352,076)	(352,076)	(4.87)%	(4.87)%
02 - Executive Residence Operations	325,342	325,342	182,179	182,179	(143,163)	(143,163)	(44.00)%	(44.00)%
04 - Ofc Budget & Program Planning	5,478,992	5,478,992	6,621,700	6,621,700	1,142,708	1,142,708	20.86 %	20.86 %
05 - Office of Indian Affairs	475,053	575,053	422,836	522,836	(52,217)	(52,217)	(10.99)%	(9.08)%
20 - Mental Disabilities Bd Vistors	1,007,490	1,007,490	964,700	964,700	(42,790)	(42,790)	(4.25)%	(4.25)%
<b>Agency Total</b>	<b>\$14,519,334</b>	<b>\$14,619,334</b>	<b>\$15,071,796</b>	<b>\$15,171,796</b>	<b>\$552,462</b>	<b>\$552,462</b>	<b>3.81 %</b>	<b>3.78 %</b>

# Governor's Office - 31010

## Executive Office Program - 01

**01 Executive Office Program**  
**Chris Heggem 444-3111**

**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 includes the Office of the Lieutenant Governor which 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. 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	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments Fiscal 2024	Exec. Budget Fiscal 2024	Adjustments Fiscal 2025	Exec. Budget Fiscal 2025	Budget Request 2025 Biennium
FTE	27.00	2.00	29.00	2.00	29.00	
Personal Services	2,598,124	247,207	2,845,331	255,099	2,853,223	5,698,554
Operating Expenses	724,565	(136,094)	588,471	(131,209)	593,356	1,181,827
<b>Total Costs</b>	<b>\$3,322,689</b>	<b>\$111,113</b>	<b>\$3,433,802</b>	<b>\$123,890</b>	<b>\$3,446,579</b>	<b>\$6,880,381</b>
General Fund	3,322,689	111,113	3,433,802	123,890	3,446,579	6,880,381
<b>Total Funds</b>	<b>\$3,322,689</b>	<b>\$111,113</b>	<b>\$3,433,802</b>	<b>\$123,890</b>	<b>\$3,446,579</b>	<b>\$6,880,381</b>

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	7,004	7,004	14,740	14,740
SWPL - 2 - Fixed Costs	(170,505)	(170,505)	(170,506)	(170,506)
SWPL - 3 - Inflation Deflation	26,923	26,923	31,809	31,809
<i>Total Statewide Present Law Adjustments</i>	<i>(\$136,578)</i>	<i>(\$136,578)</i>	<i>(\$123,957)</i>	<i>(\$123,957)</i>
<b>New Proposals</b>				
NP - 101 - Government Efficiency Initiative	122,713	122,713	122,444	122,444
NP - 102 - Policy Staff	123,990	123,990	124,415	124,415
NP - 99 - New Fixed Costs	988	988	988	988
<i>Total New Proposals</i>	<i>\$247,691</i>	<i>\$247,691</i>	<i>\$247,847</i>	<i>\$247,847</i>
<b>Total Budget Adjustments</b>	<b>\$111,113</b>	<b>\$111,113</b>	<b>\$123,890</b>	<b>\$123,890</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$7,004	\$7,004
FY 2025	\$14,740	\$14,740

#### **SWPL - 1 - Personal Services -**

The budget includes \$7,004 in FY 2024 and \$14,740 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 Office Program - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$170,505)	(\$170,505)
FY 2025	(\$170,506)	(\$170,506)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$170,505 in FY 2024 and \$170,506 in FY 2025 to the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. The reduction is mainly the result of consolidating the budget for state information technology services into the Office of Budget and Program Planning. Examples of other 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 2024	\$26,923	\$26,923
FY 2025	\$31,809	\$31,809

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$26,923 in FY 2024 and \$31,809 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the supplies & materials, communications, repair & maintenance, state motor pool, and other services.

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$122,713	\$122,713
FY 2025	\$122,444	\$122,444

#### NP - 101 - Government Efficiency Initiative -

The 2021 Legislature provided funding for red-tape relief and efficiency initiatives championed by the Governor's Office. This change package requests reapproval of the funding to continue work on these initiatives. The funding is used for 1.00 FTE to assist the Lieutenant Governor in continuing the review and implementation of changes to administrative rules in cabinet agencies. The position will also assist with the directive for a top-down efficiency review of cabinet agencies.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$123,990	\$123,990
FY 2025	\$124,415	\$124,415

#### NP - 102 - Policy Staff -

The Executive requests 1.00 exempt FTE and \$123,990 in FY 2024 and \$124,415 in FY 2025 for associated personal services and operating budgets for an additional policy staff position. The number of exempted staff will not exceed 15 per elected official per 2-18-104 (2), MCA.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$988	\$988
FY 2025	\$988	\$988

#### NP - 99 - New Fixed Costs -

The budget includes \$988 in FY 2024 and \$988 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the State Management Training Center. Rates for the fixed costs are reviewed by the Section A subcommittee.



# Governor's Office - 31010

## Executive Residence Operations - 02

### 02 Executive Residence Operations

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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	1.57	0.00	1.57	0.00	1.57	
Personal Services	109,598	(109,598)	0	(28,125)	81,473	81,473
Operating Expenses	55,965	(5,697)	50,268	(5,527)	50,438	100,706
<b>Total Costs</b>	<b>\$165,563</b>	<b>(\$115,295)</b>	<b>\$50,268</b>	<b>(\$33,652)</b>	<b>\$131,911</b>	<b>\$182,179</b>
General Fund	165,563	(115,295)	50,268	(33,652)	131,911	182,179
<b>Total Funds</b>	<b>\$165,563</b>	<b>(\$115,295)</b>	<b>\$50,268</b>	<b>(\$33,652)</b>	<b>\$131,911</b>	<b>\$182,179</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(28,344)	(28,344)	(28,125)	(28,125)
SWPL - 2 - Fixed Costs	(8,269)	(8,269)	(8,272)	(8,272)
SWPL - 3 - Inflation Deflation	2,572	2,572	2,745	2,745
<i>Total Statewide Present Law Adjustments</i>	<i>(\$34,041)</i>	<i>(\$34,041)</i>	<i>(\$33,652)</i>	<i>(\$33,652)</i>
<b>New Proposals</b>				
NP - 201 - OTO Personal Services Reduction	(81,254)	(81,254)	0	0
<i>Total New Proposals</i>	<i>(\$81,254)</i>	<i>(\$81,254)</i>	<i>\$0</i>	<i>\$0</i>
<b>Total Budget Adjustments</b>	<b>(\$115,295)</b>	<b>(\$115,295)</b>	<b>(\$33,652)</b>	<b>(\$33,652)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$28,344)	(\$28,344)
FY 2025	(\$28,125)	(\$28,125)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$28,344 in FY 2024 and \$28,125 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 Operations - 02

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$8,269)	(\$8,269)
FY 2025	(\$8,272)	(\$8,272)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$8,269 in FY 2024 and \$8,272 in FY 2025 to the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. The reduction is mainly the result of consolidating the budget for state information technology services into the Office of Budget and Program Planning. Examples of other 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 2024	\$2,572	\$2,572
FY 2025	\$2,745	\$2,745

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,572 in FY 2024 and \$2,745 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the supplies & materials, communications, repair & maintenance, state motor pool, and other services.

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$81,254)	(\$81,254)
FY 2025	\$0	\$0

#### NP - 201 - OTO Personal Services Reduction -

The Executive Residence is undergoing a renovation authorized by the 2019 Legislature. During the renovation, the residence is unoccupied, but is anticipated to be occupied in FY 2025. This proposal is for a one-time-only reduction of personal services budget for the residence for FY 2024 until the residence is again operational.

## Governor's Office - 31010

### Ofc Budget & Program Planning - 04

**04 Office of Budget &  
Program Planning  
Ryan Osmundson 444-3616**

**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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	21.00	2.00	23.00	2.00	23.00	
Personal Services	2,192,272	268,857	2,461,129	282,216	2,474,488	4,935,617
Operating Expenses	326,099	562,690	888,789	471,195	797,294	1,686,083
<b>Total Costs</b>	<b>\$2,518,371</b>	<b>\$831,547</b>	<b>\$3,349,918</b>	<b>\$753,411</b>	<b>\$3,271,782</b>	<b>\$6,621,700</b>
General Fund	2,518,371	831,547	3,349,918	753,411	3,271,782	6,621,700
<b>Total Funds</b>	<b>\$2,518,371</b>	<b>\$831,547</b>	<b>\$3,349,918</b>	<b>\$753,411</b>	<b>\$3,271,782</b>	<b>\$6,621,700</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	60,542	60,542	73,193	73,193
SWPL - 2 - Fixed Costs	541,360	541,360	448,311	448,311
SWPL - 3 - Inflation Deflation	11,775	11,775	13,259	13,259
<i>Total Statewide Present Law Adjustments</i>	<i>\$613,677</i>	<i>\$613,677</i>	<i>\$534,763</i>	<i>\$534,763</i>
<b>New Proposals</b>				
NP - 401 - Internal Audit Management	105,638	105,638	105,990	105,990
NP - 402 - Subscription Increase	1,640	1,640	1,710	1,710
NP - 403 - Budget Analyst	106,177	106,177	106,533	106,533
NP - 99 - New Fixed Costs	4,415	4,415	4,415	4,415
<i>Total New Proposals</i>	<i>\$217,870</i>	<i>\$217,870</i>	<i>\$218,648</i>	<i>\$218,648</i>
<b>Total Budget Adjustments</b>	<b>\$831,547</b>	<b>\$831,547</b>	<b>\$753,411</b>	<b>\$753,411</b>

## Governor's Office - 31010

### Ofc Budget & Program Planning - 04

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$60,542	\$60,542
FY 2025	\$73,193	\$73,193

#### **SWPL - 1 - Personal Services -**

The budget includes \$60,542 in FY 2024 and \$73,193 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$541,360	\$541,360
FY 2025	\$448,311	\$448,311

#### **SWPL - 2 - Fixed Costs -**

The request includes \$541,360 in FY 2024 and \$448,311 in FY 2025 to the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. The increase is mainly the result of consolidating the budget for state information technology services into the Office of Budget and Program Planning. Examples of other 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 2024	\$11,775	\$11,775
FY 2025	\$13,259	\$13,259

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$11,775 in FY 2024 and \$13,259 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the supplies & materials, communications, repair & maintenance, state motor pool, and other services.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$105,638	\$105,638
FY 2025	\$105,990	\$105,990

#### **NP - 401 - Internal Audit Management -**

The 2021 Legislature provided a one-time-only general fund appropriation of \$125,000 per year for a position to oversee internal audit management and internal controls across state agencies. OBPP has filled this position and requests to make the position permanent. This proposal requests approximately \$105,000 general fund each year of the biennium to continue the 1.00 FTE and associated personal services and operating budgets for the internal audit manager position.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$1,640	\$1,640
FY 2025	\$1,710	\$1,710

#### **NP - 402 - Subscription Increase -**

The executive proposes increased funding for subscription costs related to econometric data. The Office of Budget and Program Planning maintains a contract for an econometric data service on behalf of the OBPP, the Legislative Fiscal Division, and several other state agencies. An annual increase of 4.0% is anticipated.

## Governor's Office - 31010

### Ofc Budget & Program Planning - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$106,177	\$106,177
FY 2025	\$106,533	\$106,533

#### **NP - 403 - Budget Analyst -**

The Office of Budget and Program Planning requests 1.00 FTE and \$106,177 in FY 2024 and \$106,533 in FY 2025 for associated personal services and operating budgets for an additional budget analyst position. Much like a similar request found in the budget for the Legislative Fiscal Division, the OBPP is experiencing increased workloads associated with expanded legislative interim committees, legislative policies and agendas, and increased need and demand for data analytical work.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$4,415	\$4,415
FY 2025	\$4,415	\$4,415

#### **NP - 99 - New Fixed Costs -**

The budget includes \$4,415 in FY 2024 and \$4,415 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A subcommittee.

# Governor's Office - 31010

## Office of Indian Affairs - 05

### 05 Office of Indian Affairs Misty Kuhl 444-3862

**Program Description** - The Director 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 director also serves the Montana congressional delegation as an advisor and intermediary in the field of Indian affairs and acts as spokesperson for representative Native American organizations and groups, both public and private, whenever that support is requested. The program is mandated by 2-15-217 and 90-11-101, MCA.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	2.00	0.00	2.00	0.00	2.00	
Personal Services	181,911	(15,319)	166,592	(14,771)	167,140	333,732
Operating Expenses	109,067	(15,047)	94,020	(13,983)	95,084	189,104
<b>Total Costs</b>	<b>\$290,978</b>	<b>(\$30,366)</b>	<b>\$260,612</b>	<b>(\$28,754)</b>	<b>\$262,224</b>	<b>\$522,836</b>
General Fund	240,978	(30,366)	210,612	(28,754)	212,224	422,836
State/Other Special	50,000	0	50,000	0	50,000	100,000
<b>Total Funds</b>	<b>\$290,978</b>	<b>(\$30,366)</b>	<b>\$260,612</b>	<b>(\$28,754)</b>	<b>\$262,224</b>	<b>\$522,836</b>

Program Proposed Budget Adjustments				
		Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025
		General Fund	Total Funds	General Fund
				Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services		(15,319)	(15,319)	(14,771)
SWPL - 2 - Fixed Costs		(18,120)	(18,120)	(18,127)
SWPL - 3 - Inflation Deflation		3,001	3,001	4,072
<i>Total Statewide Present Law Adjustments</i>		<i>(\$30,438)</i>	<i>(\$30,438)</i>	<i>(\$28,826)</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs		72	72	72
<i>Total New Proposals</i>		<i>\$72</i>	<i>\$72</i>	<i>\$72</i>
<b>Total Budget Adjustments</b>		<b>(\$30,366)</b>	<b>(\$30,366)</b>	<b>(\$28,754)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$15,319)	(\$15,319)
FY 2025	(\$14,771)	(\$14,771)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$15,319 in FY 2024 and \$14,771 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	(\$18,120)	(\$18,120)
FY 2025	(\$18,127)	(\$18,127)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$18,120 in FY 2024 and \$18,127 in FY 2025 to the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. The reduction is mainly the result of consolidating the budget for state information technology services into the Office of Budget and Program Planning. Examples of other 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 2024	\$3,001	\$3,001
FY 2025	\$4,072	\$4,072

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$3,001 in FY 2024 and \$4,072 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the supplies & materials, communications, repair & maintenance, state motor pool, and other services.

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$72	\$72
FY 2025	\$72	\$72

#### NP - 99 - New Fixed Costs -

The budget includes \$72 in FY 2024 and \$72 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the State Management Training Center. Rates for the fixed costs are reviewed by the Section A subcommittee.

## Governor's Office - 31010

### Mental Disabilities Bd Vistors - 20

**20 Mental Disabilities  
Board of Visitors  
Jeremy Hoscheid 444-5278**

**Mental Health  
Ombudsman  
Dennis Nyland 444-9669**

**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 the 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	5.00	0.00	5.00	0.00	5.00	
Personal Services	451,473	(17,331)	434,142	(15,940)	435,533	869,675
Operating Expenses	60,534	(13,228)	47,306	(12,815)	47,719	95,025
<b>Total Costs</b>	<b>\$512,007</b>	<b>(\$30,559)</b>	<b>\$481,448</b>	<b>(\$28,755)</b>	<b>\$483,252</b>	<b>\$964,700</b>
General Fund	512,007	(30,559)	481,448	(28,755)	483,252	964,700
<b>Total Funds</b>	<b>\$512,007</b>	<b>(\$30,559)</b>	<b>\$481,448</b>	<b>(\$28,755)</b>	<b>\$483,252</b>	<b>\$964,700</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(17,331)	(17,331)	(15,940)	(15,940)
SWPL - 2 - Fixed Costs	(16,028)	(16,028)	(16,046)	(16,046)
SWPL - 3 - Inflation Deflation	2,617	2,617	3,048	3,048
<i>Total Statewide Present Law Adjustments</i>	<i>(\$30,742)</i>	<i>(\$30,742)</i>	<i>(\$28,938)</i>	<i>(\$28,938)</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	183	183	183	183
<i>Total New Proposals</i>	<i>\$183</i>	<i>\$183</i>	<i>\$183</i>	<i>\$183</i>
<b>Total Budget Adjustments</b>	<b>(\$30,559)</b>	<b>(\$30,559)</b>	<b>(\$28,755)</b>	<b>(\$28,755)</b>



## Governor's Office - 31010

### Mental Disabilities Bd Vistors - 20

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$17,331)	(\$17,331)
FY 2025	(\$15,940)	(\$15,940)

#### **SWPL - 1 - Personal Services -**

The budget includes a reduction of \$17,331 in FY 2024 and \$15,940 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	(\$16,028)	(\$16,028)
FY 2025	(\$16,046)	(\$16,046)

#### **SWPL - 2 - Fixed Costs -**

The request includes a reduction of \$16,028 in FY 2024 and \$16,046 in FY 2025 to the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. The reduction is mainly the result of consolidating the budget for state information technology services into the Office of Budget and Program Planning. Examples of other 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 2024	\$2,617	\$2,617
FY 2025	\$3,048	\$3,048

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$2,617 in FY 2024 and \$3,048 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the supplies & materials, communications, repair & maintenance, state motor pool, and other services.

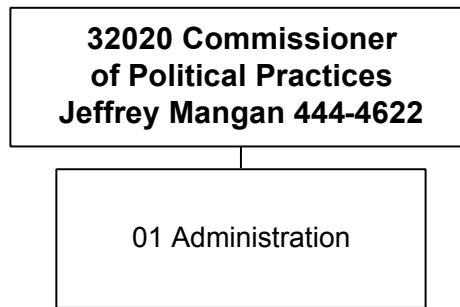
#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$183	\$183
FY 2025	\$183	\$183

#### **NP - 99 - New Fixed Costs -**

The budget includes \$183 in FY 2024 and \$183 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the State Management Training Center. Rates for the fixed costs are reviewed by the Section A subcommittee.

## 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

## Administration - 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	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2023	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	6.00	1.00	7.00	1.00	7.00	
Personal Services	445,394	134,194	579,588	135,961	581,355	1,160,943
Operating Expenses	251,495	62,984	314,479	43,711	295,206	609,685
<b>Total Costs</b>	<b>\$696,889</b>	<b>\$197,178</b>	<b>\$894,067</b>	<b>\$179,672</b>	<b>\$876,561</b>	<b>\$1,770,628</b>
General Fund	696,889	197,178	894,067	179,672	876,561	1,770,628
<b>Total Funds</b>	<b>\$696,889</b>	<b>\$197,178</b>	<b>\$894,067</b>	<b>\$179,672</b>	<b>\$876,561</b>	<b>\$1,770,628</b>

Program Proposed Budget Adjustments	Budget Adjustments		Budget Adjustments	
	Fiscal 2024		Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	11,588	11,588	13,692	13,692
SWPL - 2 - Fixed Costs	48,361	48,361	26,372	26,372
SWPL - 3 - Inflation Deflation	14,623	14,623	17,339	17,339
<i>Total Statewide Present Law Adjustments</i>	<i>\$74,572</i>	<i>\$74,572</i>	<i>\$57,403</i>	<i>\$57,403</i>
<b>New Proposals</b>				
NP - 3201 - Reestablish Attorney Position	122,606	122,606	122,269	122,269
<i>Total New Proposals</i>	<i>\$122,606</i>	<i>\$122,606</i>	<i>\$122,269</i>	<i>\$122,269</i>
<b>Total Budget Adjustments</b>	<b>\$197,178</b>	<b>\$197,178</b>	<b>\$179,672</b>	<b>\$179,672</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$11,588	\$11,588
FY 2025	\$13,692	\$13,692

#### SWPL - 1 - Personal Services -

The budget includes \$11,588 in FY 2024 and \$13,692 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$48,361	\$48,361
FY 2025	\$26,372	\$26,372

#### SWPL - 2 - Fixed Costs -

The request includes \$48,361 in FY 2024 and \$26,372 in FY 2025 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.

## Commissioner of Political Practices - 32020

### Administration - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$14,623	\$14,623
FY 2025	\$17,339	\$17,339

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$14,623 in FY 2024 and \$17,339 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

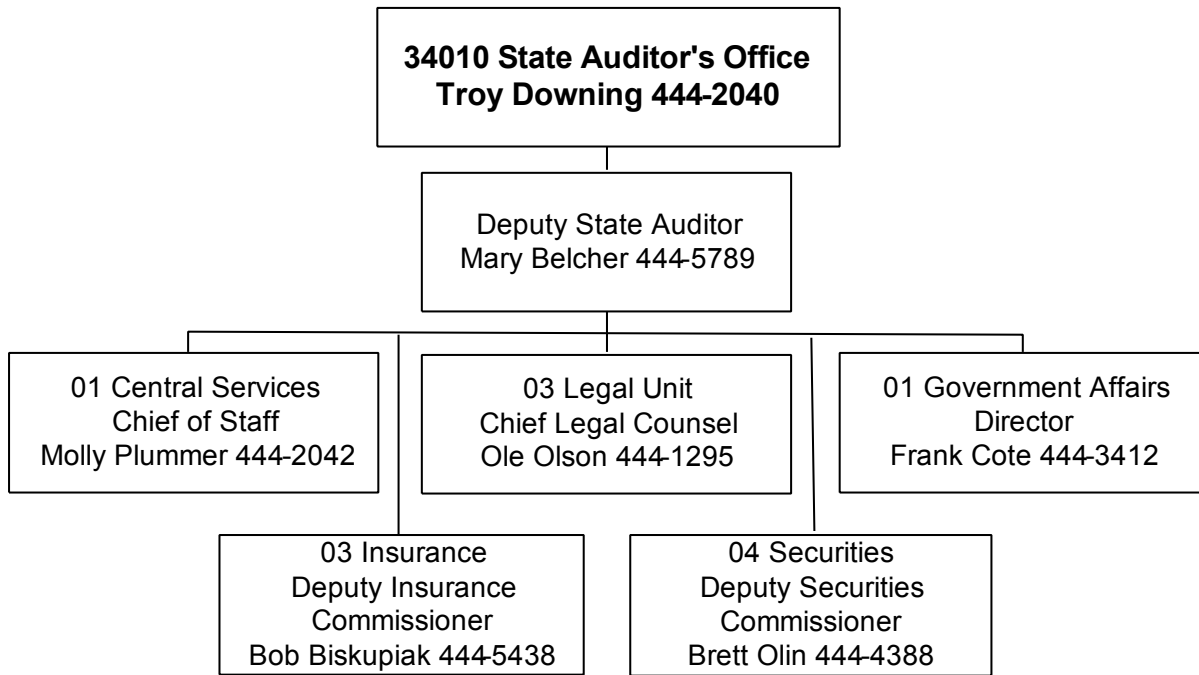
### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$122,606	\$122,606
FY 2025	\$122,269	\$122,269

#### **NP - 3201 - Reestablish Attorney Position -**

This request is for \$122,606 in FY 2024 and \$122,269 in FY 2025 to reestablish 1.00 FTE legal counsel for the Commissioner of Political Practices. The legislature established the 1.00 FTE for legal counsel as one-time-only in the 2017 and 2019 biennia with language stating that if the person appointed as Commissioner of Political Practices was an attorney, the appropriation was void. The appointed Commissioner was not an attorney, so the position was funded as OTO. COPP is requesting the position as ongoing in its 2025 budget request as the position and need are ongoing.

## State Auditor's Office - 34010



**Mission Statement** - The Office of the Montana State Auditor will diligently advocate for consumers while working to empower Montanans with more insurance options and timely information. It will endeavor to protect consumers from fraudulent and illegal practices, and to improve Montana's economy by ensuring the securities and insurance industries can operate in a fair and efficient regulatory environment. They are committed to serving all Montanans in a caring, professional, and ethical manner as they perform the duties of the office.

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

Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	72.50	72.50	
Personal Services	7,060,861	7,100,864	14,161,725
Operating Expenses	3,212,627	3,369,952	6,582,579
Equipment & Intangible Assets	107,994	7,994	115,988
Grants	44,031,143	44,031,143	88,062,286
Debt Service	522,740	522,740	1,045,480
<b>Total Costs</b>	<b>\$54,935,365</b>	<b>\$55,032,693</b>	<b>\$109,968,058</b>
State/Other Special	20,835,365	20,932,693	41,768,058
Federal Spec. Rev. Funds	34,100,000	34,100,000	68,200,000
<b>Total Funds</b>	<b>\$54,935,365</b>	<b>\$55,032,693</b>	<b>\$109,968,058</b>

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	4,149,396	0	4,566,600	0	417,204	0.00 %	10.05 %
03 - Insurance	0	98,555,708	0	102,269,069	0	3,713,361	0.00 %	3.77 %
04 - Securities	0	2,648,804	0	3,132,389	0	483,585	0.00 %	18.26 %
<b>Agency Total</b>	<b>\$0</b>	<b>\$105,353,908</b>	<b>\$0</b>	<b>\$109,968,058</b>	<b>\$0</b>	<b>\$4,614,150</b>	<b>0.00 %</b>	<b>4.38 %</b>

# State Auditor's Office - 34010

## Central Management - 01

**01 Central Services  
Division  
Molly Plummer 444-2042**

**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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	16.50	0.00	16.50	0.00	16.50	
Personal Services	1,442,911	135,012	1,577,923	142,102	1,585,013	3,162,936
Operating Expenses	647,154	(68,591)	578,563	(79,019)	568,135	1,146,698
Equipment & Intangible Assets	1,683	0	1,683	0	1,683	3,366
Debt Service	1,800	125,000	126,800	125,000	126,800	253,600
<b>Total Costs</b>	<b>\$2,093,548</b>	<b>\$191,421</b>	<b>\$2,284,969</b>	<b>\$188,083</b>	<b>\$2,281,631</b>	<b>\$4,566,600</b>
State/Other Special	2,093,548	191,421	2,284,969	188,083	2,281,631	4,566,600
<b>Total Funds</b>	<b>\$2,093,548</b>	<b>\$191,421</b>	<b>\$2,284,969</b>	<b>\$188,083</b>	<b>\$2,281,631</b>	<b>\$4,566,600</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	135,012	0	142,102
SWPL - 2 - Fixed Costs	0	25,819	0	12,140
SWPL - 3 - Inflation Deflation	0	30,590	0	33,841
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$191,421</i>	<i>\$0</i>	<i>\$188,083</i>
<b>Present Law Adjustments</b>				
PL - 5 - Debt Service Reclassification	0	0	0	0
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$191,421</b>	<b>\$0</b>	<b>\$188,083</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$135,012
FY 2025	\$0	\$142,102

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$135,012 in FY 2024 and an increase of \$142,102 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

## State Auditor's Office - 34010

### Central Management - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$25,819
FY 2025	\$0	\$12,140

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$25,819 in FY 2024 and an increase of \$12,140 in FY 2025 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 2024	\$0	\$30,590
FY 2025	\$0	\$33,841

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$30,590 in FY 2024 and an increase of \$33,841 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services..

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

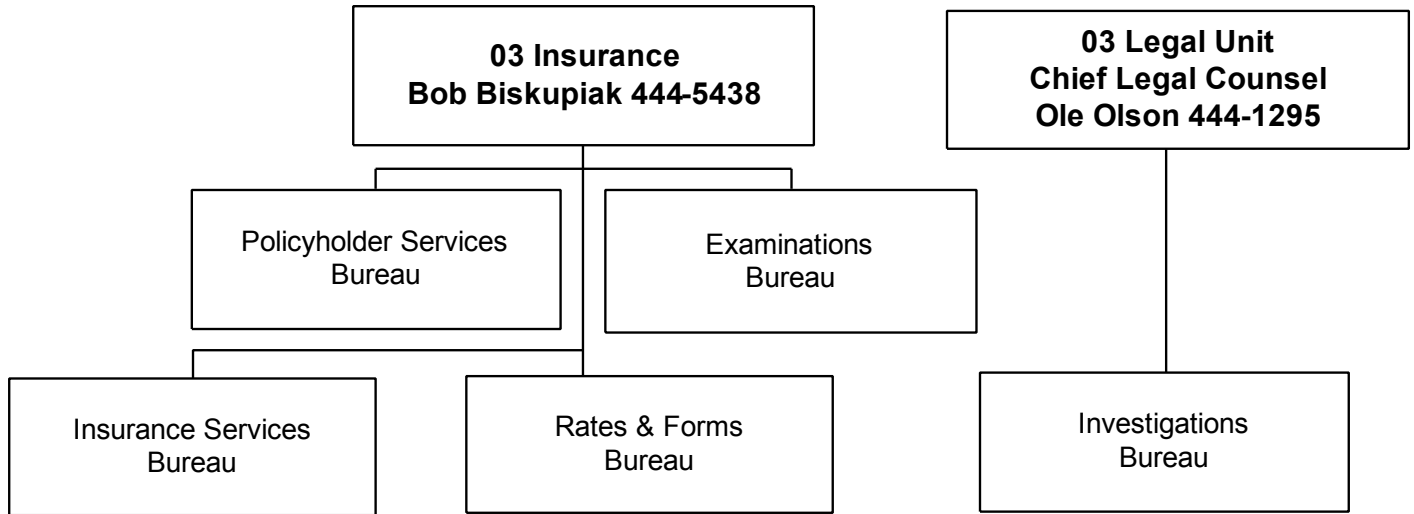
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$0

#### PL - 5 - Debt Service Reclassification -

This change package moves \$125,000 in budget authority from operating to debt service in FY 2024 and FY 2025 to allow the division to record building rental payments in accordance with new accounting requirements.

# 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 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	44.00	0.00	44.00	0.00	44.00	
Personal Services	3,804,283	347,984	4,152,267	372,200	4,176,483	8,328,750
Operating Expenses	1,439,818	1,092,560	2,532,378	1,269,439	2,709,257	5,241,635
Equipment & Intangible Assets	5,109	0	5,109	0	5,109	10,218
Grants	44,031,143	0	44,031,143	0	44,031,143	88,062,286
Debt Service	3,090	310,000	313,090	310,000	313,090	626,180
<b>Total Costs</b>	<b>\$49,283,443</b>	<b>\$1,750,544</b>	<b>\$51,033,987</b>	<b>\$1,951,639</b>	<b>\$51,235,082</b>	<b>\$102,269,069</b>
State/Other Special	15,183,443	1,750,544	16,933,987	1,951,639	17,135,082	34,069,069
Federal Spec. Rev. Funds	34,100,000	0	34,100,000	0	34,100,000	68,200,000
<b>Total Funds</b>	<b>\$49,283,443</b>	<b>\$1,750,544</b>	<b>\$51,033,987</b>	<b>\$1,951,639</b>	<b>\$51,235,082</b>	<b>\$102,269,069</b>



# State Auditor's Office - 34010

## Insurance - 03

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	347,984	0	372,200
SWPL - 2 - Fixed Costs	0	79,334	0	40,105
SWPL - 3 - Inflation Deflation	0	53,226	0	69,334
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$480,544</i>	<i>\$0</i>	<i>\$481,639</i>
<b>Present Law Adjustments</b>				
PL - 2 - Exams Bureau	0	220,000	0	320,000
PL - 3 - Market Conduct Exams	0	1,000,000	0	1,000,000
PL - 4 - Captive Regulatory Fund	0	50,000	0	150,000
PL - 5 - Debt Service Reclassification	0	0	0	0
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$1,270,000</i>	<i>\$0</i>	<i>\$1,470,000</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$1,750,544</b>	<b>\$0</b>	<b>\$1,951,639</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$347,984
FY 2025	\$0	\$372,200

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$347,984 in FY 2024 and an increase of \$372,200 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$79,334
FY 2025	\$0	\$40,105

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$79,334 in FY 2024 and an increase of \$40,105 in FY 2025 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 2024	\$0	\$53,226
FY 2025	\$0	\$69,334

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$53,226 in FY 2024 and an increase of \$69,334 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services..

# State Auditor's Office - 34010

## Insurance - 03

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$220,000
FY 2025	\$0	\$320,000

#### **PL - 2 - Exams Bureau -**

Per the direction of 33-1-401(1), MCA, the commissioner shall examine each authorized insurer not less frequently than every 5 years. Section 33-1-408(4), MCA, allows the commissioner to retain attorneys, appraisers, independent actuaries, independent certified public accountants, or other professionals and specialist as examiners. The amount of funding required per fiscal year to retain contracted services is a function of the examination schedule established by the commissioner.

The year-to-year funding requirement can fluctuate significantly based on the number of companies to be examined and the size and complexity of those companies. This request is for \$220,000 in FY 2024 and \$320,000 in FY 2025 for a total of \$540,000 in the 2025 Biennium. The contract payments will be from state special revenue and are reimbursed to the agency from the company being examined.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,000,000
FY 2025	\$0	\$1,000,000

#### **PL - 3 - Market Conduct Exams -**

The State Auditor's Office will contract to complete market conduct exams of regulated insurance companies. This request is for \$1 million in FY 2024 and FY 2025 for a total of \$2 million in the biennium. Section 33-1-408(4), MCA, allows that upon determining that an examination should be conducted, the commissioner may retain attorneys, appraisers, independent actuaries, independent certified public accountants, or other professionals and specialists as examiners. The cost of retaining the personnel must be paid by the company that is the subject of the examination.

The amount of funding required per fiscal year to retain contracted services is a function of the examination schedule established by the commissioner and planning for unforeseen examinations required to address emerging market conduct issues. The year-to-year funding requirement can fluctuate significantly based on the number of companies to be examined, the size and scope of the examinations, and complexity of the company being examined.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$50,000
FY 2025	\$0	\$150,000

#### **PL - 4 - Captive Regulatory Fund -**

The requested budget increase is reflective of the passage of SB 76 in the 2021 Legislative Session. SB 76 increased the percentage of captive insurance company premium tax that is retained to regulate and promote captive insurance in Montana. SB 76 increased the amount retained by the State Auditor's Office from 5% of premium tax collected to 20% of premium tax. In FY 2024, the anticipated collection amount increases by \$50,000. In FY 2025, the anticipated collection amount increases by \$150,000. This request of for a total of \$200,000 for the 2025 Biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$0

#### **PL - 5 - Debt Service Reclassification -**

This change package moves \$310,000 in budget authority from operating to debt service in FY 2024 and FY 2025 to allow the division to record building rental payments in accordance with new accounting requirements.

# State Auditor's Office - 34010

## Securities - 04

### 04 Securities Brett Olin 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	12.00	0.00	12.00	0.00	12.00	
Personal Services	1,147,088	183,583	1,330,671	192,280	1,339,368	2,670,039
Operating Expenses	159,741	(58,055)	101,686	(67,181)	92,560	194,246
Equipment & Intangible Assets	1,202	100,000	101,202	0	1,202	102,404
Debt Service	850	82,000	82,850	82,000	82,850	165,700
<b>Total Costs</b>	<b>\$1,308,881</b>	<b>\$307,528</b>	<b>\$1,616,409</b>	<b>\$207,099</b>	<b>\$1,515,980</b>	<b>\$3,132,389</b>
State/Other Special	1,308,881	307,528	1,616,409	207,099	1,515,980	3,132,389
<b>Total Funds</b>	<b>\$1,308,881</b>	<b>\$307,528</b>	<b>\$1,616,409</b>	<b>\$207,099</b>	<b>\$1,515,980</b>	<b>\$3,132,389</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	183,583	0	192,280
SWPL - 2 - Fixed Costs	0	20,090	0	9,831
SWPL - 3 - Inflation Deflation	0	3,855	0	4,988
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$207,528</i>	<i>\$0</i>	<i>\$207,099</i>
<b>Present Law Adjustments</b>				
PL - 1 - Case Management Software - Biennial	0	100,000	0	0
PL - 5 - Debt Service Reclassification	0	0	0	0
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$100,000</i>	<i>\$0</i>	<i>\$0</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$307,528</b>	<b>\$0</b>	<b>\$207,099</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$183,583
FY 2025	\$0	\$192,280

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$183,583 in FY 2024 and an increase of \$192,280 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

## State Auditor's Office - 34010

### Securities - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$20,090
FY 2025	\$0	\$9,831

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$20,090 in FY 2024 and an increase of \$9,831 in FY 2025 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 2024	\$0	\$3,855
FY 2025	\$0	\$4,988

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$3,855 in FY 2024 and an increase of \$4,988 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$100,000
FY 2025	\$0	\$0

#### PL - 1 - Case Management Software - Biennial -

Currently, the Securities Division does not have access to case management software. Instead, the department utilizes the network shared drive to store files for all securities-related inquiries, examinations, and investigations. Case management software would allow the department to centralize, standardize, and efficiently track and all data captured within the department.

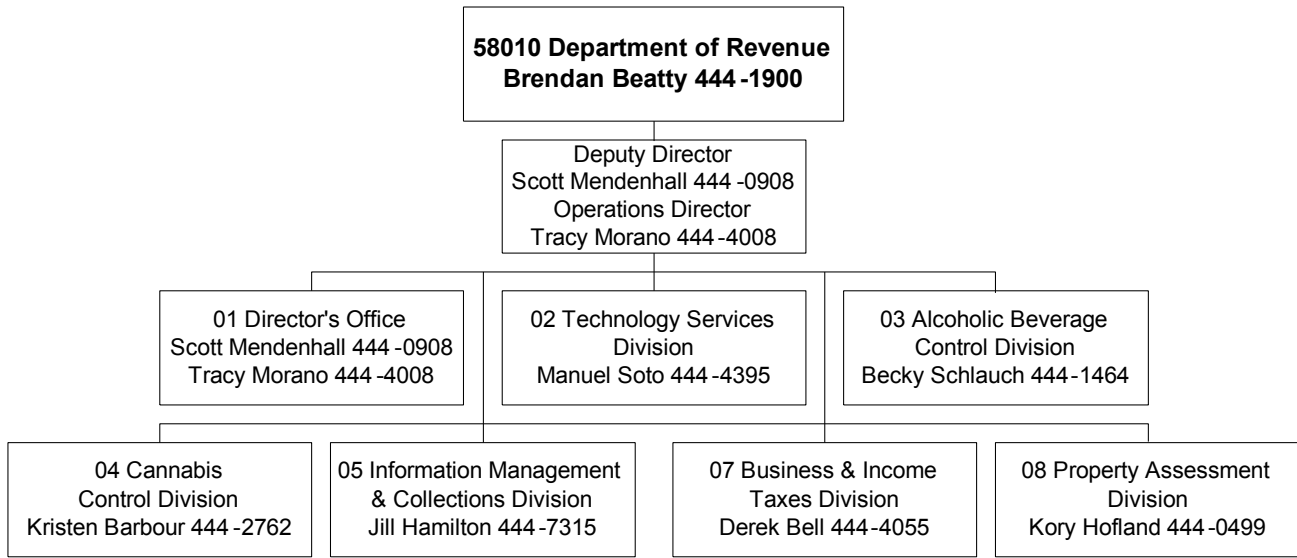
A case management system would also help the division better serve more Montana consumers who may have been harmed by unscrupulous brokers. Costs for the system would be partially offset by increased revenue from anticipated increases in fee and fine revenue as a result of a more efficient system. The Office of the Montana State Auditor is responsible for the oversight of approximately 1,300 broker/dealer firms, 1,000 investment advisor firms, 110,000 securities salespersons and investment adviser representatives, and 38,000 issuers. The estimated cost of the case management system is \$100,000 and is requested as a biennial appropriation.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$0

#### PL - 5 - Debt Service Reclassification -

This change package moves \$82,000 in budget authority from operating to debt service in FY 2024 and FY 2025 to allow the division to record building rental payments in accordance with new accounting requirements.

## Department of Revenue - 58010



**Mission Statement** - To be the nation's most citizen-oriented, efficiently administered state tax agency.

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

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

"Alcohol Beverage Control Division proprietary funds necessary to maintain adequate inventories, pay freight costs, and transfer profits and taxes to appropriate accounts are appropriated from the liquor enterprise fund to the department in an amount not to exceed \$220 million in each year of the 2025 biennium."

"The department is appropriated \$2 million each year of the 2025 biennium for payments to local governing bodies pursuant to 15-1-402(6)(d), MCA. Local governments may request partial reimbursement of protested taxes from the general fund if the final assessed value of a centrally assessed or industrial property is reduced less than 75% of the initial assessed value after resolution of an appeal."

"Pursuant to 16-12-111, MCA, the Cannabis Control Division is appropriated an amount not to exceed \$50.2 million in fiscal year 2024 and \$57.3 million in fiscal year 2025 for transfers of cannabis revenue to other state special revenue funds and the general fund."

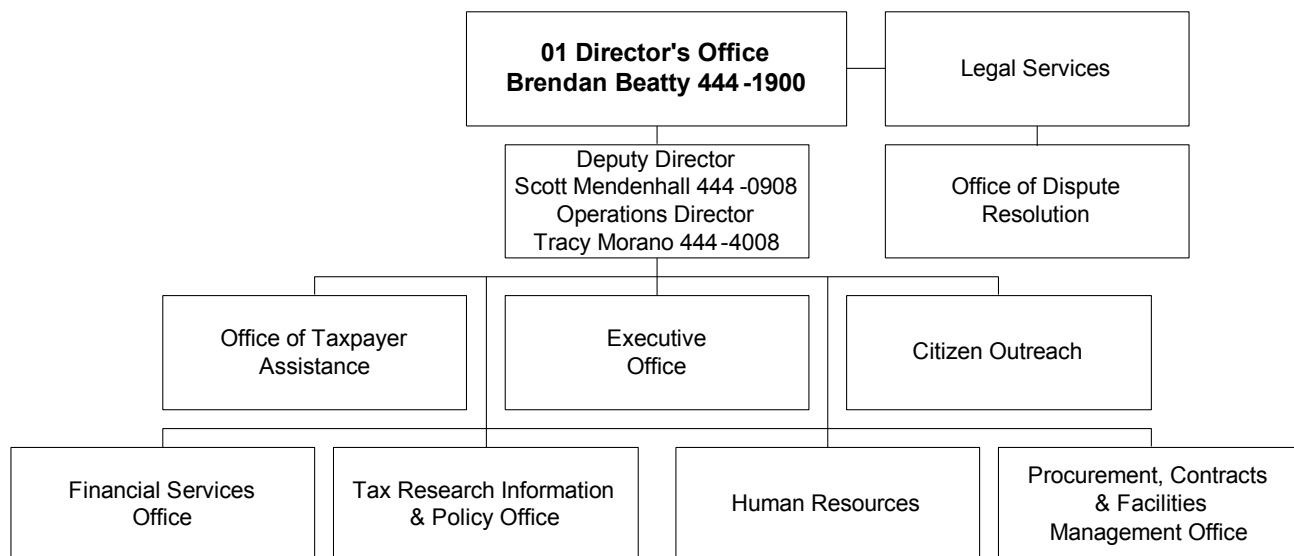
Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	669.47	669.47	
Personal Services	52,125,104	52,323,250	104,448,354
Operating Expenses	18,654,599	19,205,123	37,859,722
Equipment & Intangible Assets	30,554	30,554	61,108
Capital Outlay	0	0	0
Transfers	1,500	1,500	3,000
Debt Service	1,162,636	1,162,636	2,325,272
<b>Total Costs</b>	<b>\$71,974,393</b>	<b>\$72,723,063</b>	<b>\$144,697,456</b>
General Fund	61,017,762	61,234,930	122,252,692
State/Other Special	6,460,682	6,982,794	13,443,476
Proprietary Funds	3,994,261	4,003,491	7,997,752
Federal Spec. Rev. Funds	501,688	501,848	1,003,536
<b>Total Funds</b>	<b>\$71,974,393</b>	<b>\$72,723,063</b>	<b>\$144,697,456</b>

## Department of Revenue - 58010

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	14,353,432	15,373,321	15,715,216	16,757,531	1,361,784	1,384,210	9.49 %	9.00 %
02 - Technology Services Division	18,294,030	22,133,624	19,971,951	20,844,595	1,677,921	(1,289,029)	9.17 %	(5.82)%
03 - Alcoholic Beverage Control Div	0	6,598,832	0	6,938,258	0	339,426	0.00 %	5.14 %
04 - Cannabis Control Division	0	7,292,109	0	10,509,068	0	3,216,959	0.00 %	44.12 %
05 - Information Mgmt & Collections	12,506,262	12,706,182	13,656,022	13,983,886	1,149,760	1,277,704	9.19 %	10.06 %
07 - Business & Income Taxes Div	21,474,391	23,557,732	22,955,317	25,675,380	1,480,926	2,117,648	6.90 %	8.99 %
08 - Property Assessment Division	47,897,339	47,931,891	49,954,186	49,988,738	2,056,847	2,056,847	4.29 %	4.29 %
<b>Agency Total</b>	<b>\$114,525,454</b>	<b>\$135,593,691</b>	<b>\$122,252,692</b>	<b>\$144,697,456</b>	<b>\$7,727,238</b>	<b>\$9,103,765</b>	<b>6.75 %</b>	<b>6.71 %</b>

## Department of Revenue - 58010

### Directors Office - 01



**Program Description** - The Director's Office (DO) supports the agency's director and is comprised of the following offices:

The Financial Services Office manages the department's centralized accounting, budgeting, and asset management functions.

The Citizen Outreach Office communicates with internal and external stakeholders and is responsible for media relations, digital communications, design and branding, public education and outreach, and training and employee development. In addition, this office oversees the department's call center, e-Stop business licensing and unclaimed property distribution.

The Taxpayer Advocate works independently from the department's divisions to ensure citizens have an impartial advocate to hear their concerns and questions.

The Executive Office provides administrative support services for the work units within the Director's Office.

The Human Resources Office manages organization and workforce development, policy and practice interpretation, employee and labor relations, staffing, employment law, performance reviews, and compensation.

The Legal Services Office supervises the overall legal efforts of the department, including rules, policies, and bankruptcy.

The Office of Dispute Resolution independently hears and/or mediates cases between the department and taxpayers, liquor licensees and other members of the public. The office provides an accessible, cost-effective means for taxpayers and licensees to appeal agency determinations or proposed department actions.

The Procurement, Contracts, and Facilities Office manages the planning, procurement, contract negotiation, creation, and execution, performance measurement, contract resolution and invoice verification for the department.

The Tax Policy and Research Office provides accurate and timely information for the Governor, the Legislature, and Montana citizens. This includes the compilation of basic tax data and the publication of the statutory Biennial Report.

# Department of Revenue - 58010

## Directors Office - 01

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	64.19	1.00	65.19	1.00	65.19	
Personal Services	5,777,139	291,143	6,068,282	325,675	6,102,814	12,171,096
Operating Expenses	2,252,586	125,887	2,378,473	(68,450)	2,184,136	4,562,609
Transfers	1,500	0	1,500	0	1,500	3,000
Debt Service	10,413	0	10,413	0	10,413	20,826
<b>Total Costs</b>	<b>\$8,041,638</b>	<b>\$417,030</b>	<b>\$8,458,668</b>	<b>\$257,225</b>	<b>\$8,298,863</b>	<b>\$16,757,531</b>
General Fund	7,529,825	408,099	7,937,924	247,467	7,777,292	15,715,216
State/Other Special	356,361	8,462	364,823	9,289	365,650	730,473
Proprietary Funds	155,452	469	155,921	469	155,921	311,842
<b>Total Funds</b>	<b>\$8,041,638</b>	<b>\$417,030</b>	<b>\$8,458,668</b>	<b>\$257,225</b>	<b>\$8,298,863</b>	<b>\$16,757,531</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	191,704	196,418	225,339	230,880
SWPL - 2 - Fixed Costs	109,514	109,541	(96,107)	(96,080)
SWPL - 3 - Inflation Deflation	91,410	95,600	102,764	106,954
<i>Total Statewide Present Law Adjustments</i>	<i>\$392,628</i>	<i>\$401,559</i>	<i>\$231,996</i>	<i>\$241,754</i>
<b>Present Law Adjustments</b>				
PL - 26 - SB212 Funding to Publish Reappraisal Information to Taxpayers (BIEN)	12,500	12,500	12,500	12,500
<i>Total Present Law Adjustments</i>	<i>\$12,500</i>	<i>\$12,500</i>	<i>\$12,500</i>	<i>\$12,500</i>
<b>New Proposals</b>				
NP - 14 - Tax Policy Implementation FTE for DO	0	0	0	0
NP - 99 - New Fixed Costs	2,971	2,971	2,971	2,971
<i>Total New Proposals</i>	<i>\$2,971</i>	<i>\$2,971</i>	<i>\$2,971</i>	<i>\$2,971</i>
<b>Total Budget Adjustments</b>	<b>\$408,099</b>	<b>\$417,030</b>	<b>\$247,467</b>	<b>\$257,225</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$191,704	\$196,418
FY 2025	\$225,339	\$230,880

#### SWPL - 1 - Personal Services -

The budget includes \$196,418 in FY 2024 and \$230,880 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$109,514	\$109,541
FY 2025	(\$96,107)	(\$96,080)

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$109,541 in FY 2024 and a decrease of \$96,080 in FY 2025 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 Revenue - 58010

### Directors Office - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$91,410	\$95,600
FY 2025	\$102,764	\$106,954

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$95,600 in FY 2024 and \$106,954 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$12,500	\$12,500
FY 2025	\$12,500	\$12,500

#### PL - 26 - SB212 Funding to Publish Reappraisal Information to Taxpayers (BIEN) -

This is a request to re-establish biennial general fund appropriation of \$25,000 for the 2025 biennium for the passage of SB 212 in the 2021 Legislative Session. With the passage of SB 212, the department is required to publish reappraisal information to taxpayers. This funding will allow the agency to continue to meet this requirement.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$0

#### NP - 14 - Tax Policy Implementation FTE for DO -

The Department of Revenue, Director's Office, requests 1.0 FTE in the 2025 biennium due to passage of Change Package NP 101 (Governor Gianforte's Budget) in the 2021 Legislative Session. This change package gave the department funding for tax policy implementation as part of the department's operating budget in the 2023 biennium. Additionally, the department requested a modified position in the 2023 biennium.

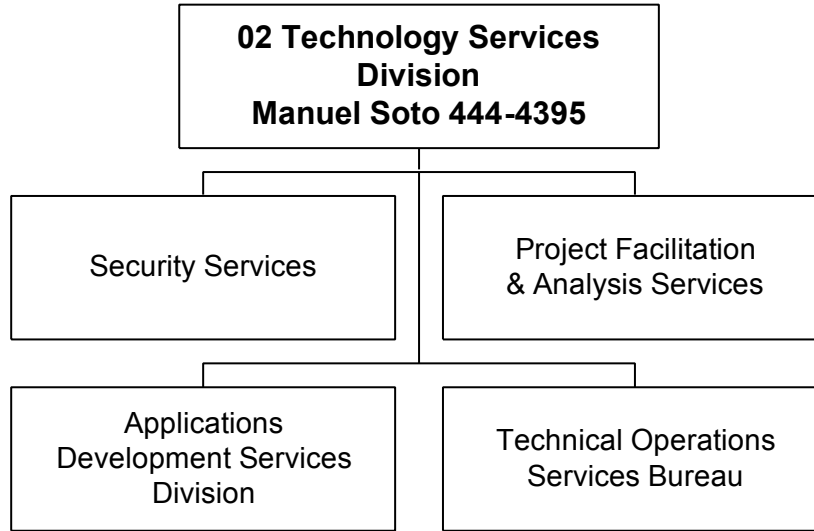
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$2,971	\$2,971
FY 2025	\$2,971	\$2,971

#### NP - 99 - New Fixed Costs -

The budget includes \$2,971 in FY 2024 and \$2,971 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Revenue - 58010

### Technology Services Division - 02



**Program Description** - The Technology Services Division (TSD) serves as the technological foundation for the department's business units, leveraging IT systems and services to increase internal business operations efficiencies and optimize citizen services.

The Applications Development Services Bureau provides program development support services for the department's numerous applications and external facing systems provided to Montana's property owners, businesses, and citizens.

The Technology Operations Services Bureau provides server and workstation support and training for department hardware and software systems.

The Project Facilitation and Analysis Services Unit manages projects to improve agency operations and ensure critical enterprise functions are accomplished with more efficiency, higher quality, and lower costs.

The Security Office serves as the department liaison with the IRS and is responsible for the security of all taxpayer information.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	42.00	1.30	43.30	1.30	43.30	
Personal Services	4,097,537	139,202	4,236,739	68,394	4,165,931	8,402,670
Operating Expenses	5,397,499	748,976	6,146,475	897,951	6,295,450	12,441,925
Equipment & Intangible Assets	0	0	0	0	0	0
<b>Total Costs</b>	<b>\$9,495,036</b>	<b>\$888,178</b>	<b>\$10,383,214</b>	<b>\$966,345</b>	<b>\$10,461,381</b>	<b>\$20,844,595</b>
General Fund	9,075,239	871,653	9,946,892	949,820	10,025,059	19,971,951
State/Other Special	163,855	4,078	167,933	4,078	167,933	335,866
Proprietary Funds	255,942	12,447	268,389	12,447	268,389	536,778
<b>Total Funds</b>	<b>\$9,495,036</b>	<b>\$888,178</b>	<b>\$10,383,214</b>	<b>\$966,345</b>	<b>\$10,461,381</b>	<b>\$20,844,595</b>

## Department of Revenue - 58010

### Technology Services Division - 02

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(55,012)	(55,012)	(25,889)	(25,889)
SWPL - 2 - Fixed Costs	155,496	155,496	163,047	163,047
SWPL - 3 - Inflation Deflation	560,531	577,056	705,657	722,182
<i>Total Statewide Present Law Adjustments</i>	<i>\$661,015</i>	<i>\$677,540</i>	<i>\$842,815</i>	<i>\$859,340</i>
<b>Present Law Adjustments</b>				
PL - 22 - TSD Intern Staffing - 1.3 Aggregate FTE	108,724	108,724	105,091	105,091
<i>Total Present Law Adjustments</i>	<i>\$108,724</i>	<i>\$108,724</i>	<i>\$105,091</i>	<i>\$105,091</i>
<b>New Proposals</b>				
NP - 13 - TSD Staff overtime for GenTax upgrade (RST/BIEN)	100,000	100,000	0	0
NP - 99 - New Fixed Costs	1,914	1,914	1,914	1,914
<i>Total New Proposals</i>	<i>\$101,914</i>	<i>\$101,914</i>	<i>\$1,914</i>	<i>\$1,914</i>
<b>Total Budget Adjustments</b>	<b>\$871,653</b>	<b>\$888,178</b>	<b>\$949,820</b>	<b>\$966,345</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$55,012)	(\$55,012)
FY 2025	(\$25,889)	(\$25,889)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$55,012 in FY 2024 and \$25,889 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$155,496	\$155,496
FY 2025	\$163,047	\$163,047

#### SWPL - 2 - Fixed Costs -

The request includes \$155,496 in FY 2024 and \$163,047 in FY 2025 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 2024	\$560,531	\$577,056
FY 2025	\$705,657	\$722,182

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$577,056 in FY 2024 and \$722,182 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Revenue - 58010

### Technology Services Division - 02

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$108,724	\$108,724
FY 2025	\$105,091	\$105,091

#### **PL - 22 - TSD Intern Staffing - 1.3 Aggregate FTE -**

This change package requests a general fund appropriation of \$213,815 for the 2025 biennium. The department plans to use this 1.30 FTE aggregate position to recruit college students to perform various tasks associated with computer replacement cycle and the department's Information Technology Help Desk. By offering an opportunity for employment through this aggregate position, staff in this aggregate position may want to continue working for state government when a permanent position is open.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$100,000	\$100,000
FY 2025	\$0	\$0

#### **NP - 13 - TSD Staff overtime for GenTax upgrade (RST/BIEN) -**

This change package requests \$100,000 in restricted general fund appropriation for the 2025 biennium. FAST Enterprises, the state's tax processing software (GenTax) vendor, requires the department to upgrade to the newest version of GenTax every other biennium. Typically, the department's information technology staff work overtime hours in order to move this upgrade to production. Also, FAST Enterprises create periodic service packs that require the department's information technology staff to work overtime hours. The department is asking for this appropriation to be restricted so the department can only spend the appropriation on costs related to personal services overtime in the Technology Services Division.

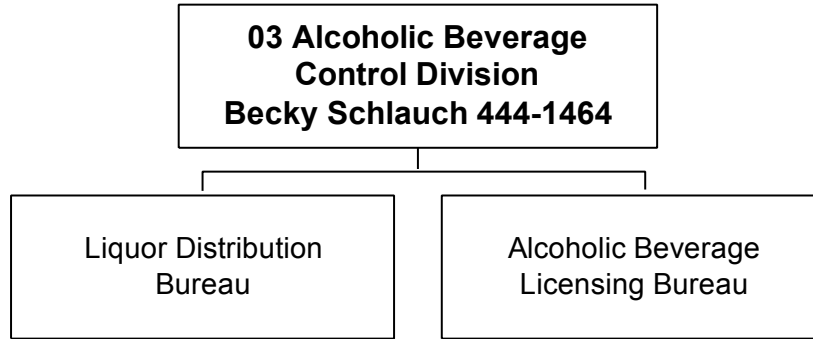
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$1,914	\$1,914
FY 2025	\$1,914	\$1,914

#### **NP - 99 - New Fixed Costs -**

The budget includes \$1,914 in FY 2024 and \$1,914 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Revenue - 58010

### Alcoholic Beverage Control Div - 03



**Program Description** - The Alcoholic Beverage Control Division (ABCD) provides effective and efficient administration of the Montana alcoholic beverage code with an emphasis on customer service and public safety.

The Licensing and Compliance Bureau protects the welfare and safety of the public by regulating alcoholic beverage licensing laws in a uniform and fair manner.

The Liquor Distribution Bureau maintains a regulated channel of distribution to fulfill the public's demand for distilled spirits and fortified wine through agency liquor stores.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2023	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	31.75	2.00	33.75	2.00	33.75	
Personal Services	2,547,720	225,778	2,773,498	240,385	2,788,105	5,561,603
Operating Expenses	579,394	44,398	623,792	41,811	621,205	1,244,997
Equipment & Intangible Assets	30,554	0	30,554	0	30,554	61,108
Debt Service	35,275	0	35,275	0	35,275	70,550
<b>Total Costs</b>	<b>\$3,192,943</b>	<b>\$270,176</b>	<b>\$3,463,119</b>	<b>\$282,196</b>	<b>\$3,475,139</b>	<b>\$6,938,258</b>
Proprietary Funds	3,192,943	270,176	3,463,119	282,196	3,475,139	6,938,258
<b>Total Funds</b>	<b>\$3,192,943</b>	<b>\$270,176</b>	<b>\$3,463,119</b>	<b>\$282,196</b>	<b>\$3,475,139</b>	<b>\$6,938,258</b>

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2024		Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	(38,794)	0	(24,187)
SWPL - 2 - Fixed Costs	0	(33,406)	0	(32,904)
SWPL - 3 - Inflation Deflation	0	36,527	0	42,817
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$35,673)</i>	<i>\$0</i>	<i>(\$14,274)</i>
<b>Present Law Adjustments</b>				
PL - 7 - ABCD Liquor Warehouse Operating Cost Adjustment	0	17,507	0	13,824
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$17,507</i>	<i>\$0</i>	<i>\$13,824</i>
<b>New Proposals</b>				
NP - 15 - ABCD Overtime (RST/BIEN)	0	75,000	0	75,000
NP - 16 - ABCD Termination Payout (RST/BIEN)	0	60,000	0	60,000
NP - 18 - Liquor FTE for increased workload	0	151,896	0	146,200
NP - 99 - New Fixed Costs	0	1,446	0	1,446
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$288,342</i>	<i>\$0</i>	<i>\$282,646</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$270,176</b>	<b>\$0</b>	<b>\$282,196</b>

## Department of Revenue - 58010

### Alcoholic Beverage Control Div - 03

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$38,794)
FY 2025	\$0	(\$24,187)

#### **SWPL - 1 - Personal Services -**

The budget includes a reduction of \$38,794 in FY 2024 and \$24,187 in FY 2025 in state special revenue authority to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	(\$33,406)
FY 2025	\$0	(\$32,904)

#### **SWPL - 2 - Fixed Costs -**

The request includes a reduction of \$33,406 in FY 2024 and \$32,904 in FY 2025 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 2024	\$0	\$36,527
FY 2025	\$0	\$42,817

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$36,527 in FY 2024 and \$42,817 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$17,507
FY 2025	\$0	\$13,824

#### **PL - 7 - ABCD Liquor Warehouse Operating Cost Adjustment -**

This request includes additional authority to cover operating costs resulting from increased workload due to increase in sales and increased cost of contracted janitorial services.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$75,000
FY 2025	\$0	\$75,000

#### **NP - 15 - ABCD Overtime (RST/BIEN) -**

The department is requesting proprietary fund appropriation of \$150,000 for the 2025 biennium. These funds are necessary to pay for overtime and temporary staff to meet the increase in demand for liquor products especially during peak periods, holiday weeks, and to back-fill personnel while out on vacation or sick leave. Given the budget rules related to overtime and temporary employee expenditures, it must be requested each legislative session.

## Department of Revenue - 58010

### Alcoholic Beverage Control Div - 03

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$60,000
FY 2025	\$0	\$60,000

#### **NP - 16 - ABCD Termination Payout (RST/BIEN) -**

The department is requesting a proprietary fund appropriation of \$120,000 for the 2025 biennium. This request is to provide funds to payout accrued leave balances for employee's retiring and/or leaving the department. This request allows the department 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 the department is required to use additional vacancy savings to pay for the termination payouts, the department will not be able to meet this statutory requirement.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$151,896
FY 2025	\$0	\$146,200

#### **NP - 18 - Liquor FTE for increased workload -**

This is a request for proprietary fund appropriation in the 2025 biennium for additional staffing needs in the Alcohol Beverage Control Division (ABCD) and Business and Income Taxes (BIT) Division related to the management of the program. Increased alcohol sales and the expansion of the liquor warehouse have resulted in an increase in the workload for the liquor warehouse and a corresponding increase in tax administration functions related to increased liquor sales. Of the \$474,892 requested, \$298,096 is requested in ABCD, and \$176,796 is requested for BIT. The Department of Revenue has maintained 31.75 FTE in the proprietary fund for several biennia. For the 2025 biennium, ABCD is requesting an additional 2.00 FTE. With the increased demand for alcoholic beverages, and with the expansion of the liquor warehouse, ABCD needs the extra FTE to handle the increased workload to meet statutory deadlines.

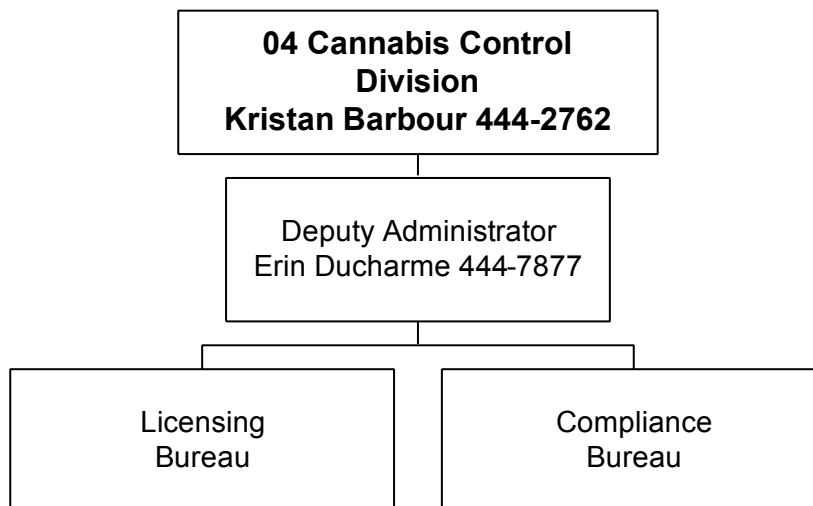
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,446
FY 2025	\$0	\$1,446

#### **NP - 99 - New Fixed Costs -**

The budget includes \$1,446 in FY 2024 and \$1,446 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Revenue - 58010

### Cannabis Control Division - 04



**Program Description** - The Cannabis Control Division (CCD) ensures the health and safety of all Montanans through fair administration, education, and enforcement of the Montana Marijuana Regulation and Taxation Act (MMRT).

The Licensing Bureau is responsible for processing all worker, patient, business, and packing and labeling applications and renewals in a timely and efficient manner.

The Inspection/Compliance Bureau protects the welfare and safety of the public by regulating marijuana laws in a uniform and fair manner.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	32.00	2.00	34.00	2.00	34.00	
Personal Services	2,928,185	(60,235)	2,867,950	(38,524)	2,889,661	5,757,611
Operating Expenses	805,644	1,318,894	2,124,538	1,821,275	2,626,919	4,751,457
<b>Total Costs</b>	<b>\$3,733,829</b>	<b>\$1,258,659</b>	<b>\$4,992,488</b>	<b>\$1,782,751</b>	<b>\$5,516,580</b>	<b>\$10,509,068</b>
State/Other Special	3,733,829	1,258,659	4,992,488	1,782,751	5,516,580	10,509,068
<b>Total Funds</b>	<b>\$3,733,829</b>	<b>\$1,258,659</b>	<b>\$4,992,488</b>	<b>\$1,782,751</b>	<b>\$5,516,580</b>	<b>\$10,509,068</b>



# Department of Revenue - 58010

## Cannabis Control Division - 04

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	(220,728)	0	(199,495)
SWPL - 2 - Fixed Costs	0	145,702	0	146,459
SWPL - 3 - Inflation Deflation	0	3,933	0	6,035
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>(\$71,093)</i>	<i>\$0</i>	<i>(\$47,001)</i>
<b>Present Law Adjustments</b>				
PL - 5 - CCD Contract Increase (RST)	0	1,125,400	0	1,625,400
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$1,125,400</i>	<i>\$0</i>	<i>\$1,625,400</i>
<b>New Proposals</b>				
NP - 27 - CCD Cannabis Transfer from DPHHS	0	202,894	0	202,894
NP - 99 - New Fixed Costs	0	1,458	0	1,458
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$204,352</i>	<i>\$0</i>	<i>\$204,352</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$1,258,659</b>	<b>\$0</b>	<b>\$1,782,751</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$220,728)
FY 2025	\$0	(\$199,495)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$220,728 in FY 2024 and \$199,495 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$145,702
FY 2025	\$0	\$146,459

#### SWPL - 2 - Fixed Costs -

The request includes \$145,702 in FY 2024 and \$146,459 in FY 2025 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 2024	\$0	\$3,933
FY 2025	\$0	\$6,035

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$3,933 in FY 2024 and \$6,035 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Revenue - 58010

### Cannabis Control Division - 04

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,125,400
FY 2025	\$0	\$1,625,400

#### **PL - 5 - CCD Contract Increase (RST) -**

The Department of Revenue, Cannabis Control Division, is requesting an appropriation of \$2,750,800 for the 2025 biennium to pay for the seed-to-sale industry IT regulatory system. The department is responsible for paying a variety of fees including program and support fees and annual cloud hosting fees. Some fees are based on the number of cannabis licensees, and it is unknown how many licensees will enter the recreational cannabis market beginning July 1, 2023. The Department of Revenue requests this appropriation be restricted so the department can only spend the appropriation on costs related to the system.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$202,894
FY 2025	\$0	\$202,894

#### **NP - 27 - CCD Cannabis Transfer from DPHHS -**

This new proposal transfers 1.50 FTE and provides an additional 0.50 FTE and associated personal service and operating costs from DPHHS that was established as part of the implementation of HB 598 from the 2019 Session. This change package increases state special marijuana funds by \$202,894 each year of the biennium. This change package is contingent on passage and approval of LC0162, which transfers the laboratory inspection and application review work to the Department of Revenue.

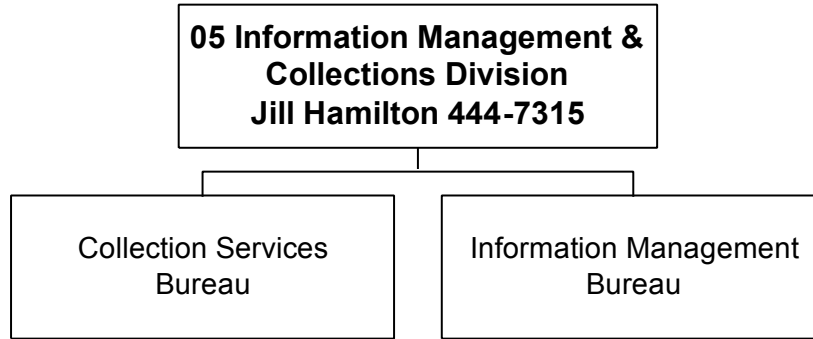
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,458
FY 2025	\$0	\$1,458

#### **NP - 99 - New Fixed Costs -**

The budget includes \$1,458 in FY 2024 and \$1,458 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Revenue - 58010

### Information Mgmt & Collections - 05



**Program Description** - The Information Management and Collections Division (IMCD) provides consistent service to Montana citizens, businesses, and nonresident taxpayers through electronic data and records management, account registration, collection of delinquent accounts, and data and remittance processing operations.

The Collections Bureau manages collections of the department's delinquent debts and provides collection services to other state agencies and local governments.

The Information Management Bureau ensures secure handling and processing of taxpayer information, payments, and data in electronic and paper form. The bureau is organized into three units: Digitization, Information Governance, and Customer and Payment Management. The focus of the Bureau has recently realigned to better serve the customer with increased electronic options and use of technology to further enhance efficiencies.

The Other Agency Debts Program provides statewide collections services to other state agencies, local governments, universities, and colleges.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	71.95	0.00	71.95	0.00	71.95	
Personal Services	4,663,633	45,690	4,709,323	76,160	4,739,793	9,449,116
Operating Expenses	1,812,151	186,015	1,998,166	211,943	2,024,094	4,022,260
Equipment & Intangible Assets	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service	256,255	0	256,255	0	256,255	512,510
<b>Total Costs</b>	<b>\$6,732,039</b>	<b>\$231,705</b>	<b>\$6,963,744</b>	<b>\$288,103</b>	<b>\$7,020,142</b>	<b>\$13,983,886</b>
General Fund	6,619,349	180,463	6,799,812	236,861	6,856,210	13,656,022
State/Other Special	96,067	50,826	146,893	50,826	146,893	293,786
Proprietary Funds	16,623	416	17,039	416	17,039	34,078
<b>Total Funds</b>	<b>\$6,732,039</b>	<b>\$231,705</b>	<b>\$6,963,744</b>	<b>\$288,103</b>	<b>\$7,020,142</b>	<b>\$13,983,886</b>

# Department of Revenue - 58010

## Information Mgmt & Collections - 05

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	45,690	45,690	76,160	76,160
SWPL - 2 - Fixed Costs	16,390	16,390	18,071	18,071
SWPL - 3 - Inflation Deflation	104,965	106,207	119,158	120,400
<i>Total Statewide Present Law Adjustments</i>	<i>\$167,045</i>	<i>\$168,287</i>	<i>\$213,389</i>	<i>\$214,631</i>
<b>Present Law Adjustments</b>				
PL - 11 - IMCD Administrative Costs Adjustment	9,980	9,980	20,034	20,034
<i>Total Present Law Adjustments</i>	<i>\$9,980</i>	<i>\$9,980</i>	<i>\$20,034</i>	<i>\$20,034</i>
<b>New Proposals</b>				
NP - 29 - IMCD Printing Costs for Cannabis Program Administration	0	50,000	0	50,000
NP - 99 - New Fixed Costs	3,438	3,438	3,438	3,438
<i>Total New Proposals</i>	<i>\$3,438</i>	<i>\$53,438</i>	<i>\$3,438</i>	<i>\$53,438</i>
<b>Total Budget Adjustments</b>	<b>\$180,463</b>	<b>\$231,705</b>	<b>\$236,861</b>	<b>\$288,103</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$45,690	\$45,690
FY 2025	\$76,160	\$76,160

#### SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$16,390	\$16,390
FY 2025	\$18,071	\$18,071

#### SWPL - 2 - Fixed Costs -

The request includes adjustments to 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 2024	\$104,965	\$106,207
FY 2025	\$119,158	\$120,400

#### SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Revenue - 58010

### Information Mgmt & Collections - 05

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$9,980	\$9,980
FY 2025	\$20,034	\$20,034

#### **PL - 11 - IMCD Administrative Costs Adjustment -**

The Department of Revenue, Information Management and Collections Division (IMCD) requests \$9,980 in FY 2024 and \$20,034 in FY 2025 in general fund appropriation to pay for non-state contractual rent increases and associated parking costs for space currently occupied by IMCD staff.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$50,000
FY 2025	\$0	\$50,000

#### **NP - 29 - IMCD Printing Costs for Cannabis Program Administration -**

This change package requests a state special revenue fund appropriation of \$100,000 for the 2025 biennium for postage and printing costs related to the Cannabis Control Division. All the department's postage and printing costs are charged to IMCD. The department did not take postage and printing costs into consideration when the cannabis budget was built in the 2021 Legislative Session. The department is required to print and mail various types of cannabis licenses. Additionally, the department is responsible for printing cardholder and worker permits. When applicable, the department utilizes emails for license renewals to save taxpayer dollars.

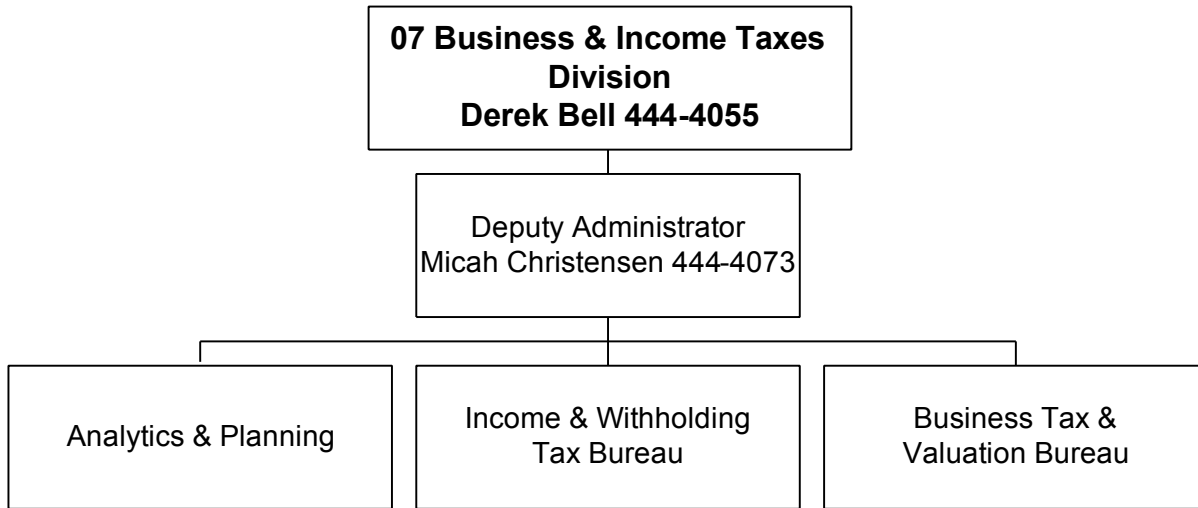
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$3,438	\$3,438
FY 2025	\$3,438	\$3,438

#### **NP - 99 - New Fixed Costs -**

The budget includes \$3,438 in FY 2024 and \$3,438 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Revenue - 58010

### Business & Income Taxes Div - 07



**Program Description** - The Business and Income Taxes Division (BITD) is responsible for the administration of and collection of roughly 40 Montana taxes and fees. BITD also determines valuation of all centrally assessed property in the state.

Regardless of the tax type, BITD is tasked with ensuring Montana's taxpayers pay the correct amount of tax required under the law, no more and no less. Accordingly, BITD provides clear and timely explanations to taxpayers regarding their obligations and how those obligations may be fulfilled.

BITD is comprised of the following four areas: Administration; Analytics and Planning; Income and Withholding; and Business Tax and Valuation. The administrative group includes the administrator and deputy division administrator along with a management officer and support staff. The management officer and staff work collaboratively with all BITD units and are an integral part of the division's daily operations.

The Analytics and Planning Bureau houses management analysts and tax specialists. These employees are essential to the division's compliance efforts and forms and rule development. The bureau is also tasked with finding and implementing efficiencies within BITD's operations.

The Income and Withholding Tax Bureau is responsible for the daily management and administration of individual, pass-through entity, and withholding taxes. The bureau is organized into five units: Compliance, Pass-through, Field Audit, Taxpayer Accounting, and Withholding.

The Business Tax and Valuation Bureau is responsible for the daily management and administration of over 25 tax programs. Four units make up the bureau including Natural Resources, Corporation Tax, Miscellaneous Tax, and Centrally Assessed Property.

## Department of Revenue - 58010

### Business & Income Taxes Div - 07

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments Fiscal 2024	Exec. Budget Fiscal 2024	Adjustments Fiscal 2025	Exec. Budget Fiscal 2025	Budget Request 2025 Biennium
FTE	133.36	1.00	134.36	1.00	134.36	
Personal Services	10,205,088	507,170	10,712,258	565,194	10,770,282	21,482,540
Operating Expenses	1,792,847	296,011	2,088,858	296,019	2,088,866	4,177,724
Capital Outlay	0	0	0	0	0	0
Debt Service	7,558	0	7,558	0	7,558	15,116
<b>Total Costs</b>	<b>\$12,005,493</b>	<b>\$803,181</b>	<b>\$12,808,674</b>	<b>\$861,213</b>	<b>\$12,866,706</b>	<b>\$25,675,380</b>
General Fund	10,963,405	482,519	11,445,924	545,988	11,509,393	22,955,317
State/Other Special	762,249	9,020	771,269	6,213	768,462	1,539,731
Proprietary Funds	0	89,793	89,793	87,003	87,003	176,796
Federal Spec. Rev. Funds	279,839	221,849	501,688	222,009	501,848	1,003,536
<b>Total Funds</b>	<b>\$12,005,493</b>	<b>\$803,181</b>	<b>\$12,808,674</b>	<b>\$861,213</b>	<b>\$12,866,706</b>	<b>\$25,675,380</b>

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	260,784	263,418	321,384	321,384
SWPL - 2 - Fixed Costs	110,635	112,933	97,884	100,169
SWPL - 3 - Inflation Deflation	74,979	80,755	90,599	96,375
<i>Total Statewide Present Law Adjustments</i>	<i>\$446,398</i>	<i>\$457,106</i>	<i>\$509,867</i>	<i>\$517,928</i>
<b>Present Law Adjustments</b>				
PL - 6 - BIT Contract for UCP Stocks	30,000	30,000	30,000	30,000
<i>Total Present Law Adjustments</i>	<i>\$30,000</i>	<i>\$30,000</i>	<i>\$30,000</i>	<i>\$30,000</i>
<b>New Proposals</b>				
NP - 18 - Liquor FTE for increased workload	0	89,793	0	87,003
NP - 99 - New Fixed Costs	6,121	6,121	6,121	6,121
<i>Total New Proposals</i>	<i>\$6,121</i>	<i>\$95,914</i>	<i>\$6,121</i>	<i>\$93,124</i>
<b>Total Budget Adjustments</b>	<b>\$482,519</b>	<b>\$583,020</b>	<b>\$545,988</b>	<b>\$641,052</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$260,784	\$263,418
FY 2025	\$321,384	\$321,384

#### SWPL - 1 - Personal Services -

The budget includes \$263,418 in FY 2024 and \$321,384 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$110,635	\$112,933
FY 2025	\$97,884	\$100,169

#### SWPL - 2 - Fixed Costs -

The request includes \$112,933 in FY 2024 and \$100,169 in FY 2025 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 Revenue - 58010

### Business & Income Taxes Div - 07

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$74,979	\$80,755
FY 2025	\$90,599	\$96,375

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$80,755 in FY 2024 and \$96,375 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$30,000	\$30,000
FY 2025	\$30,000	\$30,000

#### PL - 6 - BIT Contract for UCP Stocks -

The Department of Revenue is requesting additional general fund appropriation authority of \$60,000 in the 2025 biennium to pay its contracted financial manager of unclaimed property securities. The contractor is responsible for maintaining the state's current securities assets and facilitates the delivery, collection, and sales of reported unclaimed securities. The state's contract spans several years, and the contractor retains all the department's historical data regarding unclaimed property securities. Multiple transaction fee amounts are set forth in the initial contract and are charged to the state on a "per transaction" basis. Due to an expected increase in the number of transactions during the 2025 biennium, the department will need additional appropriation authority. The department's estimate of the additional 2025 biennial appropriation authority needed to pay the contractor is \$60,000.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$89,793
FY 2025	\$0	\$87,003

#### NP - 18 - Liquor FTE for increased workload -

This is a request for \$467,605 in proprietary funds in the 2025 biennium for additional staffing needs in the Alcohol Beverage Control Division (ABCD) and Business and Income Taxes (BIT) Division related to the management of the program. Increased alcohol sales have resulted in an increase in the workload for the liquor warehouse corresponding increase in tax administration functions related to increased liquor sales. Of the \$467,605 requested, \$290,809 relates to ABCD, and \$176,796 relates to BIT. An additional 1.00 FTE is requested for BIT. With the increased caseload, BIT needs another position to perform tax administration functions related to increased liquor sales.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$6,121	\$6,121
FY 2025	\$6,121	\$6,121

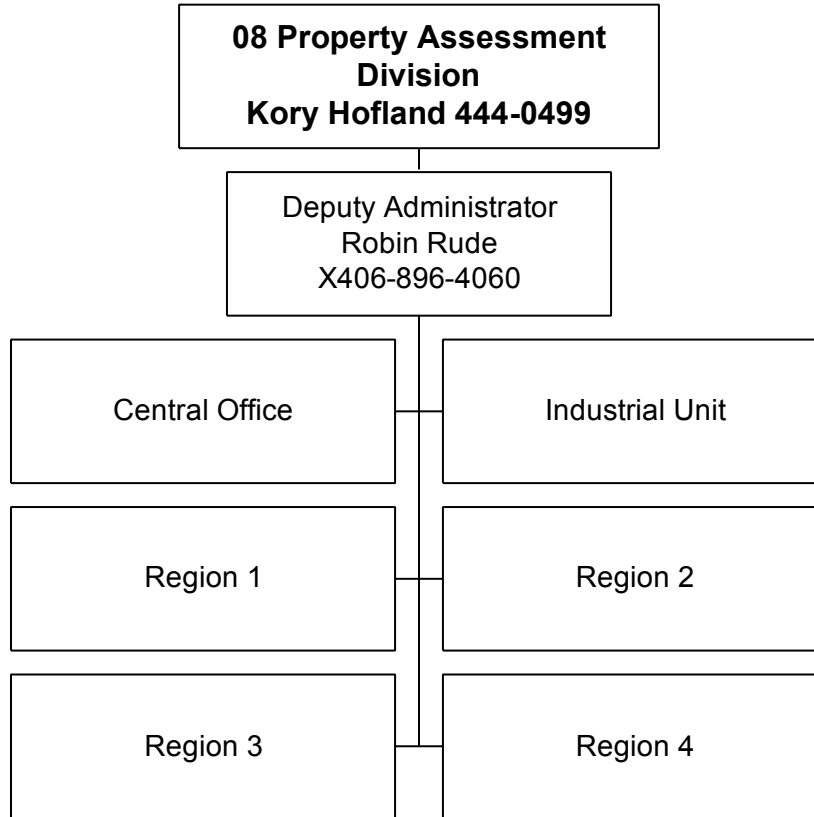
#### NP - 99 - New Fixed Costs -

The budget includes \$6,121 in FY 2024 and \$6,121 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.



## Department of Revenue - 58010

### Property Assessment Division - 08



**Program Description** - The Property Assessment Division (PAD) administers Montana's property tax laws, which includes the valuation and classification of all taxable property. The division ensures all classes of property are valued uniformly and equally throughout the state. These classifications include but are not limited to agricultural and forest land, residential and commercial property, industrial facilities, exempt properties, and business equipment personal property.

PAD provides every taxing jurisdiction with the total market and taxable value of property in each county. Local governments use these certified values to determine the number of mills necessary to levy for property tax billing. Funds collected from property taxes are used for important services such as public schools, law enforcement, ambulance services, special improvement districts, infrastructure improvements, and road construction and maintenance.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	285.92	1.00	286.92	1.00	286.92	
Personal Services	20,119,099	637,955	20,757,054	747,565	20,866,664	41,623,718
Operating Expenses	3,049,799	244,498	3,294,297	314,654	3,364,453	6,658,750
Equipment & Intangible Assets	0	0	0	0	0	0
Debt Service	853,135	0	853,135	0	853,135	1,706,270
<b>Total Costs</b>	<b>\$24,022,033</b>	<b>\$882,453</b>	<b>\$24,904,486</b>	<b>\$1,062,219</b>	<b>\$25,084,252</b>	<b>\$49,988,738</b>
General Fund	24,004,757	882,453	24,887,210	1,062,219	25,066,976	49,954,186
State/Other Special	17,276	0	17,276	0	17,276	34,552
<b>Total Funds</b>	<b>\$24,022,033</b>	<b>\$882,453</b>	<b>\$24,904,486</b>	<b>\$1,062,219</b>	<b>\$25,084,252</b>	<b>\$49,988,738</b>

# Department of Revenue - 58010

## Property Assessment Division - 08

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	570,151	570,151	679,715	679,715
SWPL - 2 - Fixed Costs	43,667	43,667	50,591	50,591
SWPL - 3 - Inflation Deflation	179,038	179,038	212,722	212,722
<i>Total Statewide Present Law Adjustments</i>	<i>\$792,856</i>	<i>\$792,856</i>	<i>\$943,028</i>	<i>\$943,028</i>
<b>Present Law Adjustments</b>				
PL - 12 - PAD Administrative Cost Adjustment	52,405	52,405	84,800	84,800
PL - 4 - PAD FTE 1.0 for loss of County Assessor	24,165	24,165	21,364	21,364
<i>Total Present Law Adjustments</i>	<i>\$76,570</i>	<i>\$76,570</i>	<i>\$106,164</i>	<i>\$106,164</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	13,027	13,027	13,027	13,027
<i>Total New Proposals</i>	<i>\$13,027</i>	<i>\$13,027</i>	<i>\$13,027</i>	<i>\$13,027</i>
<b>Total Budget Adjustments</b>	<b>\$882,453</b>	<b>\$882,453</b>	<b>\$1,062,219</b>	<b>\$1,062,219</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$570,151	\$570,151
FY 2025	\$679,715	\$679,715

#### SWPL - 1 - Personal Services -

The budget includes \$570,151 in FY 2024 and \$679,715 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$43,667	\$43,667
FY 2025	\$50,591	\$50,591

#### SWPL - 2 - Fixed Costs -

The request includes \$43,667 in FY 2024 and \$50,591 in FY 2025 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 2024	\$179,038	\$179,038
FY 2025	\$212,722	\$212,722

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$179,038 in FY 2024 and \$212,722 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Revenue - 58010

### Property Assessment Division - 08

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$52,405	\$52,405
FY 2025	\$84,800	\$84,800

#### **PL - 12 - PAD Administrative Cost Adjustment -**

The Property Assessment Division requests adjustments of \$137,205 in general fund appropriation for the 2025 biennium to pay for contractual rent increases, associated parking, and technology costs for space currently occupied by Property Assessment Division staff throughout the state. Many county leases follow the Department of Administration rent rate increase.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$24,165	\$24,165
FY 2025	\$21,364	\$21,364

#### **PL - 4 - PAD FTE 1.0 for loss of County Assessor -**

This request is for 1.00 FTE and an additional \$45,528 in the 2025 biennium to complete the Silver Bow County Assessor's workload. In FY 2022, the Department of Revenue terminated its existing contract with Silver Bow County. The laws regarding elected assessors were changed in 1993 to phase-out elected assessors and move their duties under the Department of Revenue's Property Assessment Division. HB 50 was the bill that passed making these changes to statute. The bill allowed current assessors to remain in their positions until they chose to step down, retire, or voluntarily become a department employee. The Silver Bow County Assessor is the last remaining elected assessor in the state that was performing duties under a contract. Per HB 50, the department had a contract with the assessor that described the duties that would need to be performed in order to receive the compensation. The department was paying Silver Bow County approximately \$54,000 each fiscal year to perform the county assessor's job duties. Because of the termination of the Silver Bow County Assessor contract and the state's responsibility to administer Montana's property tax laws, the department requires an FTE to perform the assessor's job duties. This position will be in the department's Butte field office.

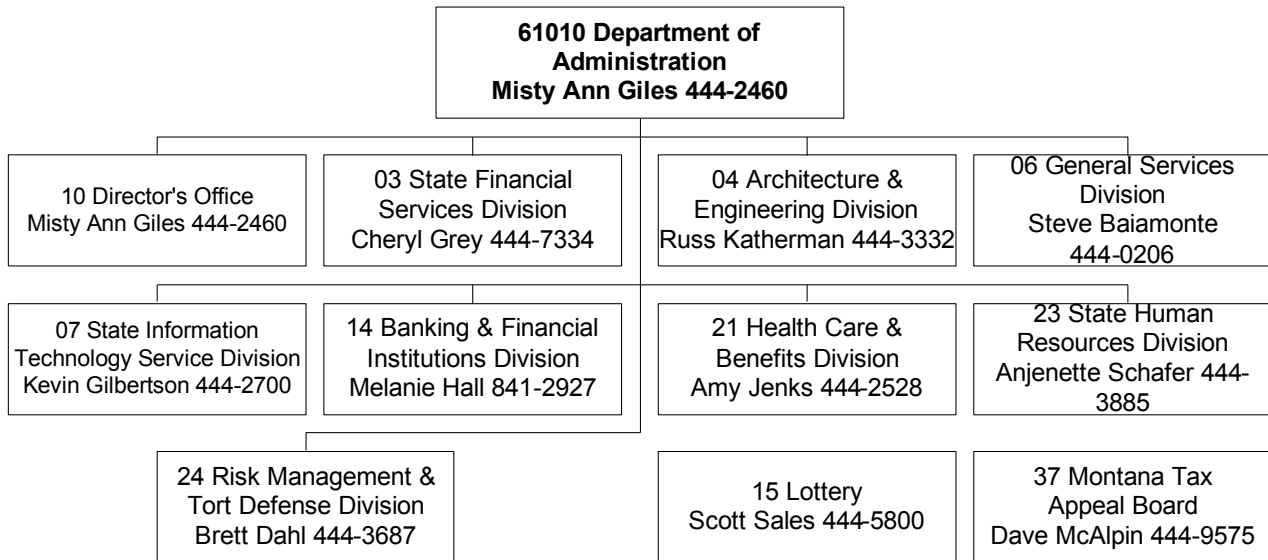
#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$13,027	\$13,027
FY 2025	\$13,027	\$13,027

#### **NP - 99 - New Fixed Costs -**

The budget includes \$13,027 in FY 2024 and \$13,027 in FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Administration - 61010



**Mission Statement** - The Department of Administration's mission is serving state government to benefit the citizens of Montana.

**Statutory Authority** - Title 2, Chapters 7, 9, 15, 17 and 18; Title 10, Chapter 4; Title 15, Chapter 2; Title 17; Title 18; Title 19, Chapter 1; Title 23, Chapter 7; Title 31; Title 32; and Title 39, Chapter 71 MCA.

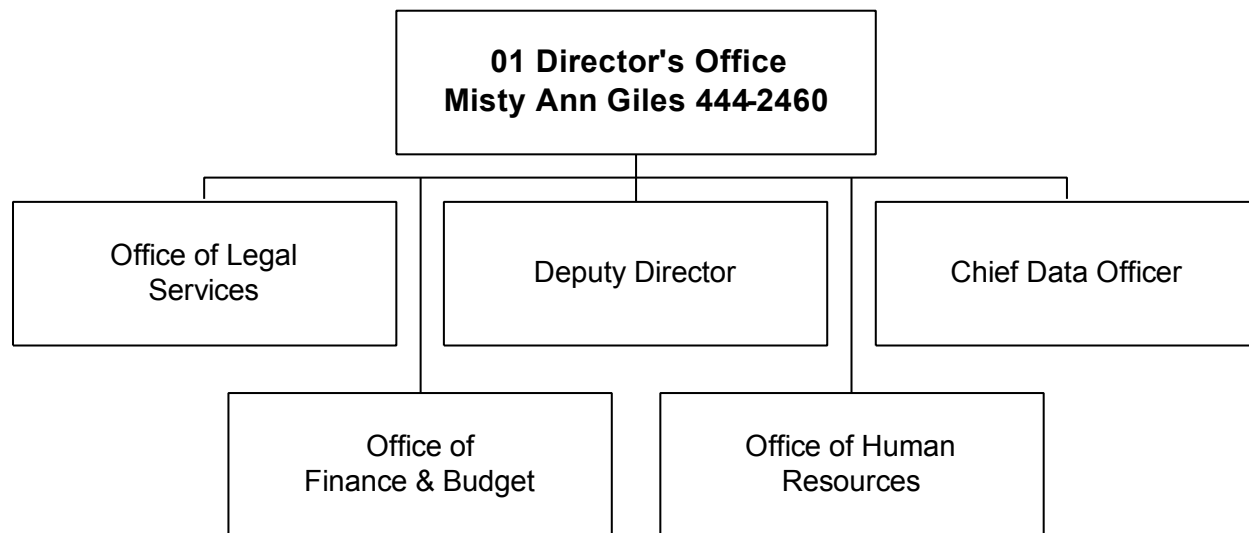
Agency Proposed Budget	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
Budget Item			
FTE	150.19	150.19	
Personal Services	14,138,096	14,220,641	28,358,737
Operating Expenses	7,171,964	6,943,647	14,115,611
Equipment & Intangible Assets	85,000	50,000	135,000
Local Assistance	28,979	28,979	57,958
Transfers	8,495,149	9,254,790	17,749,939
Debt Service	419,875	419,875	839,750
<b>Total Costs</b>	<b>\$30,339,063</b>	<b>\$30,917,932</b>	<b>\$61,256,995</b>
General Fund	15,280,039	15,837,899	31,117,938
State/Other Special	7,701,808	7,689,670	15,391,478
Proprietary Funds	7,338,681	7,371,828	14,710,509
Federal Spec. Rev. Funds	18,535	18,535	37,070
<b>Total Funds</b>	<b>\$30,339,063</b>	<b>\$30,917,932</b>	<b>\$61,256,995</b>

## Department of Administration - 61010

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	26,316,478	26,341,892	18,686,376	20,310,404	(7,630,102)	(6,031,488)	(28.99)%	(22.90)%
02 - Governor Elect Program	0	0	75,000	75,000	75,000	75,000	0.00 %	0.00 %
03 - State Financial Services Div	5,950,840	6,579,152	6,521,809	7,098,090	570,969	518,938	9.59 %	7.89 %
04 - Architecture & Engineering Div	0	4,803,478	0	5,436,747	0	633,269	0.00 %	13.18 %
14 - Div of Banking & Financial Ins	0	8,765,892	0	9,552,286	0	786,394	0.00 %	8.97 %
15 - Montana State Lottery	0	12,216,240	0	12,949,715	0	733,475	0.00 %	6.00 %
23 - State Human Resources Division	4,099,817	4,099,817	4,388,243	4,388,243	288,426	288,426	7.04 %	7.04 %
37 - Montana Tax Appeal Board	1,351,589	1,351,589	1,446,510	1,446,510	94,921	94,921	7.02 %	7.02 %
<b>Agency Total</b>	<b>\$37,718,724</b>	<b>\$64,158,060</b>	<b>\$31,117,938</b>	<b>\$61,256,995</b>	<b>(\$6,600,786)</b>	<b>(\$2,901,065)</b>	<b>(17.50)%</b>	<b>(4.52)%</b>

## Department of Administration - 61010

### Directors 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 2.50 FTE funded through HB 2 and 21.51 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, project management and communications.

- 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.
- 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.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	2.50	6.00	8.50	6.00	8.50	
Personal Services	298,456	716,467	1,014,923	724,475	1,022,931	2,037,854
Operating Expenses	56,614	253,802	310,416	126,989	183,603	494,019
Local Assistance	14,296	0	14,296	0	14,296	28,592
Transfers	17,149,632	(8,654,483)	8,495,149	(7,894,842)	9,254,790	17,749,939
<b>Total Costs</b>	<b>\$17,518,998</b>	<b>(\$7,684,214)</b>	<b>\$9,834,784</b>	<b>(\$7,043,378)</b>	<b>\$10,475,620</b>	<b>\$20,310,404</b>
General Fund	17,506,291	(8,386,533)	9,119,758	(7,939,673)	9,566,618	18,686,376
Proprietary Funds	0	702,319	702,319	896,295	896,295	1,598,614
Federal Spec. Rev. Funds	12,707	0	12,707	0	12,707	25,414
<b>Total Funds</b>	<b>\$17,518,998</b>	<b>(\$7,684,214)</b>	<b>\$9,834,784</b>	<b>(\$7,043,378)</b>	<b>\$10,475,620</b>	<b>\$20,310,404</b>

# Department of Administration - 61010

## Directors Office - 01

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(28,171)	(28,171)	(27,820)	(27,820)
SWPL - 2 - Fixed Costs	88,692	88,692	(22,162)	(22,162)
SWPL - 3 - Inflation Deflation	4,301	4,301	4,342	4,342
<i>Total Statewide Present Law Adjustments</i>	<i>\$64,822</i>	<i>\$64,822</i>	<i>(\$45,640)</i>	<i>(\$45,640)</i>
<b>Present Law Adjustments</b>				
PL - 104 - Establish Minimum Funding for Major Repair	(446,432)	(446,432)	313,209	313,209
PL - 105 - GF Transfer to LRBP Capital Development -Statutory	14,929,406	14,929,406	15,979,048	15,979,048
PL - 4 - Allocate Department Indirect/Administrative Costs	809	809	809	809
<i>Total Present Law Adjustments</i>	<i>\$14,483,783</i>	<i>\$14,483,783</i>	<i>\$16,293,066</i>	<i>\$16,293,066</i>
<b>New Proposals</b>				
NP - 101 - Annualize Chief Data Office Program	0	500,000	0	500,000
NP - 108 - Establish Office of Public Information Requests	202,319	404,638	0	396,295
NP - 109 - Adjust Transfer for Capital Development Fund	(23,137,457)	(23,137,457)	(24,187,099)	(24,187,099)
<i>Total New Proposals</i>	<i>(\$22,935,138)</i>	<i>(\$22,232,819)</i>	<i>(\$24,187,099)</i>	<i>(\$23,290,804)</i>
<b>Total Budget Adjustments</b>	<b>(\$8,386,533)</b>	<b>(\$7,684,214)</b>	<b>(\$7,939,673)</b>	<b>(\$7,043,378)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$28,171)	(\$28,171)
FY 2025	(\$27,820)	(\$27,820)

#### SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2024 and FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$88,692	\$88,692
FY 2025	(\$22,162)	(\$22,162)

#### SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2024 and FY 2025 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 2024	\$4,301	\$4,301
FY 2025	\$4,342	\$4,342

#### SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Administration - 61010

### Directors Office - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$446,432)	(\$446,432)
FY 2025	\$313,209	\$313,209

#### **PL - 104 - Establish Minimum Funding for Major Repair -**

This change package provides for a transfer from the general fund to the Major Repair Long-Range Building Program Account as required by 17-7-222, MCA.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$14,929,406	\$14,929,406
FY 2025	\$15,979,048	\$15,979,048

#### **PL - 105 - GF Transfer to LRBP Capital Development -Statutory -**

This change package provides for a transfer from the general fund to the Capital Developments Long-Range Building Program account as required by 17-7-208, MCA.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$809	\$809
FY 2025	\$809	\$809

#### **PL - 4 - Allocate Department Indirect/Administrative Costs -**

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$500,000
FY 2025	\$0	\$500,000

#### **NP - 101 - Annualize Chief Data Office Program -**

The Chief Data Office provides expertise to collaborate with state agencies to enable and lead the digital transformation and data modernization efforts within state government. This office works in close partnership with agency leaders to drive the development and deployment of the enterprise data vision and strategies, oversee data management, data analytics, and data governance, ensure data quality, and recommend best practices in establishing agency performance measures. Costs for the Chief Data Office will be recovered through a fixed costs allocation in state agency budgets.



## Department of Administration - 61010

### Directors Office - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$202,319	\$404,638
FY 2025	\$0	\$396,295

#### **NP - 108 - Establish Office of Public Information Requests -**

The Office of Public Information Requests (OPIR) will provide support and assist agencies' efforts on record requests submitted by:

- Establishing common policies, standards, and procedures for handling public information requests
- Providing centralized intake and initial response to agency record requests
- Developing a cost estimate for records requests
- Collecting and allocating costs paid by requester
- Tracking record request status
- Coordinating with the requester
- Searching information technology systems maintained primarily by the State Information Technology Services Division (SITSD)
- Providing primary legal review and response
- Coordinating with the agency and the Governor's Office on responses
- Providing a centralized output to requester
- Creating reports or dashboards about record requests
- Recommending potential enterprise-wide tools for searching, classifying, and identifying data as confidential or privileged, and assisting in record request litigation

Agencies will support the Office of Public Information Requests' efforts by gathering records and information not readily available to the Department of Administration, advising on agencies' mission-specific issues and legal constraints, providing final review of record requests prior to fulfillment, providing primary public relations/media response, assisting in record request litigation, including advising on the need to file a declaratory judgment action or obtain outside legal support, and reimbursing any SITSD fees associated with completing a record request that are not paid by the requester.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$23,137,457)	(\$23,137,457)
FY 2025	(\$24,187,099)	(\$24,187,099)

#### **NP - 109 - Adjust Transfer for Capital Development Fund -**

Change package PL 105 provides for a transfer from the general fund to the Capital Developments Long-Range Building Program account as required by 17-7-208, MCA. This change package reverses the present law transfer as there is already sufficient fund balance in the Capital Development fund.

## Department of Administration - 61010

### Governor Elect Program - 02

#### 02 Governor Elect Program

**Program Description** - The Governor-Elect Program pays start-up costs for the incoming Governor, as required by 2-15-221, MCA.

Program Proposed Budget	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
Budget Item						
Operating Expenses	0	0	0	75,000	75,000	75,000
<b>Total Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>
General Fund	0	0	0	75,000	75,000	75,000
<b>Total Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Present Law Adjustments</b>				
PL - 201 - Governor-Elect Appropriation - OTO	0	0	75,000	75,000
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$0</i>	<i>\$75,000</i>	<i>\$75,000</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$75,000</b>

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

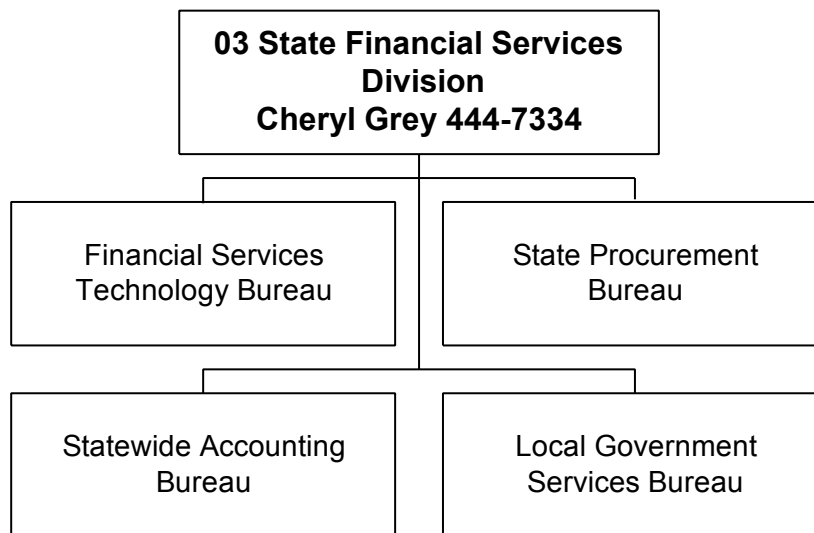
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$75,000	\$75,000

#### PL - 201 - Governor-Elect Appropriation - OTO -

Montana statute (2-15-221, MCA) requires the department to provide funding to a governor-elect, and his or her staff, for the period between the general election and the inauguration in the event of a change in office as a result of the 2024 general election. The department requests \$75,000 in FY 2025 as a one-time-only appropriation.

## Department of Administration - 61010

### State Financial Services Div - 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 – Statewide Accounting, State Procurement, SABHRS Financial Services Technology, and Local Government Services, which includes the State Social Security Administrator. The Division Strategies and Solutions Team (DSST) provides resources at the division level and focuses on operational business strategies and technology solutions to support division-wide initiatives.

The Statewide Accounting Bureau (SAB) serves as the process owner for the financial modules within the Statewide Accounting Budgeting & Human Resources System (SABHRS), assists state agencies in operating SABHRS, and maintains a statewide accounting structure with related policies and procedures for all state agencies and branches of government to satisfy reporting requirements. The state financial reporting section prepares and publishes the state's annual comprehensive financial report (ACFR) and serves as the subject matter experts for accounting within the state. The Daily Operations Section includes both the Treasury and Warrant Writer Units. The Treasury provides central banking functions for the state, reconciles the state's banking activity/movement of cash, and manages bank contracts. The Treasury and the Board of Investments (BOI) work jointly to manage the State of Montana's cash effectively. The Warrant Writer responsibilities include management of statewide vendor files, payment processes, and issuance of IRS 1099 MISC and IRS 1042 forms to entities that serve the state.

The Local Government Services Bureau (LGSB) 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. LGSB receives and makes the local government financial, budget, and audit reports available to the public. The State Social Security Administrator is responsible for administering Section 218 of the Social Security Act by providing education and outreach and ensuring proper application of Social Security coverage to all state and local government employees.

The SABHRS 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 SABHRS application. FSTB partners with the Statewide Accounting Bureau, Governor's Office of Budget and Program Planning, Legislative Fiscal Division, and the State Human Resources Division to gather business requirements and develop application strategies. In addition, the FSTB supports the electronic 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. SPB advocates for compliance with all state statutes and procurement requirements, establishes statewide contracts for commonly used goods and services, manages the state's fuel and procurement card programs,

## Department of Administration - 61010

### State Financial Services Div - 03

and offers procurement and contract management training to state agencies. Also, the SPB promotes compliance with the Montana Procurement Act (MCA Title 18-4) and is the business process owner of the eMACS. The SPB strives to assist the state in receiving the maximum value for taxpayer dollars.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	28.69	0.00	28.69	0.00	28.69	
Personal Services	2,553,118	4,834	2,557,952	20,698	2,573,816	5,131,768
Operating Expenses	791,820	189,940	981,760	192,742	984,562	1,966,322
<b>Total Costs</b>	<b>\$3,344,938</b>	<b>\$194,774</b>	<b>\$3,539,712</b>	<b>\$213,440</b>	<b>\$3,558,378</b>	<b>\$7,098,090</b>
General Fund	3,058,776	193,305	3,252,081	210,952	3,269,728	6,521,809
State/Other Special	199,244	1,469	200,713	2,488	201,732	402,445
Proprietary Funds	81,090	0	81,090	0	81,090	162,180
Federal Spec. Rev. Funds	5,828	0	5,828	0	5,828	11,656
<b>Total Funds</b>	<b>\$3,344,938</b>	<b>\$194,774</b>	<b>\$3,539,712</b>	<b>\$213,440</b>	<b>\$3,558,378</b>	<b>\$7,098,090</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	7,907	4,834	22,540	20,698
SWPL - 2 - Fixed Costs	102,892	106,773	92,361	95,910
SWPL - 3 - Inflation Deflation	64,300	65,183	77,845	78,848
<i>Total Statewide Present Law Adjustments</i>	<i>\$175,099</i>	<i>\$176,790</i>	<i>\$192,746</i>	<i>\$195,456</i>
<b>Present Law Adjustments</b>				
PL - 4 - Allocate Department Indirect/Administrative Costs	17,286	17,064	17,286	17,064
<i>Total Present Law Adjustments</i>	<i>\$17,286</i>	<i>\$17,064</i>	<i>\$17,286</i>	<i>\$17,064</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	920	920	920	920
<i>Total New Proposals</i>	<i>\$920</i>	<i>\$920</i>	<i>\$920</i>	<i>\$920</i>
<b>Total Budget Adjustments</b>	<b>\$193,305</b>	<b>\$194,774</b>	<b>\$210,952</b>	<b>\$213,440</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$7,907	\$4,834
FY 2025	\$22,540	\$20,698

#### SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2024 and FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

## Department of Administration - 61010

### State Financial Services Div - 03

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$102,892	\$106,773
FY 2025	\$92,361	\$95,910

#### SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2024 and FY 2025 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 2024	\$64,300	\$65,183
FY 2025	\$77,845	\$78,848

#### SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$17,286	\$17,064
FY 2025	\$17,286	\$17,064

#### PL - 4 - Allocate Department Indirect/Administrative Costs -

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

### -----New Proposals-----

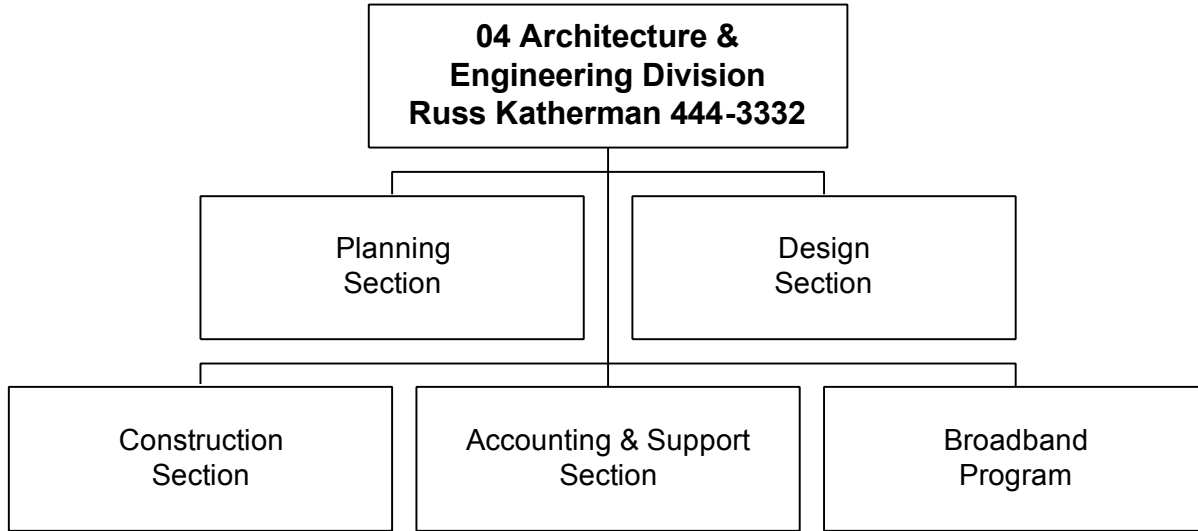
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$920	\$920
FY 2025	\$920	\$920

#### NP - 99 - New Fixed Costs -

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## Department of Administration - 61010

### Architecture & Engineering Div - 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	17.50	0.50	18.00	0.50	18.00	
Personal Services	1,750,926	147,136	1,898,062	158,342	1,909,268	3,807,330
Operating Expenses	666,837	170,099	836,936	125,644	792,481	1,629,417
Equipment & Intangible Assets	0	0	0	0	0	0
<b>Total Costs</b>	<b>\$2,417,763</b>	<b>\$317,235</b>	<b>\$2,734,998</b>	<b>\$283,986</b>	<b>\$2,701,749</b>	<b>\$5,436,747</b>
State/Other Special	2,417,763	317,235	2,734,998	283,986	2,701,749	5,436,747
<b>Total Funds</b>	<b>\$2,417,763</b>	<b>\$317,235</b>	<b>\$2,734,998</b>	<b>\$283,986</b>	<b>\$2,701,749</b>	<b>\$5,436,747</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	110,907	0	122,020
SWPL - 2 - Fixed Costs	0	133,975	0	82,959
SWPL - 3 - Inflation Deflation	0	22,922	0	29,483
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$267,804</i>	<i>\$0</i>	<i>\$234,462</i>
<b>Present Law Adjustments</b>				
PL - 4 - Allocate Department Indirect/Administrative Costs	0	9,002	0	9,002
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$9,002</i>	<i>\$0</i>	<i>\$9,002</i>
<b>New Proposals</b>				
NP - 401 - Increase FTE to Provide Administrative Support for A&E	0	36,229	0	36,322
NP - 99 - New Fixed Costs	0	4,200	0	4,200
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$40,429</i>	<i>\$0</i>	<i>\$40,522</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$317,235</b>	<b>\$0</b>	<b>\$283,986</b>

## Department of Administration - 61010

### Architecture & Engineering Div - 04

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$110,907
FY 2025	\$0	\$122,020

#### **SWPL - 1 - Personal Services -**

The budget includes an increase of \$110,907 in FY 2024 and an increase of \$122,020 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$133,975
FY 2025	\$0	\$82,959

#### **SWPL - 2 - Fixed Costs -**

The request includes an increase of \$133,975 in FY 2024 and an increase of \$82,959 in FY 2025 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 2024	\$0	\$22,922
FY 2025	\$0	\$29,483

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$22,922 in FY 2024 and an increase of \$29,483 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$9,002
FY 2025	\$0	\$9,002

#### **PL - 4 - Allocate Department Indirect/Administrative Costs -**

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$36,229
FY 2025	\$0	\$36,322

#### **NP - 401 - Increase FTE to Provide Administrative Support for A&E -**

The Architecture and Engineering Division (A&E) requests that an existing part-time position be converted to a full-time administrative support position for the entire division. In addition to providing direct support for the contracting officer, this position provides division-wide file and document management, forms processing, website maintenance and adjustments, advertising, procurement, and bidding assistance for the division administrator, design project management, construction management, contracting, and accounting. The broadband program is also established within A&E, and this position has been performing additional tasks to provide much needed assistance.

## Department of Administration - 61010

### Architecture & Engineering Div - 04

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$4,200
FY 2025	\$0	\$4,200

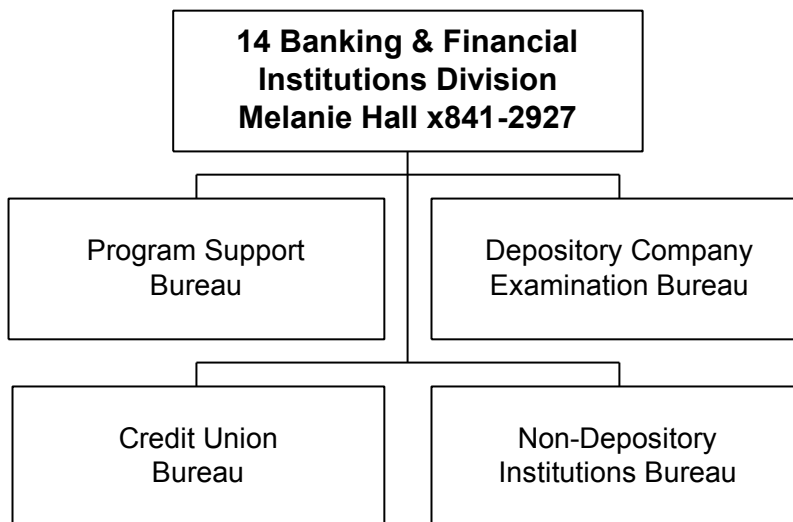
#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.



## Department of Administration - 61010

### Div of Banking & Financial Ins - 14



**Program Description** - The Division of Banking and Financial Institutions licenses, supervises, regulates, and examines financial institutions doing business in Montana. Those institutions include 37 banks and trust companies, with 703 branch banks, 10 credit unions, 217 consumer finance companies, 128 sales finance companies, and 9 escrow businesses. The division also licenses and examines residential mortgage loan service providers which includes 301 mortgage brokers, 288 mortgage lenders, 210 mortgage servicers and 5,175 mortgage loan originators . All program functions are statutorily mandated in Title 32, Chapters 1-11, and Title 31, Chapter 1, Parts 2 & 7, 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	34.00	2.00	36.00	2.00	36.00	
Personal Services	3,440,803	176,007	3,616,810	197,492	3,638,295	7,255,105
Operating Expenses	838,029	148,963	986,992	147,570	985,599	1,972,591
Debt Service	162,295	0	162,295	0	162,295	324,590
<b>Total Costs</b>	<b>\$4,441,127</b>	<b>\$324,970</b>	<b>\$4,766,097</b>	<b>\$345,062</b>	<b>\$4,786,189</b>	<b>\$9,552,286</b>
State/Other Special	4,441,127	324,970	4,766,097	345,062	4,786,189	9,552,286
<b>Total Funds</b>	<b>\$4,441,127</b>	<b>\$324,970</b>	<b>\$4,766,097</b>	<b>\$345,062</b>	<b>\$4,786,189</b>	<b>\$9,552,286</b>

# Department of Administration - 61010

## Div of Banking & Financial Ins - 14

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	(48,748)	0	(27,060)
SWPL - 2 - Fixed Costs	0	80,382	0	72,688
SWPL - 3 - Inflation Deflation	0	43,086	0	49,387
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$74,720</i>	<i>\$0</i>	<i>\$95,015</i>
<b>Present Law Adjustments</b>				
PL - 1401 - DBFI Differential Pay	0	30,000	0	30,000
PL - 4 - Allocate Department Indirect/Administrative Costs	0	22,795	0	22,795
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$52,795</i>	<i>\$0</i>	<i>\$52,795</i>
<b>New Proposals</b>				
NP - 1402 - IT Examination	0	194,755	0	194,552
NP - 99 - New Fixed Costs	0	2,700	0	2,700
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$197,455</i>	<i>\$0</i>	<i>\$197,252</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$324,970</b>	<b>\$0</b>	<b>\$345,062</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$48,748)
FY 2025	\$0	(\$27,060)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$48,748 in FY 2024 and a reduction of \$27,060 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$80,382
FY 2025	\$0	\$72,688

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$80,382 in FY 2024 and an increase of \$72,688 in FY 2025 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 2024	\$0	\$43,086
FY 2025	\$0	\$49,387

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$43,086 in FY 2024 and an increase of \$49,387 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Administration - 61010

### Div of Banking & Financial Ins - 14

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$30,000
FY 2025	\$0	\$30,000

#### **PL - 1401 - DBFI Differential Pay -**

The Banking and Financial Institutions Division (DBFI) is requesting \$30,000 in FY 2024 and FY 2025 for differential pay in personal services. In an effort to reduce examiner turnover and decrease the travel expense budget, the division strives to reduce the amount of time an examiner is in travel status. To reduce examiner turnover, DBFI has developed a system to provide situational pay for its examiners who spend a significant amount of time in a travel status. Eligible travel includes financial institution examinations, in-state meetings and conferences, and out-of-state training if approved by the commissioner or deputy commissioner. This situational pay is reviewed and certified by DBFI's senior management, paid as a one-time, lump-sum payment the following calendar year, and does not affect base pay.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$22,795
FY 2025	\$0	\$22,795

#### **PL - 4 - Allocate Department Indirect/Administrative Costs -**

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$194,755
FY 2025	\$0	\$194,552

#### **NP - 1402 - IT Examination -**

The division currently regulates 38 state-chartered banks and 10 state-chartered credit unions which maintain total assets in excess of \$66 billion. Additionally, the division licenses mortgage loan servicers that hold a total portfolio of 85,000 residential mortgage loans with a total unpaid principal balance of almost \$19 billion.

The division has only one IT examiner and is seeking an appropriation for the salary and benefits of 2.00 FTE IT examiners. IT examiners are in very high demand by the federal regulatory agencies and private institutions due to increasing cybersecurity risks.

Cyber incidents can include financial, operational, legal, compliance, strategic, and reputation risks resulting from fraud, data loss, or disruption of service. The increasing number and sophistication of cyber incidents affect financial institutions of all sizes, and remediation of cyber incidents can be costly.

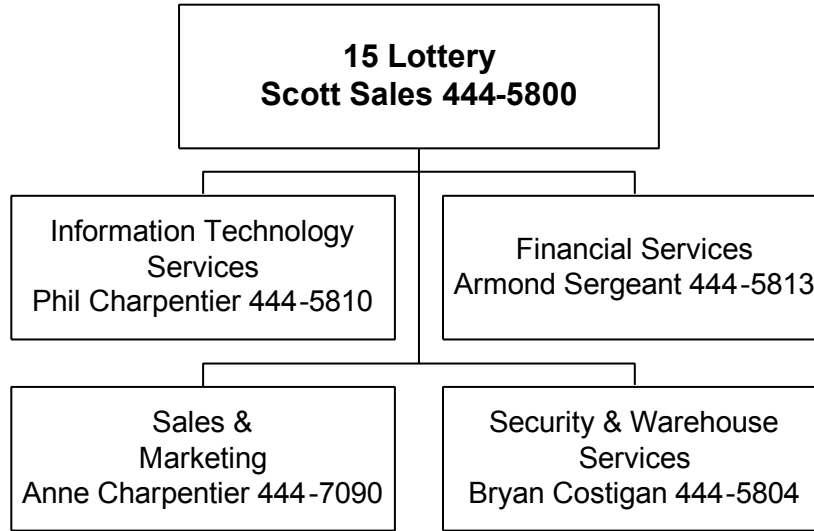
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$2,700
FY 2025	\$0	\$2,700

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## 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 for 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. Starting in fiscal year 2020, the Lottery is required to transfer the first \$500,000 of net revenue to the STEM scholarship program. The transfer to the STEM scholarship program is scheduled to increase each fiscal year: \$1 million in 2021, \$1.5 million in 2022, \$2 million in 2023, and capping at \$2.25 million in 2024 and in subsequent fiscal years. Net revenue is transferred to the STEM Scholarship program in quarterly payments, and any additional revenue is placed in the general fund. The Montana State Lottery is attached to the Department of Administration for administrative purposes only.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	36.00	1.25	37.25	1.25	37.25	
Personal Services	2,708,055	176,115	2,884,170	192,364	2,900,419	5,784,589
Operating Expenses	3,083,166	286,120	3,369,286	144,042	3,227,208	6,596,494
Equipment & Intangible Assets	50,000	35,000	85,000	0	50,000	135,000
Debt Service	216,816	0	216,816	0	216,816	433,632
<b>Total Costs</b>	<b>\$6,058,037</b>	<b>\$497,235</b>	<b>\$6,555,272</b>	<b>\$336,406</b>	<b>\$6,394,443</b>	<b>\$12,949,715</b>
Proprietary Funds	6,058,037	497,235	6,555,272	336,406	6,394,443	12,949,715
<b>Total Funds</b>	<b>\$6,058,037</b>	<b>\$497,235</b>	<b>\$6,555,272</b>	<b>\$336,406</b>	<b>\$6,394,443</b>	<b>\$12,949,715</b>

# Department of Administration - 61010

## Montana State Lottery - 15

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	82,359	0	96,940
SWPL - 2 - Fixed Costs	0	149,269	0	(7,014)
SWPL - 3 - Inflation Deflation	0	114,704	0	128,909
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$346,332</i>	<i>\$0</i>	<i>\$218,835</i>
<b>Present Law Adjustments</b>				
PL - 1501 - Additional Overtime for Lottery Staff	0	12,225	0	12,225
PL - 4 - Allocate Department Indirect/Administrative Costs	0	16,759	0	16,759
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$28,984</i>	<i>\$0</i>	<i>\$28,984</i>
<b>New Proposals</b>				
NP - 1502 - Change .25 Modified position to Permanent	0	11,234	0	11,228
NP - 1503 - Additional Sales Representative	0	109,297	0	75,971
NP - 99 - New Fixed Costs	0	1,388	0	1,388
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$121,919</i>	<i>\$0</i>	<i>\$88,587</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$497,235</b>	<b>\$0</b>	<b>\$336,406</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$82,359
FY 2025	\$0	\$96,940

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$82,359 in FY 2024 and an increase of \$96,940 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$149,269
FY 2025	\$0	(\$7,014)

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$149,269 in FY 2024 and a reduction of \$7,014 in FY 2025 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 2024	\$0	\$114,704
FY 2025	\$0	\$128,909

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$114,704 in FY 2024 and an increase of \$128,909 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Administration - 61010

### Montana State Lottery - 15

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$12,225
FY 2025	\$0	\$12,225

#### **PL - 1501 - Additional Overtime for Lottery Staff -**

This change package requests an additional \$12,225 in FY 2024 and FY 2025 to pay for Montana Lottery staff overtime. The Montana Lottery lost its part-time workers that previously supervised the nightly drawing process, so the agency is currently relying on existing employees to fulfill these duties.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$16,759
FY 2025	\$0	\$16,759

#### **PL - 4 - Allocate Department Indirect/Administrative Costs -**

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$11,234
FY 2025	\$0	\$11,228

#### **NP - 1502 - Change .25 Modified position to Permanent -**

The Montana Lottery requests a .25 FTE for the Sports Betting Coordinator to support the increased retailer population and product growth experienced by the agency. In just two years since its start, the sports wagering product now makes up on average 38% of the agency's total sales. With total revenue in fiscal year 2021 equaling \$41.5 million, and this year's revenue increasing beyond \$43 million, the product growth requires full-time staff support. This position's current part-time status is not able to keep up with the demanding day-to-day requirements, which include addressing retailer issues, player inquiries, and coordinating daily sports bet product advertising.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$109,297
FY 2025	\$0	\$75,971

#### **NP - 1503 - Additional Sales Representative -**

The Montana Lottery requests an additional Lottery Sales Representative to support the increased retailer population and product growth experienced by the agency. With the addition of the sports wagering product, the retailer base has increased by 24% since fiscal year 2020, which has over-extended the agency's existing staff. Montana Lottery is in the process of increasing the number of sales representatives in order to address the agency's day to day sales strategies with current retailers and recruit new retailers.

## Department of Administration - 61010

### Montana State Lottery - 15

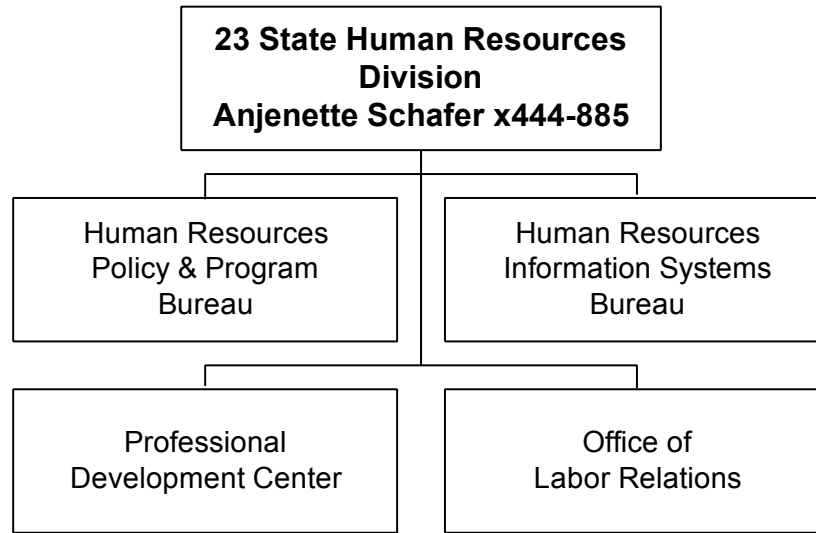
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,388
FY 2025	\$0	\$1,388

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## 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 Human Resources Information Systems Bureau, which processes the biweekly payroll, and administers other human resources information systems, for all branches of state government.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	16.25	0.00	16.25	0.00	16.25	
Personal Services	1,549,041	111,640	1,660,681	119,749	1,668,790	3,329,471
Operating Expenses	449,476	76,132	525,608	83,688	533,164	1,058,772
<b>Total Costs</b>	<b>\$1,998,517</b>	<b>\$187,772</b>	<b>\$2,186,289</b>	<b>\$203,437</b>	<b>\$2,201,954</b>	<b>\$4,388,243</b>
General Fund	1,998,517	187,772	2,186,289	203,437	2,201,954	4,388,243
<b>Total Funds</b>	<b>\$1,998,517</b>	<b>\$187,772</b>	<b>\$2,186,289</b>	<b>\$203,437</b>	<b>\$2,201,954</b>	<b>\$4,388,243</b>



## Department of Administration - 61010

### State Human Resources Division - 23

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	111,640	111,640	119,749	119,749
SWPL - 2 - Fixed Costs	32,371	32,371	32,194	32,194
SWPL - 3 - Inflation Deflation	34,471	34,471	42,204	42,204
<i>Total Statewide Present Law Adjustments</i>	<i>\$178,482</i>	<i>\$178,482</i>	<i>\$194,147</i>	<i>\$194,147</i>
<b>Present Law Adjustments</b>				
PL - 4 - Allocate Department Indirect/Administrative Costs	8,390	8,390	8,390	8,390
<i>Total Present Law Adjustments</i>	<i>\$8,390</i>	<i>\$8,390</i>	<i>\$8,390</i>	<i>\$8,390</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	900	900	900	900
<i>Total New Proposals</i>	<i>\$900</i>	<i>\$900</i>	<i>\$900</i>	<i>\$900</i>
<b>Total Budget Adjustments</b>	<b>\$187,772</b>	<b>\$187,772</b>	<b>\$203,437</b>	<b>\$203,437</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$111,640	\$111,640
FY 2025	\$119,749	\$119,749

#### SWPL - 1 - Personal Services -

The budget includes adjustments in FY 2024 and FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$32,371	\$32,371
FY 2025	\$32,194	\$32,194

#### SWPL - 2 - Fixed Costs -

The request includes adjustments in FY 2024 and FY 2025 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 2024	\$34,471	\$34,471
FY 2025	\$42,204	\$42,204

#### SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Administration - 61010

### State Human Resources Division - 23

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$8,390	\$8,390
FY 2025	\$8,390	\$8,390

#### **PL - 4 - Allocate Department Indirect/Administrative Costs -**

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

#### -----New Proposals-----

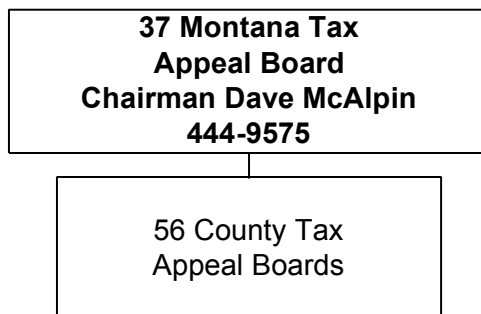
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$900	\$900
FY 2025	\$900	\$900

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## Department of Administration - 61010

### Montana Tax Appeal Board - 37



**Program Description** - The Montana Tax Appeal Board (MTAB) was established by the authority granted in Article VIII, Section 7 of the Montana Constitution and operates under statutes found in 15-2-101, MCA. MTAB is an administrative court independent of the Montana Department of Revenue. The board consists of three members, who hear appeals as full-time state employees, with two support staff. Board members are appointed by the Governor to rotating six-year terms and are subject to legislative confirmation after a hearing before the Senate Taxation Committee and a recorded vote of the full Montana Senate.

MTAB executes the only state tax appeal system for citizens to dispute any action of the Montana Department of Revenue or other state agencies with taxing authority. It is the only fact-finding court of record in tax disputes, and holds formal hearings in cases to resolve disputes through written opinions which can be appealed to Montana District Courts. The board hears appeals from decisions of the 56 county tax appeal boards, primarily involving residential and commercial property valuation and classification. It also takes original jurisdiction cases in matters involving income taxes, corporate taxes, severance taxes, centrally-assessed property, new industry property, motor fuels taxes, vehicle taxes, and cabin site leases.

The duties of the board also include funding, administering, and training the County Tax Appeal Boards required by the Montana Constitution. The Montana Tax Appeal Board trains and supports the 56 County Tax Appeal Boards, reimbursing counties for expenses associated with the county tax appeal function. Specifically, secretary wages, office supplies, and mileage/per diem for county board members are reimbursed from the MTAB budget approved by the legislature.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	5.50	0.00	5.50	0.00	5.50	
Personal Services	505,260	238	505,498	1,862	507,122	1,012,620
Operating Expenses	124,006	36,960	160,966	38,024	162,030	322,996
Local Assistance	14,683	0	14,683	0	14,683	29,366
Debt Service	40,764	0	40,764	0	40,764	81,528
<b>Total Costs</b>	<b>\$684,713</b>	<b>\$37,198</b>	<b>\$721,911</b>	<b>\$39,886</b>	<b>\$724,599</b>	<b>\$1,446,510</b>
General Fund	684,713	37,198	721,911	39,886	724,599	1,446,510
<b>Total Funds</b>	<b>\$684,713</b>	<b>\$37,198</b>	<b>\$721,911</b>	<b>\$39,886</b>	<b>\$724,599</b>	<b>\$1,446,510</b>

# Department of Administration - 61010

## Montana Tax Appeal Board - 37

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	238	238	1,862	1,862
SWPL - 2 - Fixed Costs	28,972	28,972	28,908	28,908
SWPL - 3 - Inflation Deflation	5,591	5,591	6,719	6,719
<i>Total Statewide Present Law Adjustments</i>	<i>\$34,801</i>	<i>\$34,801</i>	<i>\$37,489</i>	<i>\$37,489</i>
<b>Present Law Adjustments</b>				
PL - 4 - Allocate Department Indirect/Administrative Costs	2,397	2,397	2,397	2,397
<i>Total Present Law Adjustments</i>	<i>\$2,397</i>	<i>\$2,397</i>	<i>\$2,397</i>	<i>\$2,397</i>
<b>Total Budget Adjustments</b>	<b>\$37,198</b>	<b>\$37,198</b>	<b>\$39,886</b>	<b>\$39,886</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$238	\$238
FY 2025	\$1,862	\$1,862

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$238 in FY 2024 and an increase of \$1,862 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$28,972	\$28,972
FY 2025	\$28,908	\$28,908

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$28,972 in FY 2024 and an increase of \$28,908 in FY 2025 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 2024	\$5,591	\$5,591
FY 2025	\$6,719	\$6,719

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$5,591 in FY 2024 and an increase of \$6,719 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

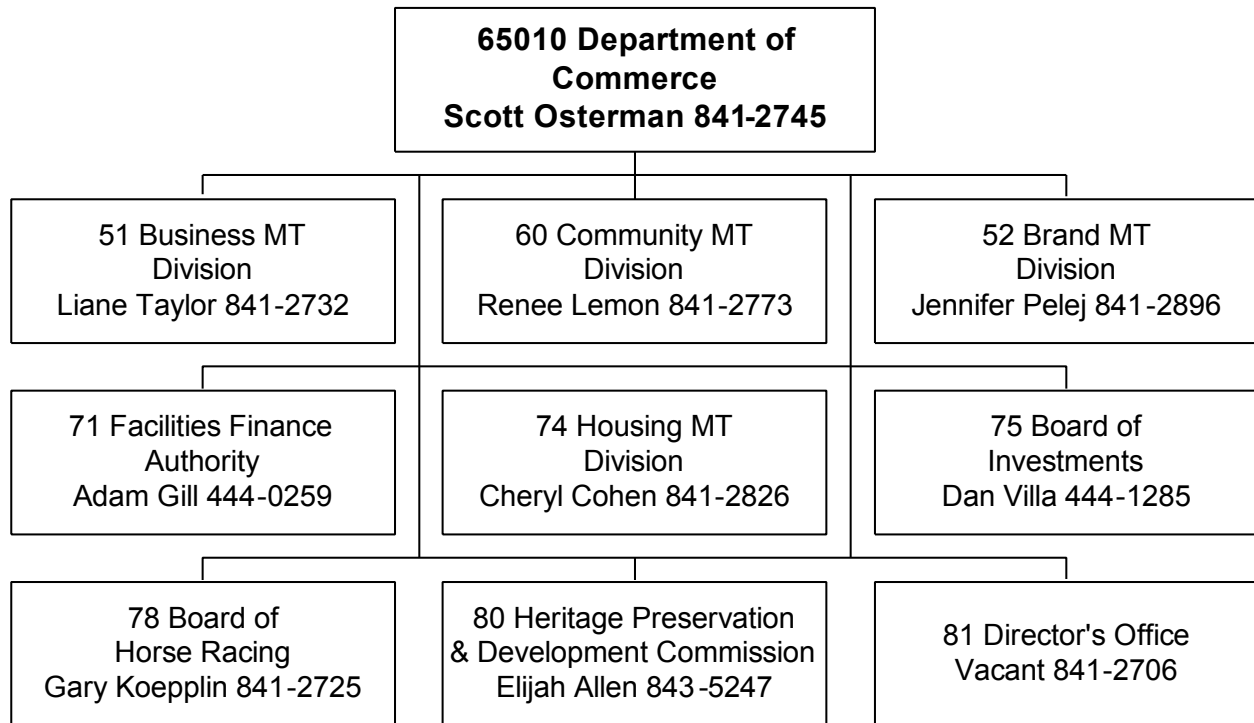
### -----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$2,397	\$2,397
FY 2025	\$2,397	\$2,397

#### PL - 4 - Allocate Department Indirect/Administrative Costs -

This change package includes adjustments in FY 2024 and FY 2025 to provide the funding to pay the Department of Administration's (DOA) indirect costs. These costs are charged to the department's programs for services provided by DOA employees, including accounting, human resources, and legal issues.

## Department of Commerce - 65010



**Mission Statement** - The Department of Commerce effectively and efficiently delivers programs and resources through technical assistance, funding/investments, training/consulting, promotion, research, reporting, and outreach to provide affordable housing, create sustainable business and economic growth to enhance community vitality to benefit the citizen of Montana.

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

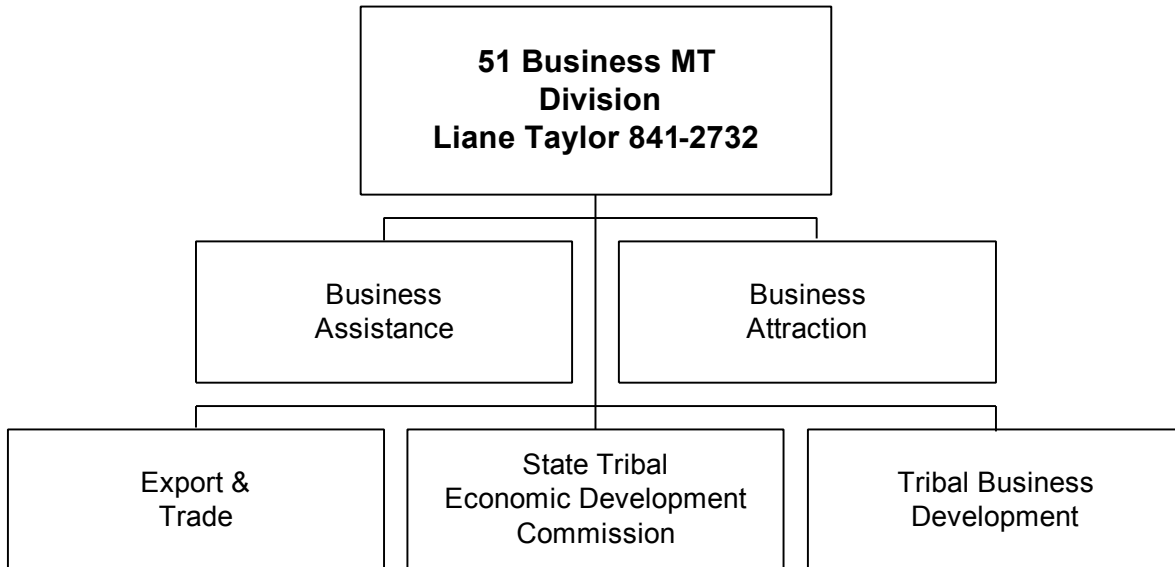
Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	58.05	58.05	
Personal Services	4,928,961	4,956,569	9,885,530
Operating Expenses	7,531,313	7,469,780	15,001,093
Equipment & Intangible Assets	150,000	150,000	300,000
Capital Outlay	300,000	300,000	600,000
Local Assistance	46,000	46,000	92,000
Grants	21,917,004	21,917,004	43,834,008
Transfers	1,124	1,124	2,248
Debt Service	293,532	293,532	587,064
<b>Total Costs</b>	<b>\$35,167,934</b>	<b>\$35,134,009</b>	<b>\$70,301,943</b>
General Fund	5,298,450	5,303,959	10,602,409
State/Other Special	10,100,020	10,066,868	20,166,888
Federal Spec. Rev. Funds	19,769,464	19,763,182	39,532,646
<b>Total Funds</b>	<b>\$35,167,934</b>	<b>\$35,134,009</b>	<b>\$70,301,943</b>

## Department of Commerce - 65010

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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 - Business M T	5,845,747	12,628,025	6,084,130	12,256,915	238,383	(371,110)	4.08 %	(2.94)%
52 - Brand M T	0	643,486	0	645,885	0	2,399	0.00 %	0.37 %
60 - Community M T	1,892,566	27,852,878	3,023,367	29,096,324	1,130,801	1,243,446	59.75 %	4.46 %
74 - Housing M T	0	22,669,627	0	20,212,894	0	(2,456,733)	0.00 %	(10.84)%
78 - Board of Horse Racing	0	402,461	0	411,624	0	9,163	0.00 %	2.28 %
80 - Montana Heritage Commission	0	4,539,941	0	4,965,439	0	425,498	0.00 %	9.37 %
81 - Directors Office	1,488,704	2,706,654	1,494,912	2,712,862	6,208	6,208	0.42 %	0.23 %
<b>Agency Total</b>	<b>\$9,227,017</b>	<b>\$71,443,072</b>	<b>\$10,602,409</b>	<b>\$70,301,943</b>	<b>\$1,375,392</b>	<b>(\$1,141,129)</b>	<b>14.91 %</b>	<b>(1.60)%</b>

## Department of Commerce - 65010

### Business M T - 51



**Program Description** - The mission of the Business MT Division is to facilitate a business environment that strengthens the economy, supports business growth and shared community prosperity, aids in job creation and retention, supports existing companies, and strengthens communities. Business MT's programs aim to support businesses through trainings and counseling, technical assistance, access to grants and loans, and to foster new markets and business opportunities domestically and internationally. Through dynamic partnerships and innovative collaborations with companies, universities, tribes, not-for-profit organizations, and government leaders, and the use of proactive incentives and communication, we are building an economic environment that supports business growth and shared community prosperity.

The Division is funded by House Bill 2 and statutory appropriations. The programs work collaboratively with several state and local partnerships to promote economic development:

- Business Assistance (Business Loans and Grants)
- Export and International Trade
- Indian Country Economic Development
- Small Business Development Centers
- Regional Economic Development
- Montana Manufacturing Centers

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	14.50	1.00	15.50	1.00	15.50	
Personal Services	1,577,630	(236,018)	1,341,612	(227,879)	1,349,751	2,691,363
Operating Expenses	2,342,826	565,723	2,908,549	563,301	2,906,127	5,814,676
Local Assistance	46,000	0	46,000	0	46,000	92,000
Grants	989,825	725,000	1,714,825	725,000	1,714,825	3,429,650
Transfers	1,124	0	1,124	0	1,124	2,248
Debt Service	113,489	0	113,489	0	113,489	226,978
<b>Total Costs</b>	<b>\$5,070,894</b>	<b>\$1,054,705</b>	<b>\$6,125,599</b>	<b>\$1,060,422</b>	<b>\$6,131,316</b>	<b>\$12,256,915</b>
General Fund	1,784,509	1,254,602	3,039,111	1,260,510	3,045,019	6,084,130
State/Other Special	2,428,430	(202,415)	2,226,015	(201,911)	2,226,519	4,452,534
Federal Spec. Rev. Funds	857,955	2,518	860,473	1,823	859,778	1,720,251
<b>Total Funds</b>	<b>\$5,070,894</b>	<b>\$1,054,705</b>	<b>\$6,125,599</b>	<b>\$1,060,422</b>	<b>\$6,131,316</b>	<b>\$12,256,915</b>

# Department of Commerce - 65010

## Business M T - 51

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	30,490	(327,243)	36,934	(319,172)
SWPL - 2 - Fixed Costs	16,782	23,113	11,693	15,570
SWPL - 3 - Inflation Deflation	38,997	42,451	42,735	47,212
<i>Total Statewide Present Law Adjustments</i>	<i>\$86,269</i>	<i>(\$261,679)</i>	<i>\$91,362</i>	<i>(\$256,390)</i>
<b>Present Law Adjustments</b>				
PL - 5109 - BUSMT ADMINISTRATIVE COSTS ADJUSTMENT	42,860	90,359	43,675	90,787
PL - 5110 - BUSMT Re-establish Made in Montana Appropriation (BIEN)	0	100,000	0	100,000
<i>Total Present Law Adjustments</i>	<i>\$42,860</i>	<i>\$190,359</i>	<i>\$43,675</i>	<i>\$190,787</i>
<b>New Proposals</b>				
NP - 5104 - BUSMT INDIAN COUNTRY ECONOMIC DEVELOPMENT HB2	875,000	875,000	875,000	875,000
NP - 5107 - BUSMT INCREASE MMEC FUNDING HB2	250,000	250,000	250,000	250,000
NP - 99 - New Fixed Costs	473	1,025	473	1,025
<i>Total New Proposals</i>	<i>\$1,125,473</i>	<i>\$1,126,025</i>	<i>\$1,125,473</i>	<i>\$1,126,025</i>
<b>Total Budget Adjustments</b>	<b>\$1,254,602</b>	<b>\$1,054,705</b>	<b>\$1,260,510</b>	<b>\$1,060,422</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$30,490	(\$327,243)
FY 2025	\$36,934	(\$319,172)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$327,243 in FY 2024 and a reduction of \$319,172 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$16,782	\$23,113
FY 2025	\$11,693	\$15,570

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$23,113 in FY 2024 and an increase of \$15,570 in FY 2025 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 2024	\$38,997	\$42,451
FY 2025	\$42,735	\$47,212

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$42,451 in FY 2024 and an increase of \$47,212 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.



## Department of Commerce - 65010

### Business M T - 51

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$42,860	\$90,359
FY 2025	\$43,675	\$90,787

#### **PL - 5109 - BUSMT ADMINISTRATIVE COSTS ADJUSTMENT -**

This request includes adjustments for non-state rent increases per the terms of the negotiated lease; travel costs due the increased costs of fuel, lodging, etc.; anticipated private funds to be received as a result of more public/private partnerships; and indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$100,000
FY 2025	\$0	\$100,000

#### **PL - 5110 - BUSMT Re-establish Made in Montana Appropriation (BIEN) -**

This request is to re-establish the biennial appropriation for \$200,000 for the Made in Montana program as intended in HB 660 that was passed in the 67th Legislature.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$875,000	\$875,000
FY 2025	\$875,000	\$875,000

#### **NP - 5104 - BUSMT INDIAN COUNTRY ECONOMIC DEVELOPMENT HB2 -**

This change package is to re-establish the funding for the Indian Country Economic Development (ICED) program at the same level of funding that was approved for the prior biennium. Sections 90-1-105 (1)(7) & 90-1-132, MCA, establish the agency's responsibility to develop and advance economic prosperity and employment with tribal nations in Montana by fostering the expansion of business, manufacturing, tourism, agriculture, and community development programs. The ICED program provides resources and technical assistance to tribal governments, tribal economic development organizations, and Indian entrepreneurs to accelerate economic development in Indian communities. ICED provides small equity grants, business advisory host funds, and tribal government business planning resources. Funding is distributed to the eight tribal nations, tribal economic development organizations, and tribal member businesses. This new proposal requests a base level appropriation from the general fund of \$875,000 in each year of the 2025 biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$250,000	\$250,000
FY 2025	\$250,000	\$250,000

#### **NP - 5107 - BUSMT INCREASE MMEC FUNDING HB2 -**

This new proposal requests a general fund appropriation of \$250,000 in each year of the biennium for the Montana Manufacturing Extension Center (MMEC). This would augment the current statutory funding level of \$500,000 per year provided in 15-35-108, MCA. The National Institute of Standards and Technology, Manufacturing Extension Partnership (NIST-MEP) partially funds a Manufacturing Extension Partnership in each state and Puerto Rico. The MMEC has been the MEP in Montana since 1996. MMEC, located in MSU's College of Engineering, has been providing technical hands-on assistance to Montana's small and medium manufacturers in the areas of growth, innovation, efficiency, and resiliency since 1996. The MMEC, a public-private partnership, has always tried to maintain a 1/3-1/3-1/3 model as recommended by the NIST-MEP. In this model, the federal government provides 1/3 of the MMEC budget, the state government provides 1/3 of the budget and MMEC's clients provide the remaining 1/3. MMEC currently has 6 field engineers/business advisors that provide technical assistance to Montana's small to medium manufacturers throughout the state. MMEC's Field Engineers complete approximately 60 projects per year with small to medium manufacturers in Montana. With the additional state funding, two additional field engineers would be hired and MMEC would be able to complete approximately 90 projects per year with small to medium manufacturers in Montana.

## Department of Commerce - 65010

### Business M T - 51

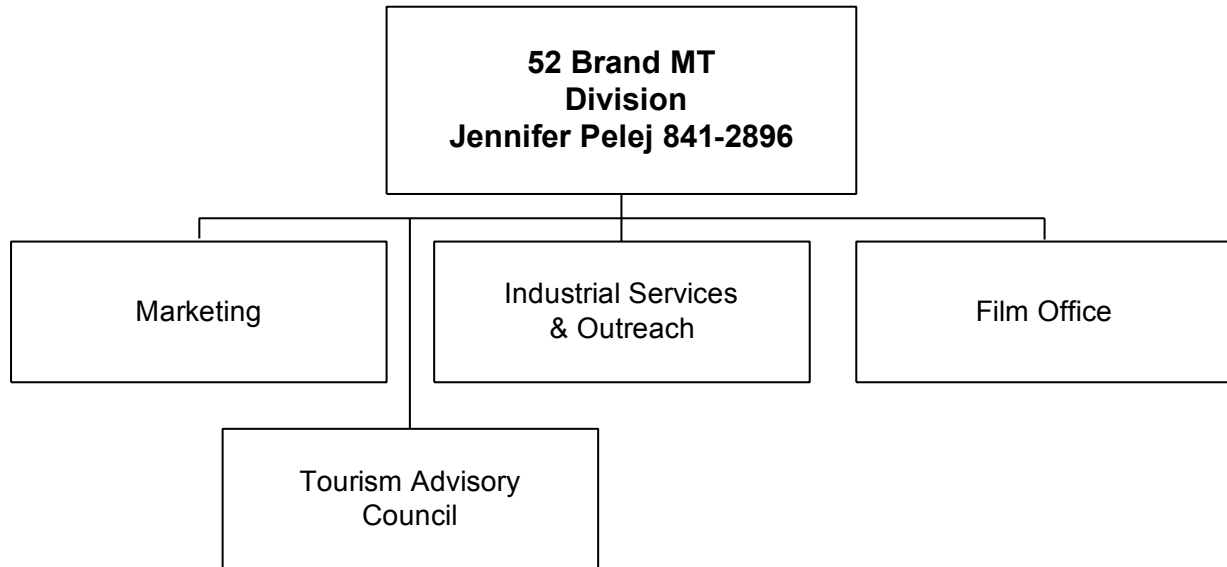
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$473	\$1,025
FY 2025	\$473	\$1,025

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed cost allocation related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Commerce - 65010

### Brand M T - 52



**Program Description** - Brand MT 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. The marketing, communications, film and tourism programs are all part of a versatile and cohesive Brand MT team that works to sustain and grow Montana's economy. The programs develop and use communications, advertising, development and promotional campaigns to showcase Montana and create awareness about the state as a place to visit and do business. Through data-driven strategies and grant programs, the team aims to preserve and promote the genuine character of Montana and partners to achieve a sustainable economic future for all.

The mission of Brand MT is to preserve and promoted the genuine character of Montana while partnering to achieve a sustainable economic future for all.

The division is comprised of five bureaus funded by House Bill 2 and statutory appropriations:

- Budget and Operations
- Marketing
- Communications
- Office of Tourism
- Film Office

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
Operating Expenses	285,000	63,530	348,530	12,355	297,355	645,885
<b>Total Costs</b>	<b>\$285,000</b>	<b>\$63,530</b>	<b>\$348,530</b>	<b>\$12,355</b>	<b>\$297,355</b>	<b>\$645,885</b>
State/Other Special	285,000	63,530	348,530	12,355	297,355	645,885
<b>Total Funds</b>	<b>\$285,000</b>	<b>\$63,530</b>	<b>\$348,530</b>	<b>\$12,355</b>	<b>\$297,355</b>	<b>\$645,885</b>

# Department of Commerce - 65010

## Brand M T - 52

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 2 - Fixed Costs	0	54,255	0	0
SWPL - 3 - Inflation Deflation	0	9,275	0	12,355
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$63,530</i>	<i>\$0</i>	<i>\$12,355</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$63,530</b>	<b>\$0</b>	<b>\$12,355</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$54,255
FY 2025	\$0	\$0

#### **SWPL - 2 - Fixed Costs -**

The request includes adjustments to 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.

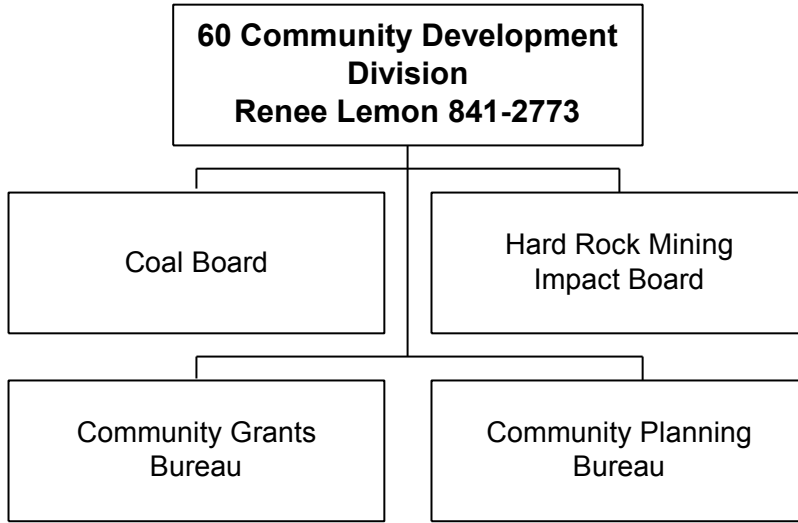
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$9,275
FY 2025	\$0	\$12,355

#### **SWPL - 3 - Inflation Deflation -**

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Commerce - 65010

### Community M T - 60



**Program Description** - The Community MT Division helps communities plan for high quality growth and invests in transformational development to facilitate strong, vibrant communities across Montana. Programs include the Montana Coal Endowment Program, Community Development Block Grant Program, Montana Historic Preservation Grant Program, Montana Main Street Program, and Community Technical Assistance Program. The division also provides administrative support to the Montana Coal Board and Montana Hard Rock Mining Impact Board.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	19.45	3.00	22.45	3.00	22.45	
Personal Services	1,669,473	329,433	1,998,906	340,250	2,009,723	4,008,629
Operating Expenses	1,680,185	476,682	2,156,867	461,559	2,141,744	4,298,611
Grants	10,302,179	0	10,302,179	0	10,302,179	20,604,358
Debt Service	92,363	0	92,363	0	92,363	184,726
<b>Total Costs</b>	<b>\$13,744,200</b>	<b>\$806,115</b>	<b>\$14,550,315</b>	<b>\$801,809</b>	<b>\$14,546,009</b>	<b>\$29,096,324</b>
General Fund	955,449	558,445	1,513,894	554,024	1,509,473	3,023,367
State/Other Special	4,635,759	200,180	4,835,939	201,758	4,837,517	9,673,456
Federal Spec. Rev. Funds	8,152,992	47,490	8,200,482	46,027	8,199,019	16,399,501
<b>Total Funds</b>	<b>\$13,744,200</b>	<b>\$806,115</b>	<b>\$14,550,315</b>	<b>\$801,809</b>	<b>\$14,546,009</b>	<b>\$29,096,324</b>

# Department of Commerce - 65010

## Community M T - 60

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	72,629	78,670	75,958	89,993
SWPL - 2 - Fixed Costs	15,563	40,402	10,507	24,974
SWPL - 3 - Inflation Deflation	22,233	47,808	26,332	56,515
<i>Total Statewide Present Law Adjustments</i>	<i>\$110,425</i>	<i>\$166,880</i>	<i>\$112,797</i>	<i>\$171,482</i>
<b>Present Law Adjustments</b>				
PL - 6003 - CMT ADMINISTRATIVE COSTS ADJUSTMENTS	66,127	148,659	66,583	150,107
<i>Total Present Law Adjustments</i>	<i>\$66,127</i>	<i>\$148,659</i>	<i>\$66,583</i>	<i>\$150,107</i>
<b>New Proposals</b>				
NP - 6001 - CMT MONTANA HERITAGE PRESERVATION FTE HB2	0	108,446	0	105,339
NP - 6002 - CMT EXPAND COMMUNITY TECHNICAL ASSISTANCE HB2	381,735	381,735	374,486	374,486
NP - 99 - New Fixed Costs	158	395	158	395
<i>Total New Proposals</i>	<i>\$381,893</i>	<i>\$490,576</i>	<i>\$374,644</i>	<i>\$480,220</i>
<b>Total Budget Adjustments</b>	<b>\$558,445</b>	<b>\$806,115</b>	<b>\$554,024</b>	<b>\$801,809</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$72,629	\$78,670
FY 2025	\$75,958	\$89,993

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$78,670 in FY 2024 and an increase of \$89,993 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$15,563	\$40,402
FY 2025	\$10,507	\$24,974

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$40,402 in FY 2024 and an increase of \$24,974 in FY 2025 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 2024	\$22,233	\$47,808
FY 2025	\$26,332	\$56,515

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$47,808 in FY 2024 and an increase of \$56,515 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Commerce - 65010

### Community M T - 60

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$66,127	\$148,659
FY 2025	\$66,583	\$150,107

#### **PL - 6003 - CMT ADMINISTRATIVE COSTS ADJUSTMENTS -**

This request includes adjustments for non-state rent increases per the terms of the negotiated lease, and indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs. Additional adjustments are for computer replacement costs, printing and publication costs, consulting services for planning and reporting required by the U.S. Department of Housing and Urban Development, consulting and professional services to contract engineering services due to high turnover and difficulty hiring staff engineers, and additional educational & training costs made necessary by higher than average turnover.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$108,446
FY 2025	\$0	\$105,339

#### **NP - 6001 - CMT MONTANA HERITAGE PRESERVATION FTE HB2 -**

This new proposal requests to establish 1.00 FTE to manage the program established in 22-3-1307, MCA, for Montana Historic Preservation Grant (MHPG) Program. The purpose of the MHPG Program is to fund historic preservation projects that stimulate economic activity and protect Montana's heritage. Since the 2019 Legislature passed SB 338, there has been high demand for program services. The FTE will continue delivering technical assistance to help applicants develop and implement successful projects and provide staff support to the legislature as they make decisions. Without funding, Commerce cannot maintain the staff and operations needed to implement MHPG as designed by the legislature. The original program funding provided operating funding and allowed for a modified FTE to be requested. The FTE was approved OTO during the 2021 legislative session and is requested to become a permanent position.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$381,735	\$381,735
FY 2025	\$374,486	\$374,486

#### **NP - 6002 - CMT EXPAND COMMUNITY TECHNICAL ASSISTANCE HB2 -**

This new proposal requests 2.0 FTE and operating funds for consulting professional services for the Community Technical Assistance (CTAP) program. The program is charged with helping local governments plan for "orderly, productive, and coordinated development" with "particular attention to the planning and financing of public facilities and to the problems of metropolitan, suburban, and other areas in which economic and population factors are rapidly changing" (90-1-103, MCA). The staffing and funding would assist Montana communities with housing and infrastructure issues that are not keeping pace with population growth and needed economic development in a similar manner to the assistance provided to local governments for ARPA water and sewer grants. The current program staffing is 2.18 FTE. Passage of this change package would result in 4.18 FTE and double the consulting budget from \$170K to \$340K, which would result in assisting an estimated 28 additional communities.

## Department of Commerce - 65010

### Community M T - 60

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$158	\$395
FY 2025	\$158	\$395

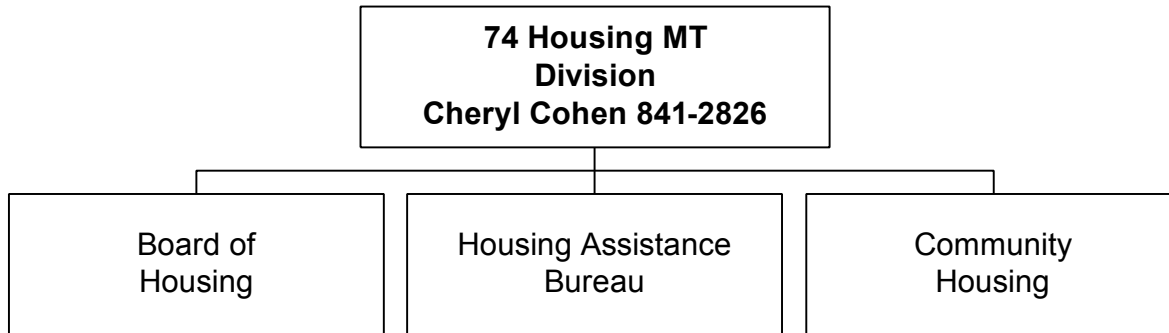
#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.



## Department of Commerce - 65010

### Housing M T - 74



**Program Description** - The Department of Commerce Housing Division, conducting business and known in the community as Montana Housing, strengthens our vibrant communities by supporting access to safe, affordable and sustainable homes for Montanans whose housing needs are not met by the market.

Montana Housing is comprised of three component units:

- **Board of Housing**, Montana's statewide Housing Finance Agency (HFA) created under the Montana [Housing Act of 1975](#), is [administratively attached](#) to the Department of Commerce. The Board of Housing is funded by enterprise funds with revenues derived from an administrative charge applied to projects and mortgages financed; the Board does not receive any general fund and is completely self-supporting.
- **Rental Assistance Bureau**, Montana's statewide Public Housing Authority (PHA), is charged with the administration of various federally funded U.S. Department of Housing and Urban Development (HUD) programs. All Rental Assistance Bureau programs are funded by enterprise funds with revenues derived under HUD administrative fees and performance based contracts.
- **Community Housing** administers HUD Community Planning and Development (CPD) programs for the production and preservation of affordable homes. Community Housing administers federal funds and state special revenue account programs appropriated via HB 2.

Montana Housing responsibilities are mandated primarily in Title 2, Chapter 15, Part 18; Title 90, Chapter 1 Part 1; Title 90, Chapter 6, Parts 1, 5, 6; Governor Executive Orders 2-87 and 27-81; 24 CFR Parts 5, 91, 93, 245, 570, 792, 813, 882, 887, 891, 982 and 984.

Program Proposed Budget	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
Budget Item						
FTE	6.00	0.00	6.00	0.00	6.00	
Personal Services	438,979	28,568	467,547	30,086	469,065	936,612
Operating Expenses	266,395	51,904	318,299	46,262	312,657	630,956
Grants	10,605,573	(1,305,573)	9,300,000	(1,305,573)	9,300,000	18,600,000
Debt Service	22,663	0	22,663	0	22,663	45,326
<b>Total Costs</b>	<b>\$11,333,610</b>	<b>(\$1,225,101)</b>	<b>\$10,108,509</b>	<b>(\$1,229,225)</b>	<b>\$10,104,385</b>	<b>\$20,212,894</b>
Federal Spec. Rev. Funds	11,333,610	(1,225,101)	10,108,509	(1,229,225)	10,104,385	20,212,894

# Department of Commerce - 65010

## Housing M T - 74

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	28,568	0	30,086
SWPL - 2 - Fixed Costs	0	22,392	0	13,703
SWPL - 3 - Inflation Deflation	0	12,888	0	15,729
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$63,848</i>	<i>\$0</i>	<i>\$59,518</i>
<b>Present Law Adjustments</b>				
PL - 7402 - HMT ADMINISTRATIVE COSTS ADJUSTMENTS	0	(1,289,107)	0	(1,288,901)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$1,289,107)</i>	<i>\$0</i>	<i>(\$1,288,901)</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	0	158	0	158
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$158</i>	<i>\$0</i>	<i>\$158</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>(\$1,225,101)</b>	<b>\$0</b>	<b>(\$1,229,225)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$28,568
FY 2025	\$0	\$30,086

#### SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$22,392
FY 2025	\$0	\$13,703

#### SWPL - 2 - Fixed Costs -

The request includes funding 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 2024	\$0	\$12,888
FY 2025	\$0	\$15,729

#### SWPL - 3 - Inflation Deflation -

This change package includes funding to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Commerce - 65010

### Housing M T - 74

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$1,289,107)
FY 2025	\$0	(\$1,288,901)

#### **PL - 7402 - HMT ADMINISTRATIVE COSTS ADJUSTMENTS -**

This request includes adjustments for non-state rent increases per the terms of the negotiated lease, and indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs. Additional adjustments are for increases in field agent contracts, additional training and access to on-line resources due to higher than anticipated staff turnover, and projected increases in housing assistance payments based on HUD's fair market rents which historically increase each year. The decision package also decreases appropriations for grants in the HOME and HTF programs for the amount of federal funds anticipated to be available in the 2025 biennium.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$158
FY 2025	\$0	\$158

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Commerce - 65010

### Board of Horse Racing - 78

**78 Board of  
Horse Racing  
Gary Koeplin 841-2725**

**Program Description** - The Montana Board of Horse Racing originated in 1965 through the legislative process. The stated purpose is to regulate and monitor horse racing in the state of Montana. Over the course of 57 years the role has modified and grown. The Board continues to regulate and monitor but it now also offers support and guidance. The growth and prosperity of Montana's storied Horse Racing industry is the ultimate goal.

The Board of Horse Racing is appropriated through HB 2 and statutory appropriations, and funded by revenue derived from licenses and fees, as well as the collection of a percentage of wagering on live and remote racing events.

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

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	1.25	0.00	1.25	0.00	1.25	
Personal Services	20,134	(593)	19,541	(520)	19,614	39,155
Operating Expenses	181,594	4,450	186,044	4,831	186,425	372,469
<b>Total Costs</b>	<b>\$201,728</b>	<b>\$3,857</b>	<b>\$205,585</b>	<b>\$4,311</b>	<b>\$206,039</b>	<b>\$411,624</b>
State/Other Special	201,728	3,857	205,585	4,311	206,039	411,624
<b>Total Funds</b>	<b>\$201,728</b>	<b>\$3,857</b>	<b>\$205,585</b>	<b>\$4,311</b>	<b>\$206,039</b>	<b>\$411,624</b>

Program Proposed Budget Adjustments				
		Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025
		General Fund	Total Funds	General Fund
				Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services		0	85,363	85,720
SWPL - 2 - Fixed Costs		0	1,940	1,408
SWPL - 3 - Inflation Deflation		0	2,854	3,757
<i>Total Statewide Present Law Adjustments</i>		<i>\$0</i>	<i>\$90,157</i>	<i>\$90,885</i>
<b>Present Law Adjustments</b>				
PL - 7801 - BOHR ADMINISTRATIVE COSTS ADJUSTMENTS		0	(86,300)	(86,574)
<i>Total Present Law Adjustments</i>		<i>\$0</i>	<i>(\$86,300)</i>	<i>(\$86,574)</i>
<b>Total Budget Adjustments</b>		<b>\$0</b>	<b>\$3,857</b>	<b>\$4,311</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$85,363
FY 2025	\$0	\$85,720

#### **SWPL - 1 - Personal Services -**

The budget includes an increase of \$85,363 in FY 2024 and an increase of \$85,720 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and adjustments for the contracted position of Executive Director.

## Department of Commerce - 65010

### Board of Horse Racing - 78

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,940
FY 2025	\$0	\$1,408

#### SWPL - 2 - Fixed Costs -

The request includes an increase of \$1,940 in FY 2024 and an increase of \$1,408 in FY 2025 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 2024	\$0	\$2,854
FY 2025	\$0	\$3,757

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,854 in FY 2024 and an increase of \$3,757 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$86,300)
FY 2025	\$0	(\$86,574)

#### PL - 7801 - BOHR ADMINISTRATIVE COSTS ADJUSTMENTS -

This change package reduces the Board of Horse Racing's 2025 biennium personal services budget to current estimates for the 2025 biennium. The Board of Horse Racing currently is contracting for its executive secretary, which is funded through an operating expense category. This change package simply removes the 2025 biennium personal services funding for the position without removing the board's executive secretary position.

## Department of Commerce - 65010

### Montana Heritage Commission - 80

#### 80 Heritage Preservation & Development Commission Elijah Allen 843-5247

**Program Description** - In 1997, the 55th Montana Legislature established the Montana Heritage Preservation and Development Commission (MHC) to acquire and manage historic properties for the State of Montana. This legislation approved the purchase of Virginia and Nevada City which comprised 248 buildings, 1.2 million Americana artifacts residing on 260 acres. These large historic town sites were the first properties managed by the MHC.

Since 1997, the Montana Board of Land Commissioners approved two additional acquisitions of historic Reeder's Alley and the Pioneer Cabin in Helena. Reeder's Alley was received through a private donation on November 19, 2001. The Pioneer Cabin at the front of Reeder's Alley was received from a private donation on June 19, 2006.

The Montana legislature authorizes MHC to care for heritage resources "in a manner that protects the properties and encourages economic independence" (MCA 22-3-1001). Our statutory purpose is to acquire and manage, on behalf of the state, properties that possess outstanding historical value, display exceptional qualities worth preserving, and are genuinely representative of the state's culture and history. MHC has worked hard to expand the economic and revenue generating uses for our state buildings. MHC is responsible for the management and economic use of these historic properties including; building improvements, structural stabilization, site maintenance, artifact conservation, and protection of diverse historic features. MHC serves as a resource for the public and professionals interested in learning more about Montana history, historic building preservation, and archaeology, conservation of artifacts, education, living history, and historic site management.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	8.00	0.00	8.00	0.00	8.00	
Personal Services	470,000	158,170	628,170	161,551	631,551	1,259,721
Operating Expenses	1,350,000	46,806	1,396,806	58,912	1,408,912	2,805,718
Equipment & Intangible Assets	150,000	0	150,000	0	150,000	300,000
Capital Outlay	300,000	0	300,000	0	300,000	600,000
<b>Total Costs</b>	<b>\$2,270,000</b>	<b>\$204,976</b>	<b>\$2,474,976</b>	<b>\$220,463</b>	<b>\$2,490,463</b>	<b>\$4,965,439</b>
State/Other Special	2,270,000	204,976	2,474,976	220,463	2,490,463	4,965,439
<b>Total Funds</b>	<b>\$2,270,000</b>	<b>\$204,976</b>	<b>\$2,474,976</b>	<b>\$220,463</b>	<b>\$2,490,463</b>	<b>\$4,965,439</b>

## Department of Commerce - 65010

### Montana Heritage Commission - 80

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	158,170	0	161,551
SWPL - 2 - Fixed Costs	0	(41,883)	0	(46,027)
SWPL - 3 - Inflation Deflation	0	73,462	0	89,712
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$189,749</i>	<i>\$0</i>	<i>\$205,236</i>
<b>Present Law Adjustments</b>				
PL - 8003 - MHC ADMINISTRATIVE COSTS ADJUSTMENTS	0	15,148	0	15,148
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$15,148</i>	<i>\$0</i>	<i>\$15,148</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	0	79	0	79
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$79</i>	<i>\$0</i>	<i>\$79</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$204,976</b>	<b>\$0</b>	<b>\$220,463</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$158,170
FY 2025	\$0	\$161,551

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$158,170 in FY 2024 and an increase of \$161,551 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	(\$41,883)
FY 2025	\$0	(\$46,027)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$41,883 in FY 2024 and a reduction of \$46,027 in FY 2025 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 2024	\$0	\$73,462
FY 2025	\$0	\$89,712

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$73,462 in FY 2024 and an increase of \$89,712 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

**Department of Commerce - 65010**

**Montana Heritage Commission - 80**

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

	<b><u>General Fund Total</u></b>	<b><u>Total Funds</u></b>
FY 2024	\$0	\$15,148
FY 2025	\$0	\$15,148

**PL - 8003 - MHC ADMINISTRATIVE COSTS ADJUSTMENTS -**

This request includes adjustments for indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs.

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

	<b><u>General Fund Total</u></b>	<b><u>Total Funds</u></b>
FY 2024	\$0	\$79
FY 2025	\$0	\$79

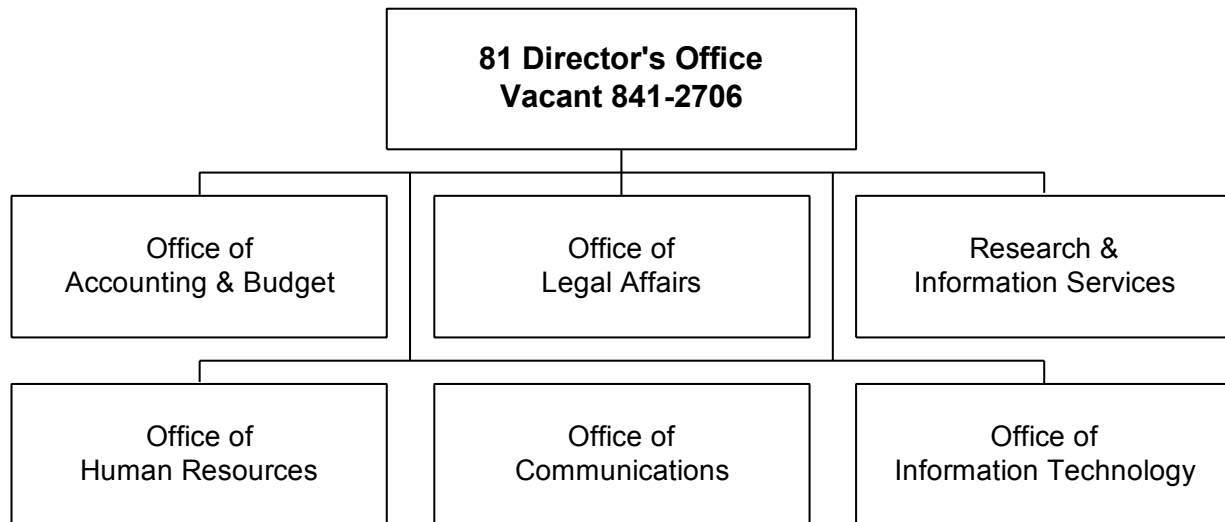
**NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.



## Department of Commerce - 65010

### Directors Office - 81



#### Program Description - Director's Office:

The Director's Office at the Montana Department of Commerce Leads the Department's mission of economic and community development of the State and provides effective and efficient customer service to the Department's programs and professionals. Services are provided by the Offices of Accounting and Budget, Legal Affairs, Human Resources, Information Technology, and Research.

The Director's Office builds relationships with private business, local governments, administratively attached boards, public, private, non-profit interest groups, the legislature, Indian tribes, individuals, other governmental agencies, the U.S. Census Bureau, the Governor's Office, and other key stakeholders.

In additions the Director's Office provides the critical central services to the agency and administratively attached boards and commissions as every division, bureau, and program in the agency uses the services in the Director's Office in some capacity.

The Director's Office responsibilities are mandated primarily in Title 2, Chapter 15 and Title 90, Chapter 1, MCA.

#### Montana Council on Developmental Disabilities (MCDD):

The Montana Council on Developmental Disabilities 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.

The Council administers federal funds in three major areas; 1) assistance in the provision of comprehensive services to persons with developmental disabilities; 2) assistance to the state in appropriate planning activities; and 3) contracting with public and private agencies to establish model programs, demonstrate innovative habilitation techniques and to train professional and paraprofessional personnel in providing services to persons with developmental disabilities.

MCDD responsibilities are mandated primarily in Title 53, Chapter 20, MCA.

# Department of Commerce - 65010

## Directors Office - 81

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	4.85	0.00	4.85	0.00	4.85	
Personal Services	483,330	(10,145)	473,185	(6,465)	476,865	950,050
Operating Expenses	197,795	18,423	216,218	18,765	216,560	432,778
Grants	600,000	0	600,000	0	600,000	1,200,000
Debt Service	65,017	0	65,017	0	65,017	130,034
<b>Total Costs</b>	<b>\$1,346,142</b>	<b>\$8,278</b>	<b>\$1,354,420</b>	<b>\$12,300</b>	<b>\$1,358,442</b>	<b>\$2,712,862</b>
General Fund	737,167	8,278	745,445	12,300	749,467	1,494,912
State/Other Special	8,975	0	8,975	0	8,975	17,950
Federal Spec. Rev. Funds	600,000	0	600,000	0	600,000	1,200,000
<b>Total Funds</b>	<b>\$1,346,142</b>	<b>\$8,278</b>	<b>\$1,354,420</b>	<b>\$12,300</b>	<b>\$1,358,442</b>	<b>\$2,712,862</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(10,145)	(10,145)	(6,465)	(6,465)
SWPL - 2 - Fixed Costs	7,164	7,164	6,399	6,399
SWPL - 3 - Inflation Deflation	3,674	3,674	4,277	4,277
<i>Total Statewide Present Law Adjustments</i>	<i>\$693</i>	<i>\$693</i>	<i>\$4,211</i>	<i>\$4,211</i>
<b>Present Law Adjustments</b>				
PL - 8106 - DO ADMINISTRATIVE COSTS ADJUSTMENTS	7,348	7,348	7,852	7,852
<i>Total Present Law Adjustments</i>	<i>\$7,348</i>	<i>\$7,348</i>	<i>\$7,852</i>	<i>\$7,852</i>
<b>New Proposals</b>				
NP - 99 - New Fixed Costs	237	237	237	237
<i>Total New Proposals</i>	<i>\$237</i>	<i>\$237</i>	<i>\$237</i>	<i>\$237</i>
<b>Total Budget Adjustments</b>	<b>\$8,278</b>	<b>\$8,278</b>	<b>\$12,300</b>	<b>\$12,300</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$10,145)	(\$10,145)
FY 2025	(\$6,465)	(\$6,465)

#### SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$7,164	\$7,164
FY 2025	\$6,399	\$6,399

#### SWPL - 2 - Fixed Costs -

The request includes funding 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 Commerce - 65010

### Directors Office - 81

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$3,674	\$3,674
FY 2025	\$4,277	\$4,277

#### **SWPL - 3 - Inflation Deflation -**

This change package includes funding to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$7,348	\$7,348
FY 2025	\$7,852	\$7,852

#### **PL - 8106 - DO ADMINISTRATIVE COSTS ADJUSTMENTS -**

The request includes adjustments for increased non-state building rent per the terms of the lease agreement, and indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs. Additional adjustments are included for software licenses, and vehicle maintenance. This change package reflects a 0.26% change to the internal service rate.

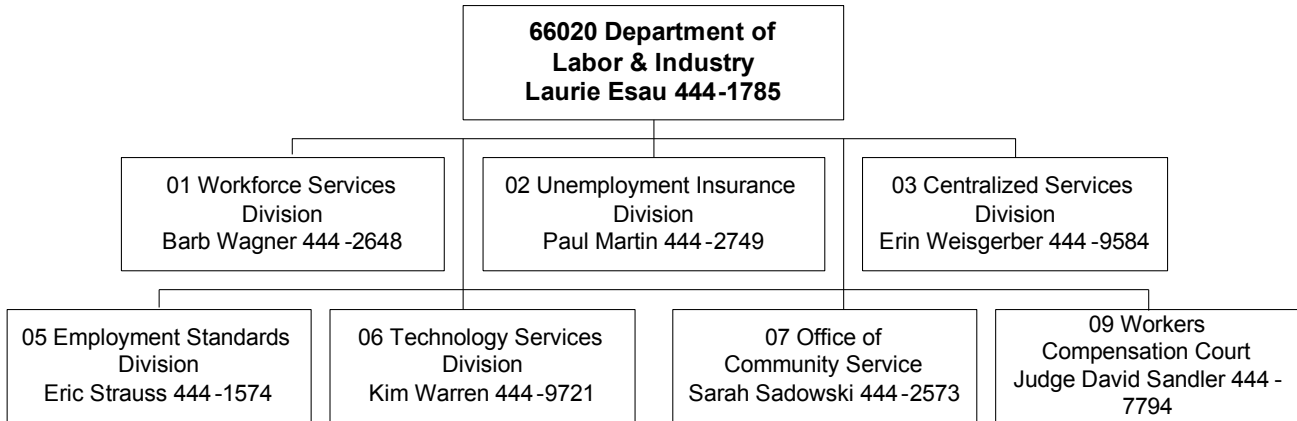
#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$237	\$237
FY 2025	\$237	\$237

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Labor and Industry - 66020



**Mission Statement** - The mission of the Montana Department of Labor & Industry is to empower Montanans through work and opportunity.

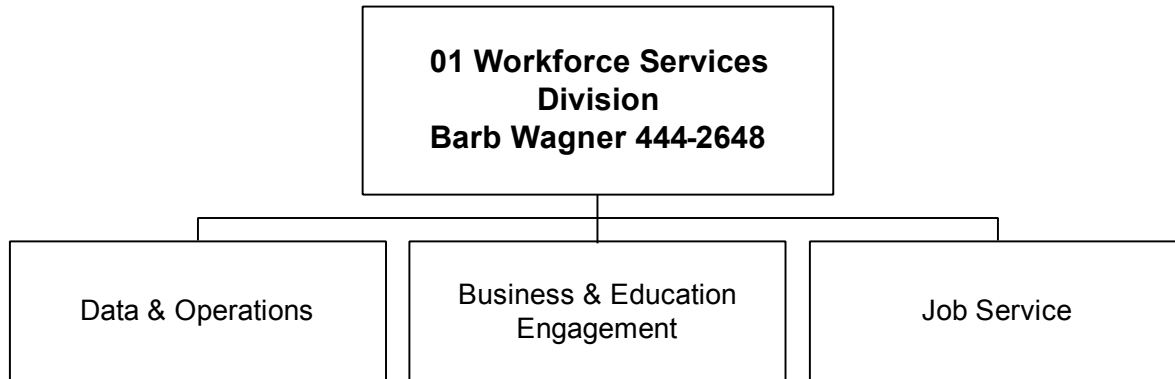
**Statutory Authority** - Primarily Titles 18, 30, 37, 39, 49, 50, and 90, MCA, and the federal Corporation for National Service.

Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
FTE	628.99	628.98	
Personal Services	49,758,587	50,092,749	99,851,336
Operating Expenses	30,603,853	30,786,925	61,390,778
Equipment & Intangible Assets	2,783,849	483,849	3,267,698
Grants	9,415,792	9,415,792	18,831,584
Benefits & Claims	100,389	100,389	200,778
Transfers	417,933	418,133	836,066
Debt Service	242,222	242,571	484,793
<b>Total Costs</b>	<b>\$93,322,625</b>	<b>\$91,540,408</b>	<b>\$184,863,033</b>
General Fund	2,585,698	2,561,158	5,146,856
State/Other Special	57,017,838	55,393,033	112,410,871
Federal Spec. Rev. Funds	33,719,089	33,586,217	67,305,306
<b>Total Funds</b>	<b>\$93,322,625</b>	<b>\$91,540,408</b>	<b>\$184,863,033</b>

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	271,895	60,558,508	543,790	58,676,167	271,895	(1,882,341)	100.00 %	(3.11)%
02 - Unemployment Insurance Div	0	37,184,483	0	37,473,208	0	288,725	0.00 %	0.78 %
03 - Commissioners Office & C S D	571,022	3,159,293	641,545	3,166,496	70,523	7,203	12.35 %	0.23 %
05 - Employment Standards Division	3,455,911	69,135,454	3,492,391	75,346,176	36,480	6,210,722	1.06 %	8.98 %
07 - Office of Community Services	285,630	8,245,602	469,130	8,521,473	183,500	275,871	64.24 %	3.35 %
09 - Workers Compensation Court	0	1,585,241	0	1,679,513	0	94,272	0.00 %	5.95 %
<b>Agency Total</b>	<b>\$4,584,458</b>	<b>\$179,868,581</b>	<b>\$5,146,856</b>	<b>\$184,863,033</b>	<b>\$562,398</b>	<b>\$4,994,452</b>	<b>12.27 %</b>	<b>2.78 %</b>

# Department of Labor and Industry - 66020

## Workforce Services Division - 01



**Program Description** - The Workforce Services Division (WSD) serves Montana workers and employers by fostering a highly-skilled, trained, employment-ready workforce and connecting workers with employment and job training opportunities. The Division engages with employers and industries to understand and address future workforce needs. WSD operates 17 Job Service Offices (JSOs) across Montana tasked with working with individual job seekers to identify and pursue good-paying, sustainable careers, and connect them with resources to change careers, upskill, or otherwise prepare them for the workforce. The Division administers Montana's Registered Apprenticeship program, which provides paid, on-the-job training in a wide range of fields, and provides high-quality economic and labor market information to Montana policymakers, employers, and other stakeholders. WSD is structured in three bureaus: Job Service Montana, Data & Operations, and Employer Engagement & Education. Also housed within the Division is the State Workforce Innovation Board, tasked with advising the Governor on statewide workforce development strategies.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	243.50	(42.00)	201.50	(42.00)	201.50	
Personal Services	17,470,978	(2,091,918)	15,379,060	(1,985,950)	15,485,028	30,864,088
Operating Expenses	7,173,202	159,345	7,332,547	195,972	7,369,174	14,701,721
Equipment & Intangible Assets	12,908	0	12,908	0	12,908	25,816
Grants	6,316,070	0	6,316,070	0	6,316,070	12,632,140
Transfers	101,814	0	101,814	0	101,814	203,628
Debt Service	124,387	0	124,387	0	124,387	248,774
<b>Total Costs</b>	<b>\$31,199,359</b>	<b>(\$1,932,573)</b>	<b>\$29,266,786</b>	<b>(\$1,789,978)</b>	<b>\$29,409,381</b>	<b>\$58,676,167</b>
General Fund	271,895	0	271,895	0	271,895	543,790
State/Other Special	13,877,618	(743,888)	13,133,730	(653,396)	13,224,222	26,357,952
Federal Spec. Rev. Funds	17,049,846	(1,188,685)	15,861,161	(1,136,582)	15,913,264	31,774,425
<b>Total Funds</b>	<b>\$31,199,359</b>	<b>(\$1,932,573)</b>	<b>\$29,266,786</b>	<b>(\$1,789,978)</b>	<b>\$29,409,381</b>	<b>\$58,676,167</b>

# Department of Labor and Industry - 66020

## Workforce Services Division - 01

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	232,578	0	345,269
SWPL - 2 - Fixed Costs	0	384,895	0	386,841
SWPL - 3 - Inflation Deflation	0	140,585	0	174,534
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$758,058</i>	<i>\$0</i>	<i>\$906,644</i>
<b>Present Law Adjustments</b>				
PL - 101 - HELP Link Funding Reduction	0	(270,078)	0	(270,151)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$270,078)</i>	<i>\$0</i>	<i>(\$270,151)</i>
<b>New Proposals</b>				
NP - 102 - FTE Reduction	0	(2,214,418)	0	(2,221,068)
NP - 301 - Cost Allocation Plan Adjustment	0	114,358	0	115,090
NP - 602 - TSD Technology Services Reduction	0	(333,257)	0	(333,257)
NP - 99 - New Fixed Costs	0	12,764	0	12,764
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$2,420,553)</i>	<i>\$0</i>	<i>(\$2,426,471)</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>(\$1,932,573)</b>	<b>\$0</b>	<b>(\$1,789,978)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$232,578
FY 2025	\$0	\$345,269

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$232,578 in FY 2024 and an increase of \$345,269 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$384,895
FY 2025	\$0	\$386,841

#### SWPL - 2 - Fixed Costs -

This request includes an increase of \$384,895 in FY 2024 and an increase of \$386,841 in FY 2025 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, SITSD adjustments and other 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 2024	\$0	\$140,585
FY 2025	\$0	\$174,534

#### SWPL - 3 - Inflation Deflation -

This change package includes adjustments in FY 2024 and FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Labor and Industry - 66020

### Workforce Services Division - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$270,078)
FY 2025	\$0	(\$270,151)

#### **PL - 101 - HELP Link Funding Reduction -**

This request reduces state special revenue authority for the biennium. In the 2021 Legislative Session, HB 614 directed that only private entities could provide workforce development services under the HELP Link program. The Montana Department of Labor & Industry (DLI) will continue to administer the program and operate the Employer Grant component of the HELP Link program. The original funding provided to DLI included Employment Specialists in the Job Service Offices to provide services to individuals who needed assistance in getting back to work. As the legislation passed in 2021 does not allow the Job Service Offices to provide the workforce development services, the full amount of funding originally received will not be required. The total savings over the 2025 biennium is expected to be \$540,229 with a reduction of 2.00 FTE in each year of the biennium.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$2,214,418)
FY 2025	\$0	(\$2,221,068)

#### **NP - 102 - FTE Reduction -**

This change package reduces 40.00 FTE in the department. The agency has gone through an extensive overall organizational review including staffing analysis and efficiency review. The result of this analysis concludes these FTE are no longer needed.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$114,358
FY 2025	\$0	\$115,090

#### **NP - 301 - Cost Allocation Plan Adjustment -**

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration. The Workforce Services Division allocation of this proposed rate increase is \$114,358 in FY 2024 and \$115,090 in FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$333,257)
FY 2025	\$0	(\$333,257)

#### **NP - 602 - TSD Technology Services Reduction -**

In FY 2022, the Department of Labor & Industry's Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. The Workforce Services Division's allocation of these services is \$333,257. This change package will decrease the appropriation in that division by \$333,257 in each year of the biennium.

**Department of Labor and Industry - 66020**

**Workforce Services Division - 01**

	<u><b>General Fund Total</b></u>	<u><b>Total Funds</b></u>
FY 2024	\$0	\$12,764
FY 2025	\$0	\$12,764

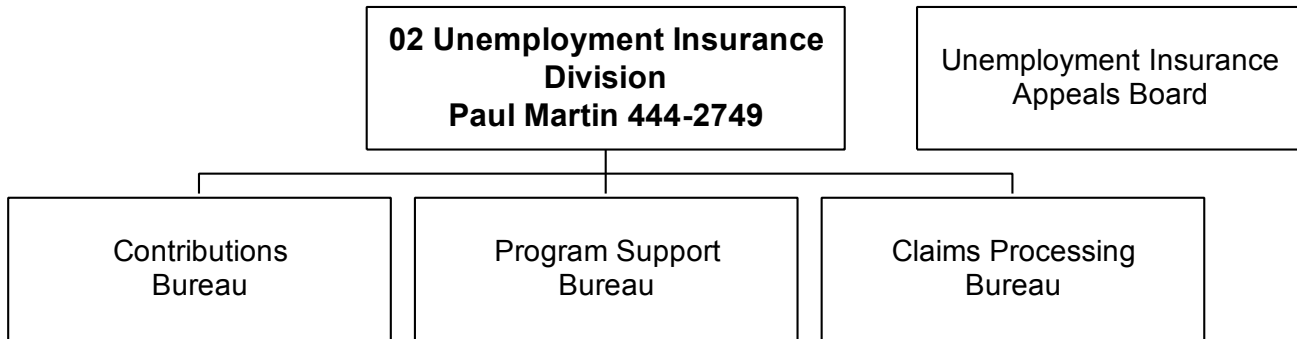
**NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.



# Department of Labor and Industry - 66020

## Unemployment Insurance Div - 02



**Program Description** - Montana's Unemployment Insurance Division (UID) administers the state's unemployment insurance program, which provides temporary, partial wage replacement benefits for unemployed workers. The Division's Claims Processing Bureau conducts the intake, adjudication and payment of UI benefit claims. The Bureau assists unemployed Montanans with claims filings and appeals, and operates claims processing centers in Helena and Billings. The Division's Contributions Bureau facilitates the payment of employer UI payroll taxes, collects taxes and wage reports, and conducts employer audits to ensure compliance. The Division's Program Support Bureau is responsible for reporting, compliance, program integrity and operational support, including support for the Unemployment Insurance Appeals Board. The Division also houses a fraud prevention team that seeks to identify and prevent fraudulent UI claims, and reclaim funds paid on fraudulent claims.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	149.11	0.00	149.11	0.00	149.11	
Personal Services	10,479,153	413,588	10,892,741	480,563	10,959,716	21,852,457
Operating Expenses	7,150,776	608,497	7,759,273	637,692	7,788,468	15,547,741
Debt Service	36,505	0	36,505	0	36,505	73,010
<b>Total Costs</b>	<b>\$17,666,434</b>	<b>\$1,022,085</b>	<b>\$18,688,519</b>	<b>\$1,118,255</b>	<b>\$18,784,689</b>	<b>\$37,473,208</b>
State/Other Special	6,060,479	608,856	6,669,335	920,544	6,981,023	13,650,358
Federal Spec. Rev. Funds	11,605,955	413,229	12,019,184	197,711	11,803,666	23,822,850
<b>Total Funds</b>	<b>\$17,666,434</b>	<b>\$1,022,085</b>	<b>\$18,688,519</b>	<b>\$1,118,255</b>	<b>\$18,784,689</b>	<b>\$37,473,208</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	413,588	0	480,563
SWPL - 2 - Fixed Costs	0	566,863	0	559,513
SWPL - 3 - Inflation Deflation	0	155,832	0	191,942
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$1,136,283</i>	<i>\$0</i>	<i>\$1,232,018</i>
<b>New Proposals</b>				
NP - 301 - Cost Allocation Plan Adjustment	0	70,803	0	71,238
NP - 602 - TSD Technology Services Reduction	0	(192,881)	0	(192,881)
NP - 99 - New Fixed Costs	0	7,880	0	7,880
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$114,198)</i>	<i>\$0</i>	<i>(\$113,763)</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$1,022,085</b>	<b>\$0</b>	<b>\$1,118,255</b>

## Department of Labor and Industry - 66020

### Unemployment Insurance Div - 02

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$413,588
FY 2025	\$0	\$480,563

#### **SWPL - 1 - Personal Services -**

The budget includes an increase of \$413,588 in FY 2024 and an increase of \$480,563 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$566,863
FY 2025	\$0	\$559,513

#### **SWPL - 2 - Fixed Costs -**

This request includes an increase of \$566,863 in FY 2024 and an increase of \$559,513 in FY 2025 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, SITSD adjustments and other 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 2024	\$0	\$155,832
FY 2025	\$0	\$191,942

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$155,832 in FY 2024 and an increase of \$191,942 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$70,803
FY 2025	\$0	\$71,238

#### **NP - 301 - Cost Allocation Plan Adjustment -**

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration. The Unemployment Insurance Division allocation of this increased cost is \$70,803 in FY 2024 and \$71,238 in FY 2025.

## Department of Labor and Industry - 66020

### Unemployment Insurance Div - 02

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$192,881)
FY 2025	\$0	(\$192,881)

#### **NP - 602 - TSD Technology Services Reduction -**

In FY 2022, the Department of Labor & Industry's Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. This change package will decrease the Unemployment Insurance Division's appropriation by \$192,881 in each year of the biennium.

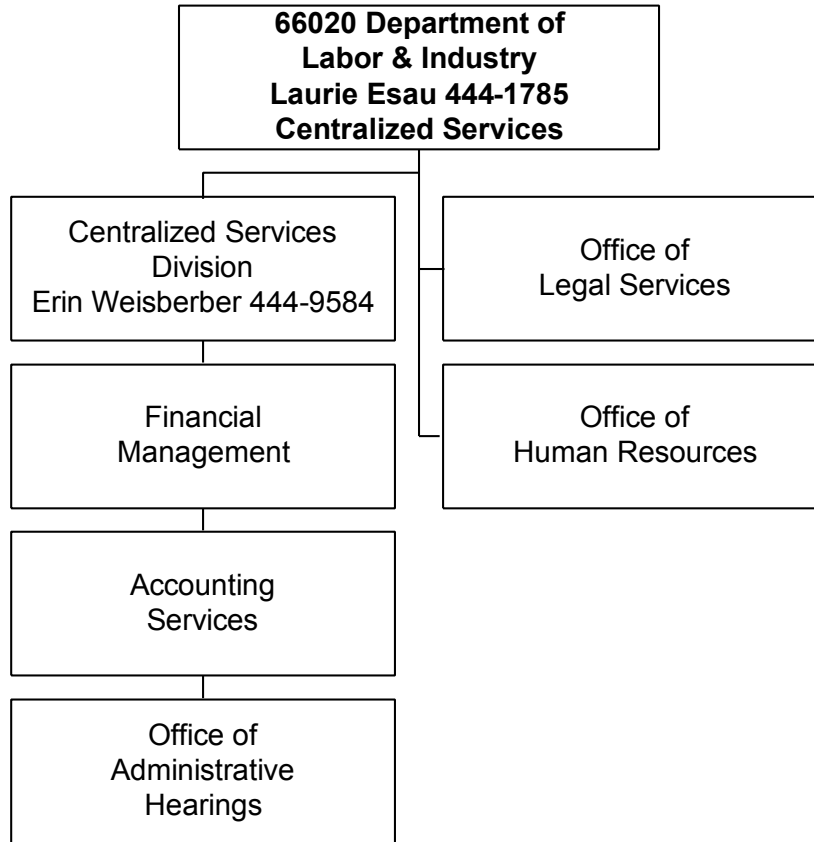
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$7,880
FY 2025	\$0	\$7,880

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## Department of Labor and Industry - 66020

### Commissioners Office & C S D - 03



**Program Description** - The Commissioner's Office and the Centralized Services Division provide program direction, legal, administration, and support services to the department's programs and administratively attached entities. Additionally, the Office of Administrative Hearings provides impartial administrative hearings and dispute resolution services.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	10.00	0.00	10.00	0.00	10.00	
Personal Services	973,254	(69,117)	904,137	(64,020)	909,234	1,813,371
Operating Expenses	607,992	31,924	639,916	58,499	666,491	1,306,407
Transfers	20,000	0	20,000	0	20,000	40,000
Debt Service	3,359	0	3,359	0	3,359	6,718
<b>Total Costs</b>	<b>\$1,604,605</b>	<b>(\$37,193)</b>	<b>\$1,567,412</b>	<b>(\$5,521)</b>	<b>\$1,599,084</b>	<b>\$3,166,496</b>
General Fund	326,658	(9,199)	317,459	(2,572)	324,086	641,545
State/Other Special	703,307	(18,111)	685,196	(12,996)	690,311	1,375,507
Federal Spec. Rev. Funds	574,640	(9,883)	564,757	10,047	584,687	1,149,444
<b>Total Funds</b>	<b>\$1,604,605</b>	<b>(\$37,193)</b>	<b>\$1,567,412</b>	<b>(\$5,521)</b>	<b>\$1,599,084</b>	<b>\$3,166,496</b>

# Department of Labor and Industry - 66020

## Commissioners Office & C S D - 03

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(15,130)	(69,117)	(13,471)	(64,020)
SWPL - 2 - Fixed Costs	5,700	24,819	10,542	50,486
SWPL - 3 - Inflation Deflation	372	11,715	488	12,589
<i>Total Statewide Present Law Adjustments</i>	<i>(\$9,058)</i>	<i>(\$32,583)</i>	<i>(\$2,441)</i>	<i>(\$945)</i>
<b>New Proposals</b>				
NP - 301 - Cost Allocation Plan Adjustment	1,830	5,877	1,840	5,911
NP - 602 - TSD Technology Services Reduction	(1,971)	(11,015)	(1,971)	(11,015)
NP - 99 - New Fixed Costs	0	528	0	528
<i>Total New Proposals</i>	<i>(\$141)</i>	<i>(\$4,610)</i>	<i>(\$131)</i>	<i>(\$4,576)</i>
<b>Total Budget Adjustments</b>	<b>(\$9,199)</b>	<b>(\$37,193)</b>	<b>(\$2,572)</b>	<b>(\$5,521)</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$15,130)	(\$69,117)
FY 2025	(\$13,471)	(\$64,020)

#### SWPL - 1 - Personal Services -

The budget includes adjustments over the biennium to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$5,700	\$24,819
FY 2025	\$10,542	\$50,486

#### SWPL - 2 - Fixed Costs -

This request includes adjustments in FY 2024 and FY 2025 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, SITSD adjustments and other 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 2024	\$372	\$11,715
FY 2025	\$488	\$12,589

#### SWPL - 3 - Inflation Deflation -

This change package includes funding to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

## Department of Labor and Industry - 66020

### Commissioners Office & C S D - 03

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$1,830	\$5,877
FY 2025	\$1,840	\$5,911

#### **NP - 301 - Cost Allocation Plan Adjustment -**

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures for these staff. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$1,971)	(\$11,015)
FY 2025	(\$1,971)	(\$11,015)

#### **NP - 602 - TSD Technology Services Reduction -**

In FY 2022, the Department of Labor & Industry's (DLI) Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. The DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. This change package will decrease the appropriation in the Central Services Division.

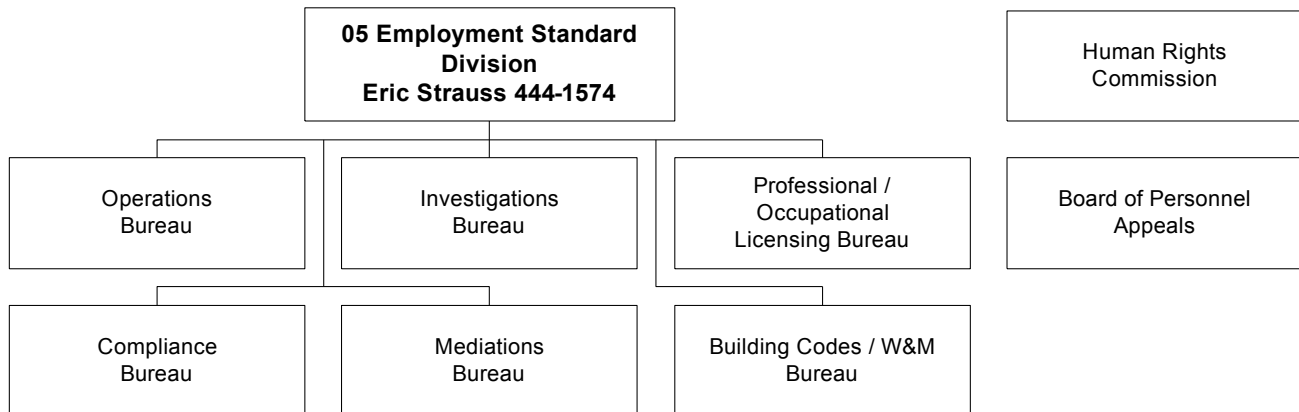
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$528
FY 2025	\$0	\$528

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

## Department of Labor and Industry - 66020

### Employment Standards Division - 05



**Program Description** - The Department's Employment Standards Division (ESD) is responsible for a wide range of services that seek to protect Montana workers and consumers. The Division was formed in 2022 following the merger of the Department's Employment Relations and Business Standards Divisions, implemented to identify and utilize operational efficiencies and better-coordinate areas of overlapping responsibility. The Professional Licensing Bureau provides operational and administrative support for Montana's professional licensing boards and programs, and operates the state's Prescription Drug Registry. The Building and Commercial Measurements Bureau sets and enforces minimum standards for building, electrical, plumbing, elevator and similar codes, and it licenses, tests and certifies all weighting and measurement devices used in commercial transactions. The Division's Human Rights Bureau enforces the Montana Human Rights Act and investigates claims of violations. The Safety and Health Bureau administers federal and state industrial safety laws for the public sector while providing no-cost consultation services for all employers. The Workers' Compensation section assists claimants, employers and insurers in navigating the state's Workers' Compensation system. The Compliance and Investigations Bureau enforces wage and hour, prevailing wage, independent contractor and workers' compensation laws. And the Operations Bureau provides administrative support to the Division while operating its independent contractor registration and data management programs.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	253.87	1.51	255.87	2.00	255.38	
Personal Services	21,004,634	429,231	21,433,865	614,310	21,618,944	43,052,809
Operating Expenses	13,351,736	899,613	14,251,349	998,467	14,350,203	28,601,552
Equipment & Intangible Assets	470,941	2,300,000	2,770,941	0	470,941	3,241,882
Grants	5,000	0	5,000	0	5,000	10,000
Benefits & Claims	100,389	0	100,389	0	100,389	200,778
Transfers	44,869	600	45,469	800	45,669	91,138
Debt Service	72,786	1,048	73,834	1,397	74,183	148,017
<b>Total Costs</b>	<b>\$35,050,355</b>	<b>\$3,630,492</b>	<b>\$38,680,847</b>	<b>\$1,614,974</b>	<b>\$36,665,329</b>	<b>\$75,346,176</b>
General Fund	1,711,578	28,392	1,739,970	40,843	1,752,421	3,492,391
State/Other Special	32,101,765	3,577,480	35,679,245	1,541,755	33,643,520	69,322,765
Federal Spec. Rev. Funds	1,237,012	24,620	1,261,632	32,376	1,269,388	2,531,020
<b>Total Funds</b>	<b>\$35,050,355</b>	<b>\$3,630,492</b>	<b>\$38,680,847</b>	<b>\$1,614,974</b>	<b>\$36,665,329</b>	<b>\$75,346,176</b>

# Department of Labor and Industry - 66020

## Employment Standards Division - 05

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	2,577	310,516	13,030	432,064
SWPL - 2 - Fixed Costs	27,719	641,578	27,923	643,962
SWPL - 3 - Inflation Deflation	7,035	255,901	8,782	305,769
<i>Total Statewide Present Law Adjustments</i>	<i>\$37,331</i>	<i>\$1,207,995</i>	<i>\$49,735</i>	<i>\$1,381,795</i>
<b>Present Law Adjustments</b>				
PL - 501 - Board of Public Accountants	0	277,942	0	387,833
PL - 504 - Weights & Measures Equipment Request OTO	0	2,300,000	0	0
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$2,577,942</i>	<i>\$0</i>	<i>\$387,833</i>
<b>New Proposals</b>				
NP - 301 - Cost Allocation Plan Adjustment	9,332	139,066	9,379	139,857
NP - 602 - TSD Technology Services Reduction	(19,120)	(308,013)	(19,120)	(308,013)
NP - 99 - New Fixed Costs	849	13,502	849	13,502
<i>Total New Proposals</i>	<i>(\$8,939)</i>	<i>(\$155,445)</i>	<i>(\$8,892)</i>	<i>(\$154,654)</i>
<b>Total Budget Adjustments</b>	<b>\$28,392</b>	<b>\$3,630,492</b>	<b>\$40,843</b>	<b>\$1,614,974</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$2,577	\$310,516
FY 2025	\$13,030	\$432,064

#### SWPL - 1 - Personal Services -

The budget includes funding to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$27,719	\$641,578
FY 2025	\$27,923	\$643,962

#### SWPL - 2 - Fixed Costs -

This request includes adjustments in FY 2024 and FY 2025 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, SITSD adjustments and other 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 2024	\$7,035	\$255,901
FY 2025	\$8,782	\$305,769

#### SWPL - 3 - Inflation Deflation -

This change package includes funding to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.



## Department of Labor and Industry - 66020

### Employment Standards Division - 05

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$277,942
FY 2025	\$0	\$387,833

#### **PL - 501 - Board of Public Accountants -**

Due to the sunset of 37-50-209, MCA, on September 30, 2023, enterprise funding for the Board of Public Accountants will revert to a state special fund in HB 2. This request re-establishes the appropriation and 1.51 FTE in FY 2024 and 2.00 FTE in FY 2025 and the authority in state special revenue funding.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$2,300,000
FY 2025	\$0	\$0

#### **PL - 504 - Weights & Measures Equipment Request OTO -**

The Weights and Measures Program requests one-time-only (OTO) biennial authority to purchase new equipment and vehicles for field inspectors to carry out their mission. Current equipment is outdated and poses a safety hazard for DLI employees and the public. DLI is requesting legislation to allow a one-time transfer of funds to pay for this equipment, but will need additional appropriation if that fund transfer is approved. This OTO appropriation request would be contingent on the passage of legislation LC 400. The total request in appropriation for this OTO biennial appropriation is \$2,300,000.

The specific equipment needed for this program includes (with estimated current pricing included):

Three hybrid proving trucks - \$575,000

Two 100 gallon propane proving trailers - \$150,000

One airport proving trailer - \$100,000

Four electric vehicle charge test meters - \$300,000

One large capacity truck box - \$100,000

Seven small capacity truck boxes - \$700,000

Six weight carts - \$300,000

56,000 test weights - \$75,000

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$9,332	\$139,066
FY 2025	\$9,379	\$139,857

#### **NP - 301 - Cost Allocation Plan Adjustment -**

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration. The Employment Standards Division allocation of this increased cost is \$139,066 in FY 2024 and \$139,857 in FY 2025.

## Department of Labor and Industry - 66020

### Employment Standards Division - 05

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$19,120)	(\$308,013)
FY 2025	(\$19,120)	(\$308,013)

#### **NP - 602 - TSD Technology Services Reduction -**

In FY 2022, the Department of Labor & Industry's Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. The Employment Standard Division's allocation of these services is \$308,013. This change package will decrease the appropriation in that division by \$308,013 in each year of the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$849	\$13,502
FY 2025	\$849	\$13,502

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

# Department of Labor and Industry - 66020

## Office of Community Services - 07

**07 Office of  
Community Service  
Sarah Sadowski 444-2573**

**Program Description** - The Governor's Office of Community Service (OCS) and the Governor-appointed Montana Commission on Community Service promotes service and community volunteer opportunities in Montana. OCS administers federal funding to AmeriCorps State programs in Montana. The federal funding is provided by the Corporation for National and Community Service, an independent federal agency. OCS provides a comprehensive array of technical assistance and support national service programs and service organizations throughout Montana.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments Fiscal 2024	Exec. Budget Fiscal 2024	Adjustments Fiscal 2025	Exec. Budget Fiscal 2025	Budget Request 2025 Biennium
FTE	5.00	1.00	5.50	0.50	6.00	
Personal Services	389,454	108,171	497,625	76,073	465,527	963,152
Operating Expenses	390,900	46,048	436,948	37,385	428,285	865,233
Grants	3,094,722	0	3,094,722	0	3,094,722	6,189,444
Transfers	250,650	0	250,650	0	250,650	501,300
Debt Service	1,172	0	1,172	0	1,172	2,344
<b>Total Costs</b>	<b>\$4,126,898</b>	<b>\$154,219</b>	<b>\$4,281,117</b>	<b>\$113,458</b>	<b>\$4,240,356</b>	<b>\$8,521,473</b>
General Fund	145,301	111,073	256,374	67,455	212,756	469,130
State/Other Special	12,388	0	12,388	0	12,388	24,776
Federal Spec. Rev. Funds	3,969,209	43,146	4,012,355	46,003	4,015,212	8,027,567
<b>Total Funds</b>	<b>\$4,126,898</b>	<b>\$154,219</b>	<b>\$4,281,117</b>	<b>\$113,458</b>	<b>\$4,240,356</b>	<b>\$8,521,473</b>

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	6,280	26,157	6,924	28,839
SWPL - 2 - Fixed Costs	4,014	13,397	4,739	13,420
SWPL - 3 - Inflation Deflation	1,137	16,375	1,247	18,006
<i>Total Statewide Present Law Adjustments</i>	<i>\$11,431</i>	<i>\$55,929</i>	<i>\$12,910</i>	<i>\$60,265</i>
<b>New Proposals</b>				
NP - 301 - Cost Allocation Plan Adjustment	608	2,531	608	2,531
NP - 602 - TSD Technology Services Reduction	(3,931)	(7,206)	(3,931)	(7,206)
NP - 701 - OCS General Fund Match OTO	102,648	102,648	57,551	57,551
NP - 99 - New Fixed Costs	317	317	317	317
<i>Total New Proposals</i>	<i>\$99,642</i>	<i>\$98,290</i>	<i>\$54,545</i>	<i>\$53,193</i>
<b>Total Budget Adjustments</b>	<b>\$111,073</b>	<b>\$154,219</b>	<b>\$67,455</b>	<b>\$113,458</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$6,280	\$26,157
FY 2025	\$6,924	\$28,839

#### **SWPL - 1 - Personal Services -**

The budget includes an increase of \$26,157 in FY 2024 and an increase of \$28,839 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

## Department of Labor and Industry - 66020

### Office of Community Services - 07

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$4,014	\$13,397
FY 2025	\$4,739	\$13,420

#### SWPL - 2 - Fixed Costs -

This request includes an increase of \$13,397 in FY 2024 and an increase of \$13,420 in FY 2025 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, SITSD adjustments and other 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 2024	\$1,137	\$16,375
FY 2025	\$1,247	\$18,006

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$16,375 in FY 2024 and an increase of \$18,006 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$608	\$2,531
FY 2025	\$608	\$2,531

#### NP - 301 - Cost Allocation Plan Adjustment -

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration. The Office of Community Services allocation of this increased cost is \$2,531 in FY 2024 and \$2,531 in FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$3,931)	(\$7,206)
FY 2025	(\$3,931)	(\$7,206)

#### NP - 602 - TSD Technology Services Reduction -

In FY 2022, the Department of Labor & Industry's Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. The Office of Community Service's allocation of these services is \$7,206. This change package will decrease the appropriation in that division by \$7,206 in each year of the biennium.

## Department of Labor and Industry - 66020

### Office of Community Services - 07

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$102,648	\$102,648
FY 2025	\$57,551	\$57,551

#### **NP - 701 - OCS General Fund Match OTO -**

The Office of Community Services within the Department of Labor & Industry (DLI) received American Rescue Plan Act (ARPA) funds granted from the federal government to engage more Montanans into Americorps. A one-time-only request of general fund is requested to provide a required match to the ARPA funds received by DLI. The total general fund needed for this match is \$160,199 over the 2025 biennium and would not continue into the future. The one-time-only request includes 1.00 FTE in FY 2024 and 0.50 FTE in FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$317	\$317
FY 2025	\$317	\$317

#### **NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.

# Department of Labor and Industry - 66020

## Workers Compensation Court - 09

**09 Workers  
Compensation Court  
Judge David Sandler 444-7794**

**Program Description** - The Workers' Compensation Court provides a forum for Montana employees, employers and insurers 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 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	7.00	0.00	7.00	0.00	7.00	
Personal Services	633,568	17,591	651,159	20,732	654,300	1,305,459
Operating Expenses	160,106	23,714	183,820	24,198	184,304	368,124
Debt Service	2,965	0	2,965	0	2,965	5,930
<b>Total Costs</b>	<b>\$796,639</b>	<b>\$41,305</b>	<b>\$837,944</b>	<b>\$44,930</b>	<b>\$841,569</b>	<b>\$1,679,513</b>
State/Other Special	796,639	41,305	837,944	44,930	841,569	1,679,513
<b>Total Funds</b>	<b>\$796,639</b>	<b>\$41,305</b>	<b>\$837,944</b>	<b>\$44,930</b>	<b>\$841,569</b>	<b>\$1,679,513</b>

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2024		Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	17,591	0	20,732
SWPL - 2 - Fixed Costs	0	24,709	0	24,758
SWPL - 3 - Inflation Deflation	0	2,808	0	3,223
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$45,108</i>	<i>\$0</i>	<i>\$48,713</i>
<b>New Proposals</b>				
NP - 301 - Cost Allocation Plan Adjustment	0	4,233	0	4,253
NP - 602 - TSD Technology Services Reduction	0	(8,406)	0	(8,406)
NP - 99 - New Fixed Costs	0	370	0	370
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$3,803)</i>	<i>\$0</i>	<i>(\$3,783)</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$41,305</b>	<b>\$0</b>	<b>\$44,930</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$17,591
FY 2025	\$0	\$20,732

#### SWPL - 1 - Personal Services -

The budget includes an increase of \$17,591 in FY 2024 and an increase of \$20,732 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of snapshot, and vacancy savings.

## Department of Labor and Industry - 66020

### Workers Compensation Court - 09

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$24,709
FY 2025	\$0	\$24,758

#### SWPL - 2 - Fixed Costs -

This request includes an increase of \$24,709 in FY 2024 and an increase of \$24,758 in FY 2025 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, SITSD adjustments and other 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 2024	\$0	\$2,808
FY 2025	\$0	\$3,223

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$2,808 in FY 2024 and an increase of \$3,223 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies and materials, communications, repair and maintenance, state motor pool, and other services.

### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$4,233
FY 2025	\$0	\$4,253

#### NP - 301 - Cost Allocation Plan Adjustment -

The Department of Labor & Industry's Centralized Services Division (CSD) charges an Internal Service rate to each division based on the personal services charged each pay period. This Internal Service rate pays for DLI's Commissioner Office staff, the Human Resources staff and the fiscal operations staff, as well as the associated operating expenditures. In addition to these costs, the Internal Service rate pays for several fixed costs charged to the agency including general liability insurance costs, HRIS service fees, workers' compensation program management fees, audit fees and the statewide indirect cost fees from the Department of Administration. The Workers' Compensation Court allocation of this increased cost is \$4,233 in FY 2024 and \$4,253 in FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$8,406)
FY 2025	\$0	(\$8,406)

#### NP - 602 - TSD Technology Services Reduction -

In FY 2022, the Department of Labor & Industry's Information Technology Help Desk staff were transferred to the State Information Technology Services Division (SITSD) in the Department of Administration. DLI will no longer pay these staff directly but will be billed from SITSD for these services each month. This is part of SWPL2. To offset this increase, DLI is decreasing already established appropriation in each division based on an internal allocation of FTE. The Workers' Compensation Court's allocation of these services is \$8,406. This change package will decrease the appropriation in that division by \$8,406 in each year of the biennium.

**Department of Labor and Industry - 66020**

**Workers Compensation Court - 09**

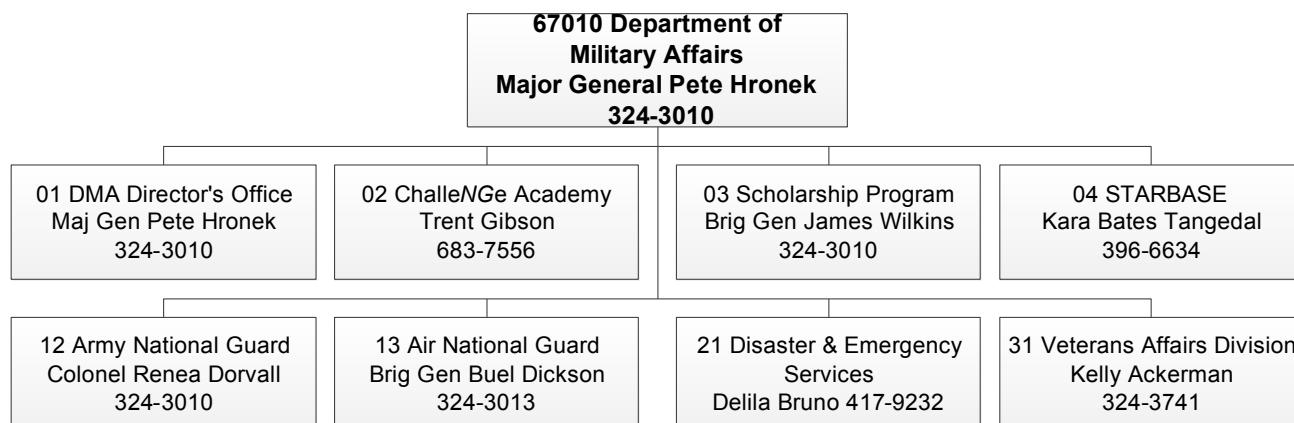
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$370
FY 2025	\$0	\$370

**NP - 99 - New Fixed Costs -**

The budget includes adjustments in FY 2024 and FY 2025 to provide funding for the agency to pay for new fixed costs allocations related to the Chief Data Office and the State Management Training Center. Rates for the fixed costs are reviewed by the Section A Subcommittee.



## 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

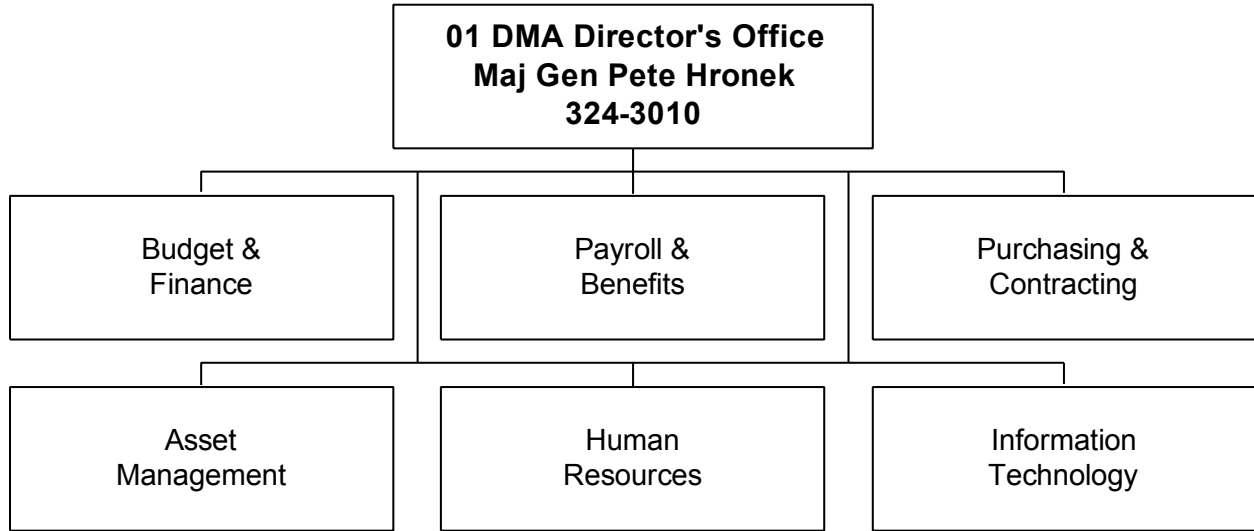
Agency Proposed Budget	Total Exec. Budget Fiscal 2024	Total Exec. Budget Fiscal 2025	Total Exec. Budget 2025 Biennium
Budget Item			
FTE	234.66	234.66	
Personal Services	19,430,513	19,772,574	39,203,087
Operating Expenses	23,426,322	23,849,544	47,275,866
Equipment & Intangible Assets	1,150,536	670,536	1,821,072
Grants	13,240,681	13,240,681	26,481,362
Benefits & Claims	0	0	0
Transfers	1,617,260	1,617,260	3,234,520
Debt Service	414,000	414,000	828,000
<b>Total Costs</b>	<b>\$59,279,312</b>	<b>\$59,564,595</b>	<b>\$118,843,907</b>
General Fund	7,033,235	7,068,398	14,101,633
State/Other Special	5,032,612	4,830,492	9,863,104
Federal Spec. Rev. Funds	47,213,465	47,665,705	94,879,170
<b>Total Funds</b>	<b>\$59,279,312</b>	<b>\$59,564,595</b>	<b>\$118,843,907</b>

## Department of Military Affairs - 67010

Agency Appropriated Biennium to Biennium Comparison								
Program	2023 Biennium Appropriated Budget		2025 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	1,607,790	2,688,887	2,179,775	3,463,170	571,985	774,283	35.58 %	28.80 %
02 - Challenge Program	2,415,777	10,413,625	2,621,968	10,827,158	206,191	413,533	8.54 %	3.97 %
03 - Scholarship Program	452,333	452,333	500,000	500,000	47,667	47,667	10.54 %	10.54 %
04 - Starbase	0	1,424,418	0	2,343,467	0	919,049	0.00 %	64.52 %
12 - Army National Guard Pgm	3,501,222	39,020,880	4,407,324	43,306,288	906,102	4,285,408	25.88 %	10.98 %
13 - Air National Guard Pgm	762,005	11,649,986	824,393	12,089,137	62,388	439,151	8.19 %	3.77 %
21 - Disaster & Emergency Services	2,986,337	36,205,195	3,568,173	39,081,835	581,836	2,876,640	19.48 %	7.95 %
31 - Veterans Affairs Operations	2,977,080	4,683,838	0	7,232,852	(2,977,080)	2,549,014	(100.00)%	54.42 %
<b>Agency Total</b>	<b>\$14,702,544</b>	<b>\$106,539,162</b>	<b>\$14,101,633</b>	<b>\$118,843,907</b>	<b>(\$600,911)</b>	<b>\$12,304,745</b>	<b>(4.09)%</b>	<b>11.55 %</b>

# Department of Military Affairs - 67010

## Directors 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	12.21	2.00	14.21	2.00	14.21	
Personal Services	1,112,443	295,469	1,407,912	300,038	1,412,481	2,820,393
Operating Expenses	157,706	130,239	287,945	95,816	253,522	541,467
Transfers	50,655	0	50,655	0	50,655	101,310
<b>Total Costs</b>	<b>\$1,320,804</b>	<b>\$425,708</b>	<b>\$1,746,512</b>	<b>\$395,854</b>	<b>\$1,716,658</b>	<b>\$3,463,170</b>
General Fund	777,779	327,411	1,105,190	296,806	1,074,585	2,179,775
Federal Spec. Rev. Funds	543,025	98,297	641,322	99,048	642,073	1,283,395
<b>Total Funds</b>	<b>\$1,320,804</b>	<b>\$425,708</b>	<b>\$1,746,512</b>	<b>\$395,854</b>	<b>\$1,716,658</b>	<b>\$3,463,170</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	51,683	84,726	54,449	89,261
SWPL - 2 - Fixed Costs	31,237	31,237	20,669	20,669
SWPL - 3 - Inflation Deflation	9,220	9,220	10,365	10,365
<i>Total Statewide Present Law Adjustments</i>	<i>\$92,140</i>	<i>\$125,183</i>	<i>\$85,483</i>	<i>\$120,295</i>
<b>New Proposals</b>				
NP - 101 - DO Restore Operating Funds	49,582	49,582	49,582	49,582
NP - 102 - DO IT Staffing	135,112	135,112	136,560	136,560
NP - 104 - DO Server Replacements (OTO/RST)	25,000	25,000	0	0
NP - 105 - DO Finance FTE	25,377	90,631	24,981	89,217
NP - 99 - New Fixed Costs	200	200	200	200
<i>Total New Proposals</i>	<i>\$235,271</i>	<i>\$300,525</i>	<i>\$211,323</i>	<i>\$275,559</i>
<b>Total Budget Adjustments</b>	<b>\$327,411</b>	<b>\$425,708</b>	<b>\$296,806</b>	<b>\$395,854</b>

## Department of Military Affairs - 67010

### Directors Office - 01

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$51,683	\$84,726
FY 2025	\$54,449	\$89,261

#### **SWPL - 1 - Personal Services -**

The budget includes \$84,726 in FY 2024 and \$89,261 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$31,237	\$31,237
FY 2025	\$20,669	\$20,669

#### **SWPL - 2 - Fixed Costs -**

The request includes \$31,237 in FY 2024 and \$20,669 in FY 2025 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 2024	\$9,220	\$9,220
FY 2025	\$10,365	\$10,365

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$9,220 in FY 2024 and \$10,365 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$49,582	\$49,582
FY 2025	\$49,582	\$49,582

#### **NP - 101 - DO Restore Operating Funds -**

This is a request to re-establish Director's Office operating funds that were designated as one-time-only (OTO) funding in the 2021 Legislative Session. Agency costs were reduced during the pandemic, but have returned to normal operations.

## Department of Military Affairs - 67010

### Directors Office - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$135,112	\$135,112
FY 2025	\$136,560	\$136,560

#### NP - 102 - DO IT Staffing -

This request is for 1.00 FTE for IT staff and a funding switch for 0.50 of one existing IT FTE and corresponding operating funding. Current staffing levels are 2.00 permanent FTE plus one modified FTE. This proposal would add one additional permanent FTE and provide a funding switch for one current FTE. A study conducted by a 3rd party in February 2022 compared IT staffing levels to the needs of this agency and compared to other similar sized agencies at 6-7.50 FTE. This change package would bring the total FTE in IT from 2.00 to 3.00 FTE. This proposal would also switch how 50% of one of the current permanent IT FTE is funded. Half of this position was previously being funded by federal Disaster and Emergency Services (DES) funds that are no longer available. The agency manages several of its own networks and servers that cannot be managed by SITSD due to the federal requirements for security of federal information.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$25,000	\$25,000
FY 2025	\$0	\$0

#### NP - 104 - DO Server Replacements (OTO/RST) -

This change package is for a one-time-only restricted appropriation for the purchase of two servers to replace aging and legacy equipment. These servers are not hosted on the state network.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$25,377	\$90,631
FY 2025	\$24,981	\$89,217

#### NP - 105 - DO Finance FTE -

Request for an additional 1.00 FTE financial staff in the Director's Office. The agency has received recommendations from Legislative Audit Division as well as recommendations from the United States Property and Fiscal Officer (USPFO) for additional internal controls regarding the tracking and usage of federal funding received by the agency. The agency requests additional staff and associated operating costs to implement these recommendations. This request is for \$179,848 in federal authority for the biennium and \$50,358 in general funds to match the federal funding.

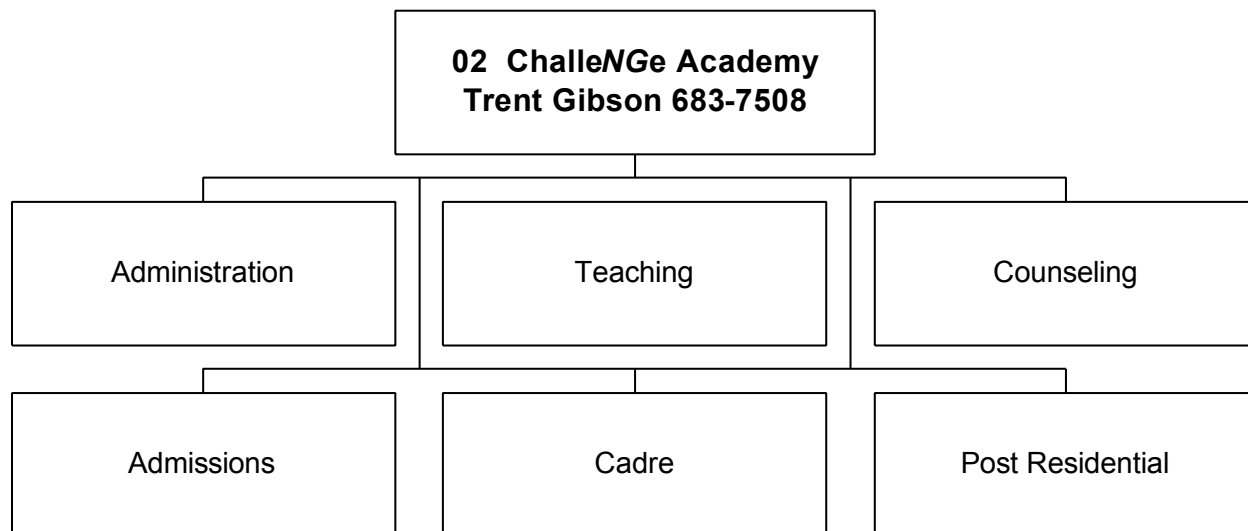
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$200	\$200
FY 2025	\$200	\$200

#### NP - 99 - New Fixed Costs -

The budget includes \$200 each year to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Military Affairs - 67010

### Challenge Program - 02



**Program Description** - The Montana National Guard Youth ChalleNGe Program is a volunteer program for youth ages 16 to 18 who have stopped attending secondary school before graduating. ChalleNGe is a 17-month, voluntary, two-phased military modeled training program targeting unemployed, drug-free, and crime-free high school dropouts. The program provides an opportunity for high school "at risk" youth to enhance their life skills, 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	54.15	0.00	54.15	0.00	54.15	
Personal Services	3,440,477	231,070	3,671,547	248,343	3,688,820	7,360,367
Operating Expenses	1,632,808	94,581	1,727,389	106,594	1,739,402	3,466,791
<b>Total Costs</b>	<b>\$5,073,285</b>	<b>\$325,651</b>	<b>\$5,398,936</b>	<b>\$354,937</b>	<b>\$5,428,222</b>	<b>\$10,827,158</b>
General Fund	1,225,910	81,414	1,307,324	88,734	1,314,644	2,621,968
Federal Spec. Rev. Funds	3,847,375	244,237	4,091,612	266,203	4,113,578	8,205,190
<b>Total Funds</b>	<b>\$5,073,285</b>	<b>\$325,651</b>	<b>\$5,398,936</b>	<b>\$354,937</b>	<b>\$5,428,222</b>	<b>\$10,827,158</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	57,768	231,070	62,086	248,343
SWPL - 2 - Fixed Costs	(3,226)	(12,906)	(5,602)	(22,407)
SWPL - 3 - Inflation Deflation	26,872	107,487	32,250	129,001
<i>Total Statewide Present Law Adjustments</i>	<i>\$81,414</i>	<i>\$325,651</i>	<i>\$88,734</i>	<i>\$354,937</i>
<b>Total Budget Adjustments</b>	<b>\$81,414</b>	<b>\$325,651</b>	<b>\$88,734</b>	<b>\$354,937</b>

## Department of Military Affairs - 67010

### Challenge Program - 02

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$57,768	\$231,070
FY 2025	\$62,086	\$248,343

#### **SWPL - 1 - Personal Services -**

The budget includes \$231,070 in FY 2024 and \$248,343 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	(\$3,226)	(\$12,906)
FY 2025	(\$5,602)	(\$22,407)

#### **SWPL - 2 - Fixed Costs -**

The request includes a reduction of \$12,906 in FY 2024 and \$22,407 in FY 2025 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.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$26,872	\$107,487
FY 2025	\$32,250	\$129,001

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$107,487 in FY 2024 and \$129,001 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Military Affairs - 67010

### Scholarship Program - 03

**03 Scholarship Program**  
**Brig Gen James Wilkins**  
**324-3010**

Administration

**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	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2023	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
Operating Expenses	207,362	42,638	250,000	42,638	250,000	500,000
<b>Total Costs</b>	<b>\$207,362</b>	<b>\$42,638</b>	<b>\$250,000</b>	<b>\$42,638</b>	<b>\$250,000</b>	<b>\$500,000</b>
General Fund	207,362	42,638	250,000	42,638	250,000	500,000
<b>Total Funds</b>	<b>\$207,362</b>	<b>\$42,638</b>	<b>\$250,000</b>	<b>\$42,638</b>	<b>\$250,000</b>	<b>\$500,000</b>

Program Proposed Budget Adjustments				
		Budget Adjustments		Budget Adjustments
		Fiscal 2024		Fiscal 2025
		General Fund	Total Funds	General Fund
				Total Funds
<b>New Proposals</b>				
NP - 301 - National Guard Scholarships Increase (BIEN)		42,638	42,638	42,638
<i>Total New Proposals</i>		<i>\$42,638</i>	<i>\$42,638</i>	<i>\$42,638</i>
<b>Total Budget Adjustments</b>		<b>\$42,638</b>	<b>\$42,638</b>	<b>\$42,638</b>

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$42,638	\$42,638
FY 2025	\$42,638	\$42,638

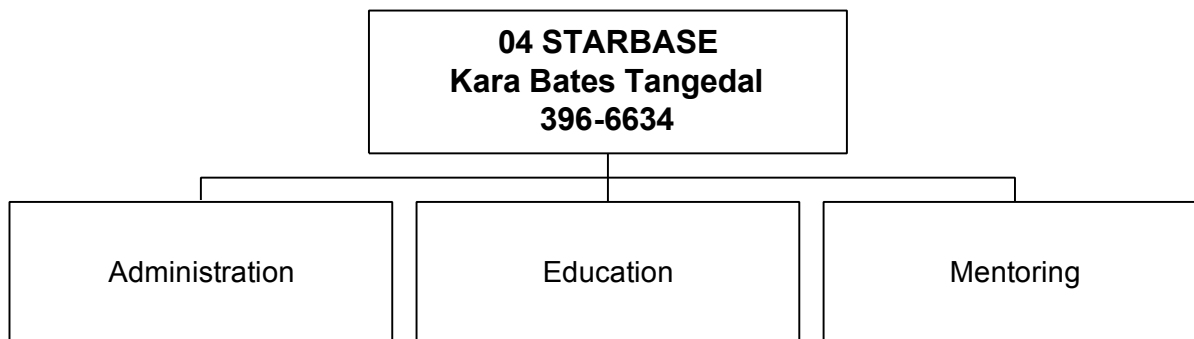
#### NP - 301 - National Guard Scholarships Increase (BIEN) -

This is a request to restore the biennial appropriation for National Guard Scholarship funding to a total of \$250,000 each year of the biennium, the level that had historically been provided to the program. The program provides tuition assistance to Montana college students that join the Montana National Guard based on increased usage of this recruitment incentive over the past biennium.



# Department of Military Affairs - 67010

## Starbase - 04



**Program Description** - STARBASE is a Department of Defense educational program where students participate in hands-on science, technology, engineering, and math (STEM) activities. STARBASE is a 100% federally funded program with Montana classrooms at Fort Harrison in Helena and the 120<sup>th</sup> Airlift Wing in Great Falls. These locations allow students the opportunity to interact with military personnel, and to explore careers and real-world STEM applications. Each STARBASE classroom provides 25 hours of STEM instruction to all fifth grade classes within the Helena and Great Falls school districts, as well as afterschool programs and summer camps to students in grades 4-12. The STARBASE program is shown to increase youth interest in STEM careers, familiarity with their local military installations, and instill a sense of confidence and self-worth.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2023	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	3.00	4.00	7.00	4.00	7.00	
Personal Services	189,573	364,259	553,832	370,446	560,019	1,113,851
Operating Expenses	464,288	148,545	612,833	152,495	616,783	1,229,616
<b>Total Costs</b>	<b>\$653,861</b>	<b>\$512,804</b>	<b>\$1,166,665</b>	<b>\$522,941</b>	<b>\$1,176,802</b>	<b>\$2,343,467</b>
Federal Spec. Rev. Funds	653,861	512,804	1,166,665	522,941	1,176,802	2,343,467

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2024		Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	78,239	0	80,124
SWPL - 2 - Fixed Costs	0	3,894	0	1,943
SWPL - 3 - Inflation Deflation	0	33,651	0	39,552
<i>Total Statewide Present Law Adjustments</i>	<i>\$0</i>	<i>\$115,784</i>	<i>\$0</i>	<i>\$121,619</i>
<b>New Proposals</b>				
NP - 401 - Starbase Malta Staff and Program Authority	0	397,020	0	401,322
<i>Total New Proposals</i>	<i>\$0</i>	<i>\$397,020</i>	<i>\$0</i>	<i>\$401,322</i>
<b>Total Budget Adjustments</b>	<b>\$0</b>	<b>\$512,804</b>	<b>\$0</b>	<b>\$522,941</b>

## Department of Military Affairs - 67010

### Starbase - 04

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$78,239
FY 2025	\$0	\$80,124

#### **SWPL - 1 - Personal Services -**

The budget includes \$78,239 in FY 2024 and \$80,124 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$0	\$3,894
FY 2025	\$0	\$1,943

#### **SWPL - 2 - Fixed Costs -**

The request includes \$3,894 in FY 2024 and \$1,943 in FY 2025 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 2024	\$0	\$33,651
FY 2025	\$0	\$39,552

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$33,651 in FY 2024 and \$39,552 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

#### -----New Proposals-----

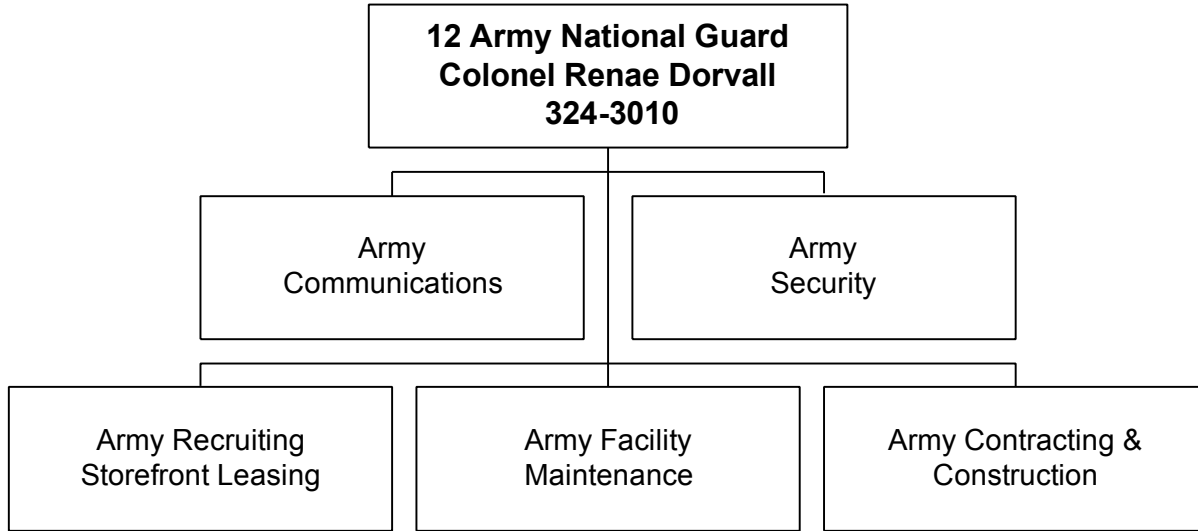
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$397,020
FY 2025	\$0	\$401,322

#### **NP - 401 - Starbase Malta Staff and Program Authority -**

This change package is a request for \$397,020 in FY 2024 and \$401,322 in FY 2025 in federal spending authority and 4.00 FTE to create a STARBASE program in Malta, Montana to be located at the new Malta Readiness Center. STARBASE is a 100% federally funded program with classrooms at Fort Harrison in Helena and the 120th Air Wing in Great Falls. STARBASE locations are limited to existing military installations, allowing students the opportunity to interact with military personnel, exploring careers and real-world STEM applications. Each STARBASE classroom provides 25 hours of free STEM instruction to all fifth grade classes within the Helena and Great Falls school districts, as well as afterschool programs and summer camps. This program would serve rural communities across the Hi-Line, specifically targeting students who are historically under-represented in STEM, socio-economically disadvantaged groups, Title 1 schools, low academic performance, and students with disabilities. The federal funding would be used to create the new program in Malta and add staff which would include one program director, one office manager and two instructors.

## Department of Military Affairs - 67010

### Army National Guard Pgm - 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, contracting, and professional and skilled administration, planning and execution for construction; 3) ensuring all activities and facilities comply with environmental regulations, state regulations and federal regulations; and 4) providing statewide communication services, security contracts, and leases for buildings and land used by the Army National Guard. The program is mandated by the U.S. and Montana Constitutions and Title 10, Chapters 1-3, MCA.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	56.30	0.00	56.30	0.00	56.30	
Personal Services	4,580,830	390,934	4,971,764	418,629	4,999,459	9,971,223
Operating Expenses	14,472,253	1,426,540	15,898,793	1,832,947	16,305,200	32,203,993
Equipment & Intangible Assets	150,536	0	150,536	0	150,536	301,072
Benefits & Claims	0	0	0	0	0	0
Transfers	25,000	0	25,000	0	25,000	50,000
Debt Service	390,000	0	390,000	0	390,000	780,000
<b>Total Costs</b>	<b>\$19,618,619</b>	<b>\$1,817,474</b>	<b>\$21,436,093</b>	<b>\$2,251,576</b>	<b>\$21,870,195</b>	<b>\$43,306,288</b>
General Fund	1,762,248	413,600	2,175,848	469,228	2,231,476	4,407,324
State/Other Special	420	0	420	0	420	840
Federal Spec. Rev. Funds	17,855,951	1,403,874	19,259,825	1,782,348	19,638,299	38,898,124
<b>Total Funds</b>	<b>\$19,618,619</b>	<b>\$1,817,474</b>	<b>\$21,436,093</b>	<b>\$2,251,576</b>	<b>\$21,870,195</b>	<b>\$43,306,288</b>

## Department of Military Affairs - 67010

### Army National Guard Pgm - 12

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	11,728	390,934	12,559	418,629
SWPL - 2 - Fixed Costs	4,586	(110,761)	9,276	(163,783)
SWPL - 3 - Inflation Deflation	89,079	890,789	92,526	1,088,544
<i>Total Statewide Present Law Adjustments</i>	<i>\$105,393</i>	<i>\$1,170,962</i>	<i>\$114,361</i>	<i>\$1,343,390</i>
<b>New Proposals</b>				
NP - 1201 - ARNG Operating Costs New Facilities	22,982	74,752	69,642	168,750
NP - 1202 - ARNG Contract Service Cost Increase	285,225	570,450	285,225	570,450
NP - 1203 - ARNG Billings New Facility Operating Cost	0	0	0	167,676
NP - 99 - New Fixed Costs	0	1,310	0	1,310
<i>Total New Proposals</i>	<i>\$308,207</i>	<i>\$646,512</i>	<i>\$354,867</i>	<i>\$908,186</i>
<b>Total Budget Adjustments</b>	<b>\$413,600</b>	<b>\$1,817,474</b>	<b>\$469,228</b>	<b>\$2,251,576</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$11,728	\$390,934
FY 2025	\$12,559	\$418,629

#### SWPL - 1 - Personal Services -

The budget includes \$390,934 in FY 2024 and \$418,629 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$4,586	(\$110,761)
FY 2025	\$9,276	(\$163,783)

#### SWPL - 2 - Fixed Costs -

The request includes a reduction of \$110,761 in FY 2024 and \$163,783 in FY 2025 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 2024	\$89,079	\$890,789
FY 2025	\$92,526	\$1,088,544

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$890,789 in FY 2024 and \$1,088,544 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

## Department of Military Affairs - 67010

### Army National Guard Pgm - 12

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$22,982	\$74,752
FY 2025	\$69,642	\$168,750

#### **NP - 1201 - ARNG Operating Costs New Facilities -**

This change package is a request for \$74,752 in FY 2024 and \$168,750 in FY 2025 for the increased operations and maintenance (O&M) costs for new facilities funded through HB5 in prior Legislative Sessions. The funding would support the O&M for the new Butte-Silver Bow Readiness Center which would include general fund and federal funding and 7 other facilities located at Fort Harrison that would be 100% federally funded. The other facilities consist of the Unit Training Equipment Shop (UTES), the weapons cleaning building, the post engineer equipment shop, the hazmat facility, the Combine Support Maintenance Shop (CFMS) addition, transient barracks, and vehicle storage.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$285,225	\$570,450
FY 2025	\$285,225	\$570,450

#### **NP - 1202 - ARNG Contract Service Cost Increase -**

This request includes adjustments for increased service contract costs including janitorial work, grounds keeping, and snow removal. The total request is a 50/50 split of general fund and federal funding for a total of \$570,450 in FY 2024 and \$570,450 in FY 2025.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$167,676

#### **NP - 1203 - ARNG Billings New Facility Operating Cost -**

This change package is asking for \$167,676 in FY 2025 in federal authority for the operation and maintenance (O&M) of the new Billings Limited Army Aviation Support Facility. The construction of the facility was funded by American Rescue Plan Act (ARPA) funding.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$1,310
FY 2025	\$0	\$1,310

#### **NP - 99 - New Fixed Costs -**

The budget includes \$1,310 each year to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Military Affairs - 67010

### Air National Guard Pgm - 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	45.00	1.00	46.00	1.00	46.00	
Personal Services	4,096,704	(195,533)	3,901,171	(170,090)	3,926,614	7,827,785
Operating Expenses	1,944,189	179,846	2,124,035	193,128	2,137,317	4,261,352
<b>Total Costs</b>	<b>\$6,040,893</b>	<b>(\$15,687)</b>	<b>\$6,025,206</b>	<b>\$23,038</b>	<b>\$6,063,931</b>	<b>\$12,089,137</b>
General Fund	390,190	19,893	410,083	24,120	414,310	824,393
Federal Spec. Rev. Funds	5,650,703	(35,580)	5,615,123	(1,082)	5,649,621	11,264,744
<b>Total Funds</b>	<b>\$6,040,893</b>	<b>(\$15,687)</b>	<b>\$6,025,206</b>	<b>\$23,038</b>	<b>\$6,063,931</b>	<b>\$12,089,137</b>

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(36,964)	(739,280)	(36,130)	(722,601)
SWPL - 2 - Fixed Costs	(2,092)	(8,365)	(4,074)	(16,296)
SWPL - 3 - Inflation Deflation	21,052	84,211	26,356	105,424
<i>Total Statewide Present Law Adjustments</i>	<i>(\$18,004)</i>	<i>(\$663,434)</i>	<i>(\$13,848)</i>	<i>(\$633,473)</i>
<b>Present Law Adjustments</b>				
PL - 1301 - ANG Re-Establish Firefighter FLSA Overtime - Federal Authority	0	458,158	0	466,639
PL - 1302 - ANG Federal Authority to Pay DEQ for Oversight of Remediation	0	38,000	0	38,000
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>\$496,158</i>	<i>\$0</i>	<i>\$504,639</i>
<b>New Proposals</b>				
NP - 1303 - ANG Facilities and Maintenance Costs	16,500	66,000	16,500	66,000
NP - 1304 - ANG CADD Operator FTE	21,397	85,589	21,468	85,872
<i>Total New Proposals</i>	<i>\$37,897</i>	<i>\$151,589</i>	<i>\$37,968</i>	<i>\$151,872</i>
<b>Total Budget Adjustments</b>	<b>\$19,893</b>	<b>(\$15,687)</b>	<b>\$24,120</b>	<b>\$23,038</b>

## Department of Military Affairs - 67010

### Air National Guard Pgm - 13

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$36,964)	(\$739,280)
FY 2025	(\$36,130)	(\$722,601)

#### **SWPL - 1 - Personal Services -**

The budget includes a reduction of \$739,280 in FY 2024 and \$722,601 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	(\$2,092)	(\$8,365)
FY 2025	(\$4,074)	(\$16,296)

#### **SWPL - 2 - Fixed Costs -**

The request includes a reduction of \$8,365 FY 2024 and \$16,296 in FY 2025 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 2024	\$21,052	\$84,211
FY 2025	\$26,356	\$105,424

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$84,211 in FY 2024 and \$105,424 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$458,158
FY 2025	\$0	\$466,639

#### **PL - 1301 - ANG Re-Establish Firefighter FLSA Overtime - Federal Authority -**

This request is for \$458,158 in FY 2024 and \$466,639 in FY 2025 of federal spending authority for firefighter Fair Labor Standards Act (FLSA) salaries and benefits that exceed those of a traditional FTE. Firefighters work between 266 and 456 regular extra hours per year, over and above 2,080, due to the 24/7 crash/fire coverage necessary to support and maintain the Montana Air National Guard (ANG) mission and joint use requirements with the Great Falls International Airport. Overtime hours are paid in accordance with the Collective Bargaining Agreement and FLSA standards. These 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 budget process.

## Department of Military Affairs - 67010

### Air National Guard Pgm - 13

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$38,000
FY 2025	\$0	\$38,000

#### **PL - 1302 - ANG Federal Authority to Pay DEQ for Oversight of Remediation -**

Change package for \$38,000 in FY 2024 and \$38,000 in FY 2025 in federal authority to pay the Department of Environmental Quality for Polyfluoroalkyl substances (PFAS) contained in fire foam, remedial investigation and subsequent removal, and remediation activities. This is a cost recovery paid by the National Guard Bureau for expedited regulatory oversight services related to environmental cleanup activities resulting from contaminant releases from past Air National Guard activities at the Montana Air National Guard Base and Great Falls International Airport.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$16,500	\$66,000
FY 2025	\$16,500	\$66,000

#### **NP - 1303 - ANG Facilities and Maintenance Costs -**

This change package is a request for \$66,000 in FY 2024 and \$66,000 in FY 2025 as a 75/25 federal/state general fund split to allow the Montana Air National Guard (ANG) to take over the management, cost, supplies and utilities of three buildings on Malmstrom Air Force Base. The ANG currently occupies this space and is in the process of finalizing the transfer of full operational control and maintenance of these properties from the Air Force and Department of Defense.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$21,397	\$85,589
FY 2025	\$21,468	\$85,872

#### **NP - 1304 - ANG CADD Operator FTE -**

This request is for 1.00 FTE to create, update, and maintain record drawings of DMA maintained facilities to ensure correctness and completeness. Some of the activity of this role has been contracted out for specific projects and has occasionally filled with military members. The federal government now requires weekly updates the Builder Assessment Management tool for each building or this agency risks a cut in facility funding and ultimately DMA division maintenance budgets. This position would work closely with the City of Great Falls and Cascade County to provide GIS data, fire hydrant, domestic water, and sanitary sewer data for operation and emergency response.



## 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						
Budget Item	Starting Point Fiscal 2023	Budget Adjustments Fiscal 2024	Total Exec. Budget Fiscal 2024	Budget Adjustments Fiscal 2025	Total Exec. Budget Fiscal 2025	Executive Budget Request 2025 Biennium
FTE	25.00	7.00	32.00	7.00	32.00	
Personal Services	2,338,748	532,629	2,871,377	549,159	2,887,907	5,759,284
Operating Expenses	901,737	656,164	1,557,901	648,341	1,550,078	3,107,979
Equipment & Intangible Assets	0	500,000	500,000	260,000	260,000	760,000
Grants	13,325,605	(119,924)	13,205,681	(119,924)	13,205,681	26,411,362
Transfers	1,521,605	0	1,521,605	0	1,521,605	3,043,210
<b>Total Costs</b>	<b>\$18,087,695</b>	<b>\$1,568,869</b>	<b>\$19,656,564</b>	<b>\$1,337,576</b>	<b>\$19,425,271</b>	<b>\$39,081,835</b>
General Fund	1,497,550	287,240	1,784,790	285,833	1,783,383	3,568,173
State/Other Special	256,680	1,176,176	1,432,856	939,876	1,196,556	2,629,412
Federal Spec. Rev. Funds	16,333,465	105,453	16,438,918	111,867	16,445,332	32,884,250
<b>Total Funds</b>	<b>\$18,087,695</b>	<b>\$1,568,869</b>	<b>\$19,656,564</b>	<b>\$1,337,576</b>	<b>\$19,425,271</b>	<b>\$39,081,835</b>

## Department of Military Affairs - 67010

### Disaster & Emergency Services - 21

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	0	(80,886)	0	(66,215)
SWPL - 2 - Fixed Costs	48,672	97,344	40,126	80,252
SWPL - 3 - Inflation Deflation	55,901	55,901	62,751	62,751
<i>Total Statewide Present Law Adjustments</i>	<i>\$104,573</i>	<i>\$72,359</i>	<i>\$102,877</i>	<i>\$76,788</i>
<b>Present Law Adjustments</b>				
PL - 2104 - DES Disaster Preparedness Operating Adjustment (RST)	50,000	100,000	50,000	100,000
PL - 2105 - DES 24/7 Duty Officer Program (RST)	45,000	45,000	45,000	45,000
<i>Total Present Law Adjustments</i>	<i>\$95,000</i>	<i>\$145,000</i>	<i>\$95,000</i>	<i>\$145,000</i>
<b>New Proposals</b>				
NP - 2101 - DES Modified to Permanent FTE	0	0	0	0
NP - 2102 - DES Continuity of Government Program Transfer	87,367	174,734	87,656	175,312
NP - 2103 - DES Administrative Adjustments	0	(119,924)	0	(119,924)
NP - 99 - New Fixed Costs	300	600	300	600
<i>Total New Proposals</i>	<i>\$87,667</i>	<i>\$55,410</i>	<i>\$87,956</i>	<i>\$55,988</i>
<b>Total Budget Adjustments</b>	<b>\$287,240</b>	<b>\$272,769</b>	<b>\$285,833</b>	<b>\$277,776</b>

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$80,886)
FY 2025	\$0	(\$66,215)

#### SWPL - 1 - Personal Services -

The budget includes a reduction of \$80,886 in FY 2024 and \$66,215 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$48,672	\$97,344
FY 2025	\$40,126	\$80,252

#### SWPL - 2 - Fixed Costs -

The request includes \$97,344 in FY 2024 and \$80,252 in FY 2025 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 Military Affairs - 67010

### Disaster & Emergency Services - 21

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$55,901	\$55,901
FY 2025	\$62,751	\$62,751

#### SWPL - 3 - Inflation Deflation -

This change package includes an increase of \$55,901 in FY 2024 and \$62,751 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$50,000	\$100,000
FY 2025	\$50,000	\$100,000

#### PL - 2104 - DES Disaster Preparedness Operating Adjustment (RST) -

This request is for a restricted appropriation of \$100,000 in general fund for the biennium and \$100,000 in federal funds over the biennium for disaster preparedness activities. In 2022, MT Disaster Emergency Services (DES) gathered input from local emergency managers in communities across the state to determine program gaps. This increase will allow MT DES program and field staff to conduct additional in-person outreach and technical assistance, to coordinate and deliver training, and to help develop local emergency management programs.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$45,000	\$45,000
FY 2025	\$45,000	\$45,000

#### PL - 2105 - DES 24/7 Duty Officer Program (RST) -

Montana Disaster Emergency Services (DES) provides 24/7 duty officer coverage to assist with emerging incidents. Support for emerging incidents occurs prior to a governor's declaration and often does not require issuing an emergency declaration. As a result, the disaster appropriation is not available to offset the cost of the duty officer program. This request is for restricted general funds for this purpose totalling \$90,000 over the biennium.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$0

#### NP - 2101 - DES Modified to Permanent FTE -

This new proposal requests that 5.00 FTE be converted from modified to permanent FTE. The Disaster & Emergency Services (DES) division is requesting to reduce operating by a corresponding amount requested for personal services. DES has experienced an exponentially increased workload in the past several years which has necessitated the use of modified FTE to complete the work. As a result of increased frequency, severity, and complexity of disasters, the number of projects managed by the division has grown from an average of 20 projects per emergency manager to over 100 per manager. DES staff help with the state's disaster management, mitigation, and assisting local governments to request federal reimbursement for eligible disaster costs. In the last 5 years, the agency has managed over \$70M in grant funding for local entities. This total is expected to increase due to additional disaster recovery and mitigation efforts. Four of the permanent staff would provide disaster management and one staff person will be used to support Disaster Logistics and Warehouse Operations for a total of 5.00 FTE in this request.

## Department of Military Affairs - 67010

### Disaster & Emergency Services - 21

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$87,367	\$174,734
FY 2025	\$87,656	\$175,312

#### NP - 2102 - DES Continuity of Government Program Transfer -

This change package includes 2.00 FTE transferred from the Department of Administration. In the Memorandum of Understanding for the State Continuity Planning between the Department of Administration, the State Continuity and Emergency Management Office (DOA/SCMO), and the Department of Military Affairs, Disaster and Emergency Services Division (DMA/DES), DMA/DES assumed the responsibility to re-scale the scope of continuity planning to meet standards set forth by the Federal Emergency Management Agency (FEMA) and coordinate continuity planning functions with state agencies. This request will provide \$174,733 in FY 2024 and \$175,312 in FY 2025 with the funding being split 50/50 federal funding/state general fund. A change package in the Department of Administration includes a reduction of 2.00 FTE.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	(\$119,924)
FY 2025	\$0	(\$119,924)

#### NP - 2103 - DES Administrative Adjustments -

This request adjusts appropriations for grants to reflect the amount of state special revenue funding to be available in the 2025 biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$300	\$600
FY 2025	\$300	\$600

#### NP - 99 - New Fixed Costs -

The budget includes \$600 each year to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

## Department of Military Affairs - 67010

### Veterans Affairs Operations - 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 2023	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
		Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2025	2025 Biennium
FTE	25.00	0.00	25.00	0.00	25.00	
Personal Services	2,094,229	(41,319)	2,052,910	203,045	2,297,274	4,350,184
Operating Expenses	212,926	754,500	967,426	784,316	997,242	1,964,668
Equipment & Intangible Assets	0	500,000	500,000	260,000	260,000	760,000
Grants	35,000	0	35,000	0	35,000	70,000
Benefits & Claims	0	0	0	0	0	0
Transfers	20,000	0	20,000	0	20,000	40,000
Debt Service	24,000	0	24,000	0	24,000	48,000
<b>Total Costs</b>	<b>\$2,386,155</b>	<b>\$1,213,181</b>	<b>\$3,599,336</b>	<b>\$1,247,361</b>	<b>\$3,633,516</b>	<b>\$7,232,852</b>
General Fund	1,526,568	(1,526,568)	0	(1,526,568)	0	0
State/Other Special	859,587	2,739,749	3,599,336	2,773,929	3,633,516	7,232,852
<b>Total Funds</b>	<b>\$2,386,155</b>	<b>\$1,213,181</b>	<b>\$3,599,336</b>	<b>\$1,247,361</b>	<b>\$3,633,516</b>	<b>\$7,232,852</b>

Program Proposed Budget Adjustments				
	Budget Adjustments		Budget Adjustments	
	Fiscal 2024		Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
<b>Statewide Present Law Adjustments</b>				
SWPL - 1 - Personal Services	(41,319)	(41,319)	84,997	84,997
SWPL - 2 - Fixed Costs	27,327	27,327	19,450	19,450
SWPL - 3 - Inflation Deflation	15,073	15,073	18,066	18,066
<b>Total Statewide Present Law Adjustments</b>	<b>\$1,081</b>	<b>\$1,081</b>	<b>\$122,513</b>	<b>\$122,513</b>
<b>New Proposals</b>				
NP - 3103 - VA Cemetery Program Funding and Staff	0	717,200	0	480,800
NP - 3104 - VA Veteran Program Operating and Staff	0	494,900	0	496,000
NP - 3108 - VA Cannabis Fund Switch	(1,527,649)	0	(1,649,081)	0
NP - 3109 - VA Columbia Falls Cemetery Operations (RST)	0	0	0	148,048
<b>Total New Proposals</b>	<b>(\$1,527,649)</b>	<b>\$1,212,100</b>	<b>(\$1,649,081)</b>	<b>\$1,124,848</b>
<b>Total Budget Adjustments</b>	<b>(\$1,526,568)</b>	<b>\$1,213,181</b>	<b>(\$1,526,568)</b>	<b>\$1,247,361</b>

## Department of Military Affairs - 67010

### Veterans Affairs Operations - 31

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

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$41,319)	(\$41,319)
FY 2025	\$84,997	\$84,997

#### **SWPL - 1 - Personal Services -**

The budget includes a reduction of \$41,319 in FY 2024 and an increase of \$84,997 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, 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 2024	\$27,327	\$27,327
FY 2025	\$19,450	\$19,450

#### **SWPL - 2 - Fixed Costs -**

The request includes \$27,327 in FY 2024 and \$19,450 in FY 2025 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 2024	\$15,073	\$15,073
FY 2025	\$18,066	\$18,066

#### **SWPL - 3 - Inflation Deflation -**

This change package includes an increase of \$15,073 in FY 2024 and \$18,066 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

#### -----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$717,200
FY 2025	\$0	\$480,800

#### **NP - 3103 - VA Cemetery Program Funding and Staff -**

This change package requests funding for operating expenses, staff and equipment needs for the Montana State Veterans Cemeteries, located at Fort Harrison in Helena, Miles City, and Missoula. The interment workload has increased at each of the sites and the equipment used to manage the workload needs to be replaced. This request is contingent upon funding provided in legislation.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$494,900
FY 2025	\$0	\$496,000

#### **NP - 3104 - VA Veteran Program Operating and Staff -**

This is a request for funding for staff and operating costs to support the increasing workload in the Veteran Service Offices which help Montana Veterans access benefits such as including health care, education, training, and employment services. A five year workload study reflects a 35% increase in production and a 47% increase in tax-free federal VA benefits paid to Montana veterans as a result of the increased production. This change package is contingent on passage and approval of legislation.

## Department of Military Affairs - 67010

### Veterans Affairs Operations - 31

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$1,527,649)	\$0
FY 2025	(\$1,649,081)	\$0

#### **NP - 3108 - VA Cannabis Fund Switch -**

This change package reflects a fund switch from general fund to marijuana tax revenue for base program funding. This change package is contingent on passage and approval of legislation.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$0	\$0
FY 2025	\$0	\$148,048

#### **NP - 3109 - VA Columbia Falls Cemetery Operations (RST) -**

This change package is for \$148,048 in FY 2025 in state special revenue authority to provide staff and operations for the new proposed Montana Veteran's Cemetery in Columbia Falls. This request is contingent upon legislation LC 0244 and additional funding related legislation.