

Legislative Branch-1104

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

Statutory Authority - Principal statutory authority for the Legislative Services Division is found in Title 1, Chapter 11, and Title 5, Chapters 5 and 11, MCA. Principal statutory authority for the Legislative Fiscal Division is found in The Legislative Finance Act, Title 5, Chapter 12, MCA. The function of the Legislative Audit Division is constitutionally required, with principal statutory authority in The Legislative Audit Act, Title 5, Chapter 13, MCA.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	124.97	0.00	3.00	127.97	0.00	3.00	133.14
Personal Services	7,639,179	1,304,807	170,762	9,114,748	1,321,843	170,901	9,131,923
Operating Expenses	2,333,927	348,858	135,647	2,818,432	(17,526)	74,782	2,391,183
Equipment	21,693	68,307	0	90,000	38,307	0	60,000
Transfers	0	0	0	0	0	0	0
Total Costs	\$9,994,799	\$1,721,972	\$306,409	\$12,023,180	\$1,342,624	\$245,683	\$11,583,106
General Fund	7,730,017	1,471,457	306,409	9,507,883	1,690,463	245,683	9,666,163
State/Other Special	2,264,782	250,515	0	2,515,297	(347,839)	0	1,916,943
Total Funds	\$9,994,799	\$1,721,972	\$306,409	\$12,023,180	\$1,342,624	\$245,683	\$11,583,106

Legislative Branch-1104 Legislative Services Division-20

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	51.00	0.00	3.00	54.00	0.00	3.00	59.17
Personal Services	3,313,004	465,820	164,150	3,942,974	543,591	164,287	4,020,882
Operating Expenses	1,833,022	257,045	7,626	2,097,693	5,529	(56,365)	1,782,186
Equipment	21,693	68,307	0	90,000	38,307	0	60,000
Transfers	0	0	0	0	0	0	0
Total Costs	\$5,167,719	\$791,172	\$171,776	\$6,130,667	\$587,427	\$107,922	\$5,863,068
General Fund	4,337,321	756,904	171,776	5,266,001	1,080,766	107,922	5,526,009
State/Other Special	830,398	34,268	0	864,666	(493,339)	0	337,059
Total Funds	\$5,167,719	\$791,172	\$171,776	\$6,130,667	\$587,427	\$107,922	\$5,863,068

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$238,088	\$199,348
FY 2009	(\$81,283)	\$192,834

PL- 1 - Program Operations, Legislative Services Division -

Agency-wide fixed costs appropriated to LSD increased a total of \$149,572 for the biennium. Additional increases and decreases, which reflect the legislative business cycle, include a \$41,543 increase in the first year and a \$257,282 decrease in the second year related to publication and distribution of the Montana Codes Annotated, and a second year increase of \$17,000 related to increased printing and office supply costs during a legislative session. The branch computer network budget, as approved by the Computer Systems Planning Council, is included.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$26,393)	(\$26,393)
FY 2009	(\$26,353)	(\$26,353)

NP- 2 - Network Technician FTE/Contracted Srv Reduction -

This proposal includes a biennial general fund reduction of \$135,000 in present law contracted services from the branch computer network budget and a biennial increase of \$82,254 in personal services to fund an ongoing need for a network technician. The general fund reduction of \$52,746 over the biennium is the result of personal services costs compared to contracted services hourly rates.

Legislative Branch-1104 Legislative Services Division-20

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$436)	(\$436)
FY 2009	\$74,624	\$74,624

NP- 3 - Computer Security FTE/Contracted Srv Reduction -

During the 2007 biennium, the Legislative Services Division contracted for performance of a security risk analysis of the Legislative Branch information technology environment and for development of related security policies. A separate contract finalized development of a disaster recovery plan for the branch. In response to report recommendations, the LSD is requesting the addition of a Security and Disaster Recovery Officer to ensure the technology security plan and the disaster recovery plan are implemented and maintained. The biennial general fund cost of \$149,188, when combined with a reduction of \$75,000 in the branch network budget, results in a biennial increase of \$74,188.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$135,000	\$135,000
FY 2009	\$0	\$0

NP- 4 - Technology Allowance for Legislators -

The Computer Systems Planning Council, at the request of the Legislative Council, is proposing a program to financially assist legislators in purchasing hardware or software for conducting legislative business. Each legislator would be eligible to be reimbursed up to \$900 for substantiated purchases which meet program criteria.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$63,605	\$63,605
FY 2009	\$59,651	\$59,651

NP- 5 - Legislative Information Officer FTE -

The proposal provides for a legislative information officer to conduct and coordinate public outreach and to increase awareness and understanding of the legislative institution. Biennial costs include an operational budget of \$6,261, a \$20,000 budget for printing and distribution of educational materials and for training, and personal services costs of \$96,998.

Legislative Branch-1104 Legis. Committees & Activities-21

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	0.97	0.00	0.00	0.97	0.00	0.00	0.97
Personal Services	68,237	47,392	6,612	122,241	(28,293)	6,614	46,558
Operating Expenses	274,445	86,147	128,021	488,613	(68,472)	131,147	337,120
Transfers	0	0	0	0	0	0	0
Total Costs	\$342,682	\$133,539	\$134,633	\$610,854	(\$96,765)	\$137,761	\$383,678
General Fund	342,682	133,539	134,633	610,854	(96,765)	137,761	383,678
State/Other Special	0	0	0	0	0	0	0
Total Funds	\$342,682	\$133,539	\$134,633	\$610,854	(\$96,765)	\$137,761	\$383,678

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$85,392	\$85,392
FY 2009	(\$69,252)	(\$69,252)

PL- 6 - Program Operations, Committees & Activities Prg -

First year increases and second year decreases reflect the biennial legislative cycle. Program increases relate to increased cost of legislator mileage, photocopy equipment, and revisions to 2-15-1019, MCA, requiring legislative liaisons to the state compensation insurance fund board of directors.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$14,248	\$14,248
FY 2009	\$14,248	\$14,248

NP- 7 - Participation, Nat'l Conf of State Legislatures -

Montana is a member of the National Conference of State Legislatures (NCSL), an interstate organization which provides research and technical assistance, and opportunities for policymakers to exchange ideas. This proposal allows for participation of eight delegates in one NCSL conference each year at a biennial cost of \$28,496.

Legislative Branch-1104 Legis. Committees & Activities-21

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$91,177	\$91,177
FY 2009	\$94,303	\$94,303

NP- 8 - Participation & Dues, Council of State Govt. -

This proposal provides for payment of Montana's membership dues in the Council of State Governments (CSG), an interstate organization which serves the Executive, Judicial and Legislative branches of state governments and advocates multi-state problem solving. A biennial budget of \$185,480 includes \$159,464 for dues and \$26,016 for participation of eight delegates in one CSG conference each year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$20,538	\$20,538
FY 2009	\$20,539	\$20,539

NP- 9 - Participation, Pacific NW Econ Region -

Title 5, Chapter 11, part 7, MCA, defines Montana's agreement with the Pacific Northwest Economic Region (PNWER), an international organization promoting regional collaboration among the states of Alaska, Idaho, Montana, Oregon, and Washington, the provinces of Alberta and British Columbia, and the Yukon Territory. Statute also defines procedures for the appointment and compensation of delegates. A budget of \$41,077 represents payment of \$30,000 for Montana's dues and participation of four delegates once each fiscal year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,670	\$8,670
FY 2009	\$8,671	\$8,671

NP- 10 - Participation, River Governance -

The Legislative Council on River Governance is comprised of legislators from Montana, Oregon, Idaho, and Washington. The council mission is to assert state legislative authority over natural resources and river governance issues and to unite states for a proactive agenda of legislative action. This proposal provides funding for four members to participate in council meetings during the 2009 biennium.

Legislative Branch-1104 Fiscal Analysis & Review-27

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	18.50	0.00	0.00	18.50	0.00	0.00	18.50
Personal Services	1,206,744	218,400	0	1,425,144	220,508	0	1,427,252
Operating Expenses	36,290	(214)	0	36,076	43,292	0	79,582
Transfers	0	0	0	0	0	0	0
Total Costs	\$1,243,034	\$218,186	\$0	\$1,461,220	\$263,800	\$0	\$1,506,834
General Fund	1,243,034	218,186	0	1,461,220	263,800	0	1,506,834
Total Funds	\$1,243,034	\$218,186	\$0	\$1,461,220	\$263,800	\$0	\$1,506,834

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$45,000	\$45,000

PL- 12 - Program Operations, Analysis & Review Program -

Increases to base total \$45,000 in the categories of overtime, temporary services, printing and photocopy, and office supplies, and are due to cyclical legislative session costs which are not captured in the base year.

Legislative Branch-1104 Audit & Examination-28

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	54.50	0.00	0.00	54.50	0.00	0.00	54.50
Personal Services	3,051,194	573,195	0	3,624,389	586,037	0	3,637,231
Operating Expenses	190,170	5,880	0	196,050	2,125	0	192,295
Transfers	0	0	0	0	0	0	0
Total Costs	\$3,241,364	\$579,075	\$0	\$3,820,439	\$588,162	\$0	\$3,829,526
General Fund	1,806,980	362,828	0	2,169,808	442,662	0	2,249,642
State/Other Special	1,434,384	216,247	0	1,650,631	145,500	0	1,579,884
Total Funds	\$3,241,364	\$579,075	\$0	\$3,820,439	\$588,162	\$0	\$3,829,526

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,955	\$3,958
FY 2009	(\$1,545)	(\$476)

PL- 13 - Program Operations, Audit & Examination Program -

Changes from the adjusted base include cyclical costs associated with a Peer Review required by Governmental Auditing Standards, on-site training costs, and contract services for the potential use of actuarial expertise on audits of the retirements systems and the Montana State Fund.

Consumer Counsel-1112 Administration Program-01

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

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

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	5.54	0.00	0.00	5.54	0.00	0.00	5.54
Personal Services	377,824	113,328	0	491,152	114,075	0	491,899
Operating Expenses	736,677	258,632	0	995,309	272,401	0	1,009,078
Total Costs	\$1,114,501	\$371,960	\$0	\$1,486,461	\$386,476	\$0	\$1,500,977
State/Other Special	1,114,501	371,960	0	1,486,461	386,476	0	1,500,977
Total Funds	\$1,114,501	\$371,960	\$0	\$1,486,461	\$386,476	\$0	\$1,500,977

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$257,340	\$0
FY 2009	\$270,586	\$0

PL- 1 - Present Law Base Adjustments -

The present law budget increase includes \$207,000 per year to restore the contingency appropriation to \$250,000 in each year of the 2009 biennium. Other adjustments are attributed to contract amounts and anticipated workload.

Judicial Branch-2110

Mission Statement - The Judiciary's mission is to provide an independent, accessible, responsive, impartial and timely forum to resolve disputes; to preserve the rule of law; and to protect the rights and liberties guaranteed by the Constitutions of the United States and Montana.

Statutory Authority - Article III, Section 1, and Article VII, Montana Constitution; Title 3, MCA.

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	392.13	0.00	5.45	397.58	0.00	5.45	397.58
Personal Services	22,067,067	3,101,190	238,420	25,406,677	3,163,326	239,116	25,469,509
Operating Expenses	16,357,847	(8,363,693)	364,176	8,358,330	(8,318,521)	356,139	8,395,465
Equipment	336,004	39,028	0	375,032	61,049	0	397,053
Grants	0	0	300,000	300,000	0	0	0
Debt Service	29,269	0	0	29,269	0	0	29,269
Total Costs	\$38,790,187	(\$5,223,475)	\$902,596	\$34,469,308	(\$5,094,146)	\$595,255	\$34,291,296
General Fund	37,410,432	(5,631,754)	823,892	32,602,570	(5,506,166)	516,582	32,420,848
State/Other Special	1,209,268	409,187	122,903	1,741,358	412,398	122,903	1,744,569
Federal Special	170,487	(908)	(44,199)	125,380	(378)	(44,230)	125,879
Total Funds	\$38,790,187	(\$5,223,475)	\$902,596	\$34,469,308	(\$5,094,146)	\$595,255	\$34,291,296

Judicial Branch-2110

Table A-1

Judicial Branch Budget Request Compared to Executive Recommended Budget

	BIENNIAL AMOUNTS FY 2008 & FY 2009		
	Branch	OBPP	OBPP Over/(Under)
	Submission	Recommended	Submission
Branch Wide			
FTE	397.58	397.58	0.00
Personal Services	52,436,186	50,876,186	(1,560,000)
Operating Costs	18,424,295	18,354,295	(70,000)
Equipment	3,106,585	3,106,585	-
Grants	300,000	300,000	-
Debt Service	<u>58,538</u>	<u>58,538</u>	<u>-</u>
TOTAL	<u>\$ 74,325,604</u>	<u>\$ 72,695,604</u>	<u>\$ (1,630,000)</u>
Funding			
General Fund	70,588,418	68,958,418	(1,630,000)
State/Other Special	3,485,927	3,485,927	-
Federal	<u>251,259</u>	<u>251,259</u>	<u>-</u>
TOTAL	<u>\$ 74,325,604</u>	<u>\$ 72,695,604</u>	<u>\$ (1,630,000)</u>
*Note: \$3,935,000 of the Judiciary request is related to an Information Technology Bill and is included in the IT Bill rather than HB 2.			
ITEMS NOT RECOMMENDED		AMOUNTS NOT RECOMMENDED TO BE FUNDED	
	<u>FTE</u>	<u>FY 2008</u>	<u>FY 2009</u>
Judicial Education		(35,000)	(35,000)
Pay Equity		(780,000)	(780,000)
TOTAL		<u>\$ (815,000)</u>	<u>\$ (815,000)</u>
		<u>\$ (1,630,000)</u>	<u>\$ (1,630,000)</u>

Judicial Branch-2110 Supreme Court Operations-01

Program Description - The Supreme Court has appellate jurisdiction for the State of Montana. The Court has original jurisdiction to issue, hear, and determine writs of habeas corpus and other writs provided by law. It also has general supervisory control over all other courts in the state. The Supreme Court is charged with establishing rules governing appellate procedure, the practice and procedure for all other courts, admissions to the bar, and the conduct of its members. Within the Supreme Court Operations program, the Office of Court Administrator provides services to the Judicial Branch including information technology, budget and finance, payroll and human resource management, policy and technical support for the Youth Courts, judicial education, and children's services provided through the federal Court Assessment Program.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	62.75	0.00	1.50	64.25	0.00	1.50	64.25
Personal Services	3,742,078	531,561	95,610	4,369,249	543,277	95,820	4,381,175
Operating Expenses	2,749,687	841,306	221,659	3,812,652	898,257	213,478	3,861,422
Equipment	9,717	0	0	9,717	0	0	9,717
Total Costs	\$6,501,482	\$1,372,867	\$317,269	\$8,191,618	\$1,441,534	\$309,298	\$8,252,314
General Fund	6,220,953	1,373,775	361,468	7,956,196	1,441,912	353,528	8,016,393
State/Other Special	110,042	0	0	110,042	0	0	110,042
Federal Special	170,487	(908)	(44,199)	125,380	(378)	(44,230)	125,879
Total Funds	\$6,501,482	\$1,372,867	\$317,269	\$8,191,618	\$1,441,534	\$309,298	\$8,252,314

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,721	\$2,721
FY 2009	\$5,019	\$5,019

PL- 1005 - Rent Federal Building -

This request is for \$2,721 in FY 2008 and \$5,019 in FY 2009 general fund and to cover an annual increase in lease payments for space rented at the Park Avenue Building. A 2% increase is required every November per the lease agreement.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$260,723	\$260,723
FY 2009	\$260,723	\$260,723

PL- 1007 - IT Software Maintenance -

This proposal seeks \$260,723 of general fund support for maintenance of the Full Court Case Management System in the Courts of Limited Jurisdiction and maintenance for the C-Track Appellate Case Management system for the Supreme Court.

Judicial Branch-2110 Supreme Court Operations-01

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$119,334	\$119,334
FY 2009	\$113,949	\$113,949

NP- 1001 - Appellate Mediator -

This proposal provides \$233,283 of general fund for the biennium for 1.00 FTE appellate mediator, 0.50 FTE administrative support, and necessary operating funds. Montana is one of nine states that does not have an intermediate appellate court. This appellate mediator position would benefit the Court greatly in increasing the mediation success rate, thereby allowing the Justices more time to devote to remaining cases and issuing decisions more expeditiously.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$56,534	\$56,534
FY 2009	\$53,979	\$53,979

NP- 1004 - Pro Se Law Clerk -

This proposal provides \$110,513 general fund for the biennium for 1.00 FTE pro se law clerk for the Supreme Court. Each year, the Court processes hundreds of pro se petitions for extraordinary relief in criminal matters and appeals from pro se applicants. This position would greatly improve court efficiency by providing a preliminary review and tracking of these matters.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$44,199)	\$0
FY 2009	(\$44,230)	\$0

NP- 1006 - CASA Federal Grant -

This proposal reduces Federal Special Revenue Fund authority by \$44,199 in FY 2008, \$44,230 in FY 2009 and 1.00 FTE each year for the Court Appointed Special Advocate (CASA) grant. In January 2006, the state CASA program became a non-profit organization. The Judicial Branch will no longer receive federal funds for this program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$185,600	\$185,600
FY 2009	\$185,600	\$185,600

NP- 1007 - CASA Funding Stabilization -

The Court Appointed Special Advocates (CASA) program currently has \$114,400 in general fund per year in base level funding in the Supreme Court. The Executive recommends increasing this base state funding \$185,600 per year to stabilize and enhance funding for this volunteer program, thus increasing the number of youths served.

Judicial Branch-2110 Boards And Commissions-02

Program Description - The Supreme Court is responsible for a variety of matters involving rule making and oversight of the administration of justice in Montana. These obligations are met, in part, through various boards and commissions that are statutorily or legislatively mandated. These boards and commissions include the Sentence Review Division, Commission on Practice, Commission on Courts of Limited Jurisdiction, and Judicial Standards Commission.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	3.00	0.00	0.00	3.00	0.00	0.00	3.00
Personal Services	150,665	17,355	0	168,020	17,497	0	168,162
Operating Expenses	134,803	24,031	0	158,834	(704)	0	134,099
Total Costs	\$285,468	\$41,386	\$0	\$326,854	\$16,793	\$0	\$302,261
General Fund	260,462	41,386	0	301,848	16,793	0	277,255
State/Other Special	25,006	0	0	25,006	0	0	25,006
Total Funds	\$285,468	\$41,386	\$0	\$326,854	\$16,793	\$0	\$302,261

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$22,965	\$22,965
FY 2009	(\$2,036)	(\$2,036)

PL- 2002 - Judicial Standards Restricted/Bien. Appropriation -

This proposal requests \$20,929 in general fund appropriation for the constitutionally mandated Judicial Standards Commission. The Judicial Branch received a \$25,000 restricted, biennial, general fund appropriation to be used to pay for the investigations of complaints against judges for the 2007 biennium. This request is to restore the appropriation to \$25,000 level for the 2009 biennium. This funding is used for investigations of complaints against Judges. If the costs are not incurred, the funds will revert to the general fund.

Judicial Branch-2110 Law Library-03

Please note that this program also contains proprietary funds (see section P).

Program Description - The State Law Library of Montana provides access to recorded legal knowledge and information consistent with the present and anticipated research needs, responsibilities, and concerns of Montana's courts, legislature, state officers and employees, members of the bar of the Supreme Court of Montana, and members of the general public. The library selects, acquires, and maintains resources consistent with this mission. More electronic licenses are acquired each year, which frequently replace the hard copies. This allows the Library both to get the information more quickly to the customer and to conserve its available shelf space for books and other printed material.

Library staff promotes understanding of the library's research capabilities by teaching legal bibliography and methods of legal research. Access to materials other than those in the library collection is facilitated by providing interlibrary loan service and having an Internet presence. Space, equipment, and technology are maintained in a manner that will ensure operational efficiency, improve collection preservation, and respond to requirements for accessibility of users and staff.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	6.75	0.00	0.00	6.75	0.00	0.00	6.75
Personal Services	324,101	30,761	0	354,862	32,122	0	356,223
Operating Expenses	150,153	549	0	150,702	774	0	150,927
Equipment	278,760	39,028	0	317,788	61,049	0	339,809
Debt Service	23,369	0	0	23,369	0	0	23,369
Total Costs	\$776,383	\$70,338	\$0	\$846,721	\$93,945	\$0	\$870,328
General Fund	776,383	70,338	0	846,721	93,945	0	870,328
Total Funds	\$776,383	\$70,338	\$0	\$846,721	\$93,945	\$0	\$870,328

Judicial Branch-2110 District Court Operations-04

Program Description - The District Courts are courts of general jurisdiction with authority in all criminal felony cases, civil matters and other cases of law. The District Courts are also the state's Youth Courts responsible for managing juvenile probation functions. There are 43 District Court judges with responsibility divided into 22 judicial districts serving all 56 counties. The 2001 Legislature mandated state funding of District Court expenses, including judges and their employees. This change made the District Courts part of the Judicial Branch of state government and made the Supreme Court responsible for management of costs and operations. District Court costs are the largest segment of the Judicial Branch budget.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	296.13	0.00	3.95	300.08	0.00	3.95	300.08
Personal Services	16,780,759	2,123,565	142,810	19,047,134	2,169,867	143,296	19,093,922
Operating Expenses	13,076,483	(9,262,266)	142,517	3,956,734	(9,251,914)	142,661	3,967,230
Equipment	23,562	0	0	23,562	0	0	23,562
Grants	0	0	300,000	300,000	0	0	0
Debt Service	5,900	0	0	5,900	0	0	5,900
Total Costs	\$29,886,704	(\$7,138,701)	\$585,327	\$23,333,330	(\$7,082,047)	\$285,957	\$23,090,614
General Fund	29,756,160	(7,138,701)	462,424	23,079,883	(7,082,047)	163,054	22,837,167
State/Other Special	130,544	0	122,903	253,447	0	122,903	253,447
Total Funds	\$29,886,704	(\$7,138,701)	\$585,327	\$23,333,330	(\$7,082,047)	\$285,957	\$23,090,614

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$200,000
FY 2009	\$200,000	\$200,000

PL- 4008 - Psychological Exams and Related Costs -

The Montana Public Defender Act (SB 146), enacted in 2005, shifted significant costs from the counties to the state for room and board, transportation, medicine, and other medical costs associated with court-ordered psychiatric examinations. These costs did not become a Judicial Branch obligation until July 1, 2006; therefore, the expenses are not in the Judiciary's FY 2006 base. This proposal provides funding for these associated expenses.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$9,501,248)	(\$9,501,248)
FY 2009	(\$9,501,248)	(\$9,501,248)

PL- 4009 - Variable Cost Base Adjustment -

The Montana Public Defender Act (SB 146), enacted in 2005, transferred to the Office of the State Public Defender the obligation to pay (effective for FY 2007) some of the variable costs that the Judiciary previously paid. Therefore, the Judiciary FY 2006 base expenditures include funding that must be decreased for FY 2008 and FY 2009. This adjustment moves \$9,501,248 each year of the 2009 biennium.

Judicial Branch-2110 District Court Operations-04

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$300,000	\$300,000
FY 2009	\$0	\$0

NP- 4005 - District Court Safety and Security Proposal - OTO -

This proposal for security infrastructure improvements for the District Courts would address significant public safety needs that were identified through surveys and on-site audits performed by the Department of Justice. Although court security is primarily a county law enforcement responsibility, the state has a significant responsibility because the District Courts are state-funded. This proposal would provide grants to counties and District Courts that agree to create joint security committees and adopt standard protocols for court security. The grant funds would be used to purchase items necessary for court security such as closed circuit cameras, convex mirrors, door and duress alarms, hand held metal detectors, and wireless prisoner restraints.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$162,424	\$162,424
FY 2009	\$163,054	\$163,054

NP- 4010 - Judicial Support and Youth Probation Staff -

This proposal provides funding for 3.95 District Court FTE. The proposal provides a total of 0.95 FTE to two judicial districts that lack the minimum level of support staff to perform essential administrative tasks. This proposal also provides 3.00 FTE to support community-based supervision programs in two judicial districts. Failure to fund these positions likely will result in more placements in county detention facilities and state youth correctional facilities at significantly higher costs to both the counties and state. The general fund cost of the proposal is \$162,424 in FY 2008 and \$163,054 in FY 2009.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$122,903	\$0
FY 2009	\$122,903	\$0

NP- 4011 - Replace State Special for Funding from Counties -

Senate Bill 490, from the 2003 legislative session, established a state special revenue account for the Judicial Branch. Counties paid their obligations for the sick and annual leave balances of their employees who transferred to the state during District Court assumption and the funds were deposited into this state special revenue fund. If a Judicial Branch employee retires and they were a county employee at the time of District Court assumption, the Judicial Branch pays their sick and annual leave balance payments from this state special revenue fund. This request includes \$122,903 each year of the biennium to fund the projected payouts.

Judicial Branch-2110 Water Courts Supervision-05

Program Description - The Water Courts Supervision Program, located in Bozeman, adjudicates claims of existing water rights in Montana pursuant to Title 3, Chapter 7 and Title 85, Chapter 2, MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	18.00	0.00	0.00	18.00	0.00	0.00	18.00
Personal Services	714,651	377,406	0	1,092,057	378,291	0	1,092,942
Operating Expenses	205,060	31,781	0	236,841	34,107	0	239,167
Equipment	23,965	0	0	23,965	0	0	23,965
Total Costs	\$943,676	\$409,187	\$0	\$1,352,863	\$412,398	\$0	\$1,356,074
State/Other Special	943,676	409,187	0	1,352,863	412,398	0	1,356,074
Total Funds	\$943,676	\$409,187	\$0	\$1,352,863	\$412,398	\$0	\$1,356,074

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$31,086	\$0
FY 2009	\$33,324	\$0

PL- 5001 - Water Court Rent Increase -

This proposal requests \$31,086 in FY 2008 and \$33,324 in FY 2009 to cover office lease increases. The new rental lease did not go into effect until May 2006, therefore, this increase is necessary to annualize the cost in FY 2008 and FY 2009. The lease includes a 3% inflation factor.

Judicial Branch-2110 Clerk Of Court-06

Program Description - The Office of Clerk of the Supreme Court Program, pursuant to Title 3, Chapter 2, part 4, conducts the business of the Court, and serves as the liaison between the public, attorneys, and the Supreme Court. By statutory authority, the clerk controls the docket and filings, manages the appellate process, and is the custodian of all legal records for the public and the Court. Additionally, the clerk administers appellate mediation, maintains the official roll of Montana attorneys, and is responsible for licensing Montana's attorneys.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	5.50	0.00	0.00	5.50	0.00	0.00	5.50
Personal Services	354,813	20,542	0	375,355	22,272	0	377,085
Operating Expenses	41,661	906	0	42,567	959	0	42,620
Equipment	0	0	0	0	0	0	0
Total Costs	\$396,474	\$21,448	\$0	\$417,922	\$23,231	\$0	\$419,705
General Fund	396,474	21,448	0	417,922	23,231	0	419,705
Federal Special	0	0	0	0	0	0	0
Total Funds	\$396,474	\$21,448	\$0	\$417,922	\$23,231	\$0	\$419,705

Governors Office-3101

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

Statutory Authority - Primary authority is Article VI, Montana Constitution

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	59.07	0.00	3.30	62.37	0.00	3.30	62.37
Personal Services	3,638,215	369,923	191,066	4,199,204	377,915	191,167	4,207,297
Operating Expenses	1,433,528	426,925	198,500	2,058,953	427,323	198,500	2,059,351
Transfers	0	429,000	0	429,000	0	0	0
Total Costs	\$5,071,743	\$1,225,848	\$389,566	\$6,687,157	\$805,238	\$389,667	\$6,238,848
General Fund	5,044,574	1,225,217	389,566	6,659,357	804,607	389,667	6,238,848
State/Other Special	6,711	21,089	0	27,800	21,089	0	27,800
Federal Special	20,458	(20,458)	0	0	(20,458)	0	0
Proprietary	0	0	0	0	0	0	0
Total Funds	\$5,071,743	\$1,225,848	\$389,566	\$6,687,157	\$805,238	\$389,667	\$6,266,648

Governors Office-3101 Executive Office Program-01

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	21.63	0.00	1.90	23.53	0.00	1.90	23.53
Personal Services	1,502,817	53,416	118,652	1,674,885	54,263	118,727	1,675,807
Operating Expenses	833,344	314,541	191,000	1,338,885	326,698	191,000	1,351,042
Total Costs	\$2,336,161	\$367,957	\$309,652	\$3,013,770	\$380,961	\$309,727	\$3,026,849
General Fund	2,336,161	367,957	309,652	3,013,770	380,961	309,727	3,026,849
Total Funds	\$2,336,161	\$367,957	\$309,652	\$3,013,770	\$380,961	\$309,727	\$3,026,849

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$373,695	\$373,695
FY 2009	\$373,695	\$373,695

PL- 1 – Marketing Montana and Business Recruitment

The Executive recommends \$373,695 each year of the biennium, when combined with the base budget, will create a \$500,000 general fund appropriation each year of the biennium for the Office of Economic Development. The office will work with local economic development organizations in creation and production of marketing materials, selective targeted institutional advertising, placement of free economic development news in industry publications, proper state and local web site construction and maintenance, industry and company target research, creation of in-state and out-of-state recruitment teams, selective trade show activity, and recruitment deal construction, marketing and closure, among other activities.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$93,913)	(\$93,913)
FY 2009	(\$93,913)	(\$93,913)

PL- 5 - Executive Protection Reduction -

This reduction removes funding for Executive Protection of \$93,913 general fund in each year of the biennium. A corresponding increase can be found in the budget of the Highway Patrol Division in the Department of Justice which currently provides Montana Highway Patrol personnel for Executive Protection duties.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$15,000	\$15,000
FY 2009	\$15,000	\$15,000

PL- 6 - Governor's Office OTO Partial Reauthorization -

The Executive recommends an increase in the operating budget to support a correspondence and constituent tracking system, staff training, meetings, printing costs, and ITSD maintenance and hosting. The request is funded with general fund at an on-going cost of \$15,000 for each year of the biennium.

**Governors Office-3101
Executive Office Program-01**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$9,682	\$9,682
FY 2009	\$9,686	\$9,686

NP- 7 - Student Intern Executive Office -

The Executive Office Program requests approximately \$9,700 general fund in each year of the biennium for several student intern positions for summer and other part-time work. This provides students with relevant work experience and assists staff in workload and completing special projects.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$299,970	\$299,970
FY 2009	\$300,041	\$300,041

NP- 101 - Federal Relations Office -

The budget includes approximately \$300,000 per year for 1.50 FTE and related operating expenses to create and maintain an office for the State of Montana in Washington, DC. The staff would work to promote Montana and identify and coordinate issues related to Montana and its citizens.

Governors Office-3101 Governor's Residence Operations-02

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	56,061	1,693	0	57,754	1,928	0	57,989
Operating Expenses	32,275	29,432	0	61,707	29,927	0	62,202
Total Costs	\$88,336	\$31,125	\$0	\$119,461	\$31,855	\$0	\$120,191
General Fund	88,336	31,125	0	119,461	31,855	0	120,191
Total Funds	\$88,336	\$31,125	\$0	\$119,461	\$31,855	\$0	\$120,191

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$25,000	\$25,000
FY 2009	\$25,000	\$25,000

PL- 3 - Re-authorize Governor's Residence OTO Appropriation -

The base operating budget for the residence in FY 2004 was not reflective of an adequate budget for a Governor who is a full-time resident. General fund expenditures from the legislatively authorized one-time-only appropriation were \$25,000 in FY 2006 and therefore should be continued in each year of the next biennium as a part of the base-level budget.

Governors Office-3101 Air Transportation Program-03

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	89,567	9,386	0	98,953	9,797	0	99,364
Operating Expenses	197,716	(797)	0	196,919	(723)	0	196,993
Transfers	0	429,000	0	429,000	0	0	0
Total Costs	\$287,283	\$437,589	\$0	\$724,872	\$9,074	\$0	\$296,357
General Fund	280,572	437,500	0	718,072	8,985	0	289,557
State/Other Special	6,711	89	0	6,800	89	0	6,800
Total Funds	\$287,283	\$437,589	\$0	\$724,872	\$9,074	\$0	\$296,357

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$429,000	\$429,000
FY 2009	\$0	\$0

PL- 9 - Aircraft Engine Overhaul Contingency OTO -

The Air Transportation Program participates in the "MORE" program for the state plane, which authorizes the operation of the engines up to 8,000 hours without overhaul and requires strict maintenance, inspections, and testing criteria for participation. The state plane currently has approximately 6,000 hours and is typically operated between 250 and 300 hours per year. This request is for a one-time-only general fund transfer to a state special revenue fund of \$429,000 in FY 2008 and would be used only in the event the engines failed the required tests and inspections and an overhaul becomes necessary.

Language Recommendations - "There is appropriated to Air Transportation Program up to \$429,000 state special revenue. The appropriation is contingent upon the determination, as mandated by the "MORE" program, that an engine overhaul becomes necessary before the aircraft can fly again. The state special revenue funds may be used only to conduct the engine overhaul."

Governors Office-3101 Office Budget & Program Planning-04

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	19.00	0.00	0.40	19.40	0.00	0.40	19.40
Personal Services	1,138,869	208,469	9,682	1,357,020	213,133	9,686	1,361,688
Operating Expenses	171,853	21,810	0	193,663	22,748	0	194,601
Total Costs	\$1,310,722	\$230,279	\$9,682	\$1,550,683	\$235,881	\$9,686	\$1,556,289
General Fund	1,310,722	230,279	9,682	1,550,683	235,881	9,686	1,556,289
Total Funds	\$1,310,722	\$230,279	\$9,682	\$1,550,683	\$235,881	\$9,686	\$1,556,289

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$12,500	\$12,500

PL- 1 - OBPP Session Costs -

This request is for the cyclical costs of printing the budget book and other session-year costs which are not captured in the base year budget.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$9,682	\$9,682
FY 2009	\$9,686	\$9,686

NP- 8 - Student Intern OBPP -

The Budget Office requests funding and FTE for student interns for summer work experience or legislative session work experience which would benefit both the office and the student.

Governors Office-3101 Coordinator Of Indian Affairs-05

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	2.00	0.00	0.00	2.00	0.00	0.00	2.00
Personal Services	118,228	16,227	0	134,455	16,288	0	134,516
Operating Expenses	16,202	1,355	0	17,557	1,816	0	18,018
Total Costs	\$134,430	\$17,582	\$0	\$152,012	\$18,104	\$0	\$152,534
General Fund	134,430	17,582	0	152,012	18,104	0	152,534
Total Funds	\$134,430	\$17,582	\$0	\$152,012	\$18,104	\$0	\$152,534

Governors Office-3101 Centralized Services Division-06

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	3.00	0.00	1.00	4.00	0.00	1.00	4.00
Personal Services	164,527	17,810	62,732	245,069	18,392	62,754	245,673
Operating Expenses	55,778	53,558	7,500	116,836	37,733	7,500	101,011
Total Costs	\$220,305	\$71,368	\$70,232	\$361,905	\$56,125	\$70,254	\$346,684
General Fund	220,305	71,368	70,232	361,905	56,125	70,254	346,684
Total Funds	\$220,305	\$71,368	\$70,232	\$361,905	\$56,125	\$70,254	\$346,684

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$17,100	\$17,100
FY 2009	\$35,800	\$35,800

PL- 2 - Computer Replacement -

This request for \$17,100 in FY 2008 and \$35,800 in FY 2009 general fund is for computer replacement in all programs of the Governor's Office in accordance with the state standard four year replacement cycle.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$70,232	\$70,232
FY 2009	\$70,254	\$70,254

NP- 4 - Additional IT Support for Governor's Office -

The Governor's Office has insufficient IT support for its operations in its current level budget. This request would add 1.00 FTE programmer/analyst position and approximately \$70,000 general fund each year to provide support to the office for multiple needs that are not being addressed, including: Web design, database design and maintenance for the Budget Office, support with templates for fiscal notes, bill status and financial impact tracking, and several other areas.

Governors Office-3101 Lieutenant Governor's Office-12

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	3.94	0.00	0.00	3.94	0.00	0.00	3.94
Personal Services	244,018	30,084	0	274,102	30,287	0	274,305
Operating Expenses	43,310	4,902	0	48,212	6,197	0	49,507
Total Costs	\$287,328	\$34,986	\$0	\$322,314	\$36,484	\$0	\$323,812
General Fund	287,328	34,986	0	322,314	36,484	0	323,812
Total Funds	\$287,328	\$34,986	\$0	\$322,314	\$36,484	\$0	\$323,812

Governors Office-3101 Citizens' Advocate Office-16

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	1.50	0.00	0.00	1.50	0.00	0.00	1.50
Personal Services	80,094	(3,267)	0	76,827	(3,229)	0	76,865
Operating Expenses	12,593	255	0	12,848	386	0	12,979
Total Costs	\$92,687	(\$3,012)	\$0	\$89,675	(\$2,843)	\$0	\$89,844
General Fund	72,229	(3,554)	0	68,675	(3,385)	0	68,844
State/Other Special	0	21,000	0	21,000	21,000	0	21,000
Federal Special	20,458	(20,458)	0	0	(20,458)	0	0
Total Funds	\$92,687	(\$3,012)	\$0	\$89,675	(\$2,843)	\$0	\$89,844

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 9 - Funding Switch from Federal to State Special Revenue-

In accordance with a Legislative Audit recommendation, activities performed by the Citizen's Advocate on behalf of the Department of Public Health & Human Services should be recorded in a state special revenue fund rather than a federal special revenue fund. This request implements the audit recommendation by changing \$21,000 annually from federal special to state special revenue.

Governors Office-3101 Mental Disabilities Bd Visitrs-20

Program Description - The Mental Disabilities Board of Visitors is charged with reviewing patient care at Montana's community mental health centers, and at the institutions for the mentally ill and the developmentally disabled. The board provides legal services for the residents at those institutions. The Governor appoints five board members who may be (but are not required to be) consumers, doctors of medicine, or behavioral scientists. The board employs administrative and legal staff and contracts with medical 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.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	5.00	0.00	0.00	5.00	0.00	0.00	5.00
Personal Services	244,034	36,105	0	280,139	37,056	0	281,090
Operating Expenses	70,457	1,869	0	72,326	2,541	0	72,998
Total Costs	\$314,491	\$37,974	\$0	\$352,465	\$39,597	\$0	\$354,088
General Fund	314,491	37,974	0	352,465	39,597	0	354,088
Total Funds	\$314,491	\$37,974	\$0	\$352,465	\$39,597	\$0	\$354,088

Secretary Of States Office-3201 Business & Government Services-01

Please note that this agency also contains proprietary funds (see section P).

Mission Statement - The Secretary of State's Office is committed to better positioning Montana for the future by embracing innovative ideas and technology to:

- Foster greater public confidence and participation in the electoral process
- Promote business activities by providing prompt and accurate service
- Act as the steward of state government records by educating agencies on the management and preservation of public documents
- Enhance the security of business transactions through the notary process
- Facilitate public participation in governmental rulemaking
- Provide easier access to information

Statutory Authority - Article VI, Section 1, Montana Constitution; 2-4-311-312, 2-6-203, and 2-15-401, MCA.

Program Description - The Secretary of State has one program with four divisions.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants	0	0	1,040,000	1,040,000	0	0	0
Total Costs	\$0	\$0	\$1,040,000	\$1,040,000	\$0	\$0	\$0
Federal Special	0	0	1,040,000	1,040,000	0	0	0
Total Funds	\$0	\$0	\$1,040,000	\$1,040,000	\$0	\$0	\$0

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,040,000	\$0
FY 2009	\$0	\$0

NP- 4 - Help America Vote Act-Biennial -

This request is for \$1,040,000 of federal authority for interest earned from the Help America Vote Act money. This is a biennial appropriation.

Commissioner Of Political Prac-3202 Administration-01

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

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

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

Program Indicators -

Indicator	Actual FY2004	Estimated FY2005	Requested FY2006	Requested FY2007	Requested FY2008	Requested FY2009
Lobbyists registered	914	800	800	800	600	600
Committees registered (all types)	643	800	600	600	600	600
Candidates registered (State, State District, and Local)	1320	1800	1400	1800	1400	1800
Official complaints filed	8	15	10	15	10	15

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	5.00	0.00	0.00	5.00	0.00	0.00	5.00
Personal Services	195,535	45,988	0	241,523	46,784	0	242,319
Operating Expenses	102,896	4,089	139,338	246,323	(1,804)	62,575	163,667
Total Costs	\$298,431	\$50,077	\$139,338	\$487,846	\$44,980	\$62,575	\$405,986
General Fund	298,431	50,077	139,338	487,846	44,980	62,575	405,986
Total Funds	\$298,431	\$50,077	\$139,338	\$487,846	\$44,980	\$62,575	\$405,986

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$123,338	\$123,338
FY 2009	\$46,575	\$46,575

NP- 1 - Campaign Filing, Lobbyist/Principal Systems OTO -

The Executive recommends implementation of a web-based candidate and lobbyist filing system designed to provide registration, access, and reporting via the Internet for candidate and lobbyist activities and public inquiry. Costs to the general fund for assessment, design, and project management are \$123,338 in FY 2008 and \$46,575 in FY 2009.

**Commissioner Of Political Prac-3202
Administration-01**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$16,000	\$16,000
FY 2009	\$16,000	\$16,000

NP- 2 - Auditing of campaign finance and lobbying reports -

This request is for \$16,000 general fund each year of the biennium for contracted services to conduct random audits of campaign finance and lobbying reports filed with the Commissioner of Political Practices Office.

State Auditors Office-3401

Mission Statement - The State Auditor is the Commissioner of Insurance and the Commissioner of Securities. The auditor also serves as a member of the Board of Land Commissioners and the Crop Hail Insurance Board. The auditor is charged with licensing, registering, and regulating insurance companies and producers, securities issuers, salespeople, broker-dealers, investment advisers, and investment adviser representative within the state.

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

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	76.50	1.00	0.00	77.50	1.00	0.00	77.50
Personal Services	3,422,314	595,933	0	4,018,247	608,353	0	4,030,667
Operating Expenses	2,659,003	2,637,833	0	5,296,836	2,627,736	0	5,286,739
Grants	573,215	0	250,958	824,173	0	352,399	925,614
Benefits & Claims	472,478	5,148,534	1,000,000	6,621,012	5,151,722	1,000,000	6,624,200
Total Costs	\$7,127,010	\$8,382,300	\$1,250,958	\$16,760,268	\$8,387,811	\$1,352,399	\$16,867,220
State/Other Special	7,127,010	8,382,300	1,250,958	16,760,268	8,387,811	1,352,399	16,867,220
Proprietary	0	0	0	0	0	0	0
Total Funds	\$7,127,010	\$8,382,300	\$1,250,958	\$16,760,268	\$8,387,811	\$1,352,399	\$16,867,220

State Auditors Office-3401 Central Management-01

Program Description - The Central Management Division is responsible for the administrative, personnel, budgeting, and accounting functions for the State Auditor's Office. The division also provides support to the auditor in fulfilling the duties as a member of the state land and hail insurance boards.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	10.00	0.00	0.00	10.00	0.00	0.00	10.00
Personal Services	445,440	107,787	0	553,227	109,541	0	554,981
Operating Expenses	79,957	10,192	0	90,149	5,218	0	85,175
Total Costs	\$525,397	\$117,979	\$0	\$643,376	\$114,759	\$0	\$640,156
State/Other Special	525,397	117,979	0	643,376	114,759	0	640,156
Total Funds	\$525,397	\$117,979	\$0	\$643,376	\$114,759	\$0	\$640,156

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,069	\$0
FY 2009	\$1,619	\$0

PL- 1 - Annual Rent Increase -

The budget includes \$1,069 in FY 2008 and \$1,619 in FY 2009 of state special revenue to fund a scheduled two percent rent increase based on a contract negotiated by Department of Administration.

State Auditors Office-3401 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. The Rates and Forms Bureau is responsible for reviewing form filings and rate filings to ensure compliance with the applicable insurance code. The Licensing Bureau is responsible for licensing and providing continuing education to insurance agents, agencies, and adjusters. The Investigations Bureau investigates insurance code and rule violations, including possible criminal violations, and refers cases to county attorneys for prosecution.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	53.50	1.00	0.00	54.50	1.00	0.00	54.50
Personal Services	2,455,413	381,666	0	2,837,079	390,981	0	2,846,394
Operating Expenses	2,466,305	2,555,627	0	5,021,932	2,554,991	0	5,021,296
Grants	573,215	0	250,958	824,173	0	352,399	925,614
Benefits & Claims	472,478	5,148,534	1,000,000	6,621,012	5,151,722	1,000,000	6,624,200
Total Costs	\$5,967,411	\$8,085,827	\$1,250,958	\$15,304,196	\$8,097,694	\$1,352,399	\$15,417,504
State/Other Special	5,967,411	8,085,827	1,250,958	15,304,196	8,097,694	1,352,399	15,417,504
Proprietary	0	0	0	0	0	0	0
Total Funds	\$5,967,411	\$8,085,827	\$1,250,958	\$15,304,196	\$8,097,694	\$1,352,399	\$15,417,504

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,175	\$0
FY 2009	\$9,355	\$0

PL- 1 - Annual Rent Increase -

Included in this budget is \$ 6,175 in FY 2008 and \$9,355 in FY 2009 of state special revenue to fund a scheduled two percent rent increase based on a contract negotiated by the Department of Administration.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$54,462	\$0
FY 2009	\$51,098	\$0

PL- 2 - Insure Montana FTE -

This budget request is for 1.00 FTE in the program to assist employers with the Insure Montana application process and to supplement other staff in the program with overall operational duties. Funding in FY 2008 is \$54,462 and FY 2009 is \$51,098 of state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,852	\$0
FY 2009	\$9,028	\$0

PL- 3 - Additional Office Space -

This budget request is for additional office space for the Insure Montana Program. Requested in FY 2008 is \$8,852 and in FY 2009 \$9,028 of state special revenue to cover rent expenses.

**State Auditors Office-3401
Insurance-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$42,844	\$0
FY 2009	\$39,525	\$0

PL- 4 - Licensing FTE -

The budget includes a request for 1.00 FTE to scan archived records and current records into a database for four bureaus in the Insurance Department. The request is for \$82,369 state special revenue for the 2009 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,433,218	\$0
FY 2009	\$7,436,406	\$0

PL- 5 - Insure Montana Annualization -

The Executive recommends \$7,433,219 in FY 2008 and \$7,436,406 in FY 2009 of state special revenue (HB 667, I-149 revenue) to bring the funding of this program to the Fiscal Year 2007 appropriated funding level.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$212,336	\$0
FY 2009	\$234,671	\$0

PL- 6 - Contract Examinations (RST) -

The Executive recommends an increase of \$212,336 in FY 2008 and \$234,671 in FY 2009 of state special revenue which will establish the restricted appropriation for Contract Exams. The budget is based on the examination schedule for the biennium. Insurance companies will reimburse the office for the examination expenses.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,958	\$0
FY 2009	\$352,399	\$0

NP- 101 - MCHA Additional Funding -

The Executive recommends additional funding for the Montana Comprehensive Health Association (MCHA) of \$250,958 in FY 2008 and \$352,399 in FY 2009 in state special revenue. MCHA provides health insurance to low-income Montanans deemed uninsurable due to medical conditions. This funding is derived from the state tobacco settlement payment distribution (I-146).

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,000,000	\$0
FY 2009	\$1,000,000	\$0

NP- 102 - Insure Montana Additional Funding -

The Executive proposes to increase funding for the Insure Montana program (HB 667 passed by the 2005 Legislature) by \$1,000,000 state special revenue in each year of the biennium. In accordance with 33-22-2008(2), MCA, the funding is split 60% for premium assistance and 40% for tax credits. Funding for this program comes from the I-149 tobacco tax.

Language Recommendations - "If the Department of Public Health and Human Services is successful in obtaining a Medicaid 1115 waiver for a premium incentive or premium assistance program, the State Auditor's Office shall confirm and agree with the Department of Public Health and Human Services an adequate amount of state special revenue to be transferred to the Department of Public Health and Human Services with the intent the transfer is to maximize the state special revenue that can be used to match federal Medicaid funds."

State Auditors Office-3401 Securities-04

Program Description - The Securities Division is responsible for the administration and enforcement of the Securities Act of Montana and, in particular, for the registration of securities issuers, salespeople, broker-dealers, investment advisers, and investment adviser representatives. The division also is responsible for the investigation of unregistered and fraudulent securities transactions. The division has sole jurisdiction for investment advisor firms with assets of under \$25 million. The Investigations Bureau investigates securities code and rule violations, including possible criminal violations, and refers cases to county attorneys for prosecution.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	13.00	0.00	0.00	13.00	0.00	0.00	13.00
Personal Services	521,461	106,480	0	627,941	107,831	0	629,292
Operating Expenses	112,741	72,014	0	184,755	67,527	0	180,268
Total Costs	\$634,202	\$178,494	\$0	\$812,696	\$175,358	\$0	\$809,560
State/Other Special	634,202	178,494	0	812,696	175,358	0	809,560
Total Funds	\$634,202	\$178,494	\$0	\$812,696	\$175,358	\$0	\$809,560

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,425	\$0
FY 2009	\$2,159	\$0

PL- 1 - Annual Rent Increase -

The budget includes an increase of \$1,425 in FY 2008 and \$2,159 in FY 2009 of state special revenue to fund a scheduled two percent rent increase.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$63,193	\$0
FY 2009	\$63,693	\$0

PL- 2 - Contract Examinations -

The Executive recommends the budget increase of \$63,193 in FY 2008 and \$63,693 in FY 2009 of state special revenue which establishes the restricted appropriation for Contract Exams. The budget is based on the examination schedule for the biennium. Costs of the examinations are offset by reimbursements from security firms.

Department Of Transportation-5401

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

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

Language - The following language is recommended for HB 2:

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

“All federal special revenue appropriations in the department are biennial.”

“All appropriations in the general operations, construction, maintenance, and transportation planning programs are biennial.”

All remaining federal pass-through grant appropriations for highway traffic safety, including reversions, for the 2007 biennium are authorized to continue and are appropriated in fiscal year 2008 and fiscal year 2009.”

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	2,238.56	(59.22)	7.00	2,186.34	(109.60)	7.00	2,135.96
Personal Services	113,361,139	16,643,422	368,194	130,372,755	14,582,187	368,599	128,311,925
Operating Expenses	335,018,576	28,706,471	1,293,638	365,018,685	30,458,351	2,285,498	367,762,425
Equipment	1,705,344	(221,804)	0	1,483,540	(56,804)	0	1,648,540
Capital Outlay	14,298,598	101,500	0	14,400,098	100,000	0	14,398,598
Local Assistance	382,400	0	0	382,400	0	0	382,400
Grants	10,418,174	1,788,664	7,051,169	19,258,007	480,664	7,771,805	18,670,643
Transfers	10,283	0	0	10,283	0	0	10,283
Debt Service	250	23,000	0	23,250	23,000	0	23,250
Total Costs	\$475,194,764	\$47,041,253	\$8,713,001	\$530,949,018	\$45,587,398	\$10,425,902	\$531,208,064
State/Other Special	233,537,178	(8,161,955)	1,791,866	227,167,089	(14,511,159)	1,942,083	220,968,102
Federal Special	241,657,586	55,203,208	6,921,135	303,781,929	60,098,557	8,483,819	310,239,962
Proprietary	0	0	0	0	0	0	0
Total Funds	\$475,194,764	\$47,041,253	\$8,713,001	\$530,949,018	\$45,587,398	\$10,425,902	\$531,208,064

Department Of Transportation-5401 General Operations Program-01

Program Description - The General Operations Program provides overall policy direction and management to the agency as well as administers motor fuel taxes and provides administrative support services for the department, including general administration and management; accounting and budgeting; public affairs; information technology services; human resources activities; compliance review; and goods and services procurement. The General Operations Program is authorized by 2-15-2501(3), MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	181.77	6.00	0.00	187.77	6.00	0.00	187.77
Personal Services	8,978,523	2,559,810	0	11,538,333	2,594,669	0	11,573,192
Operating Expenses	10,958,742	750,844	0	11,709,586	1,103,963	0	12,062,705
Equipment	394,152	(284,152)	0	110,000	(79,152)	0	315,000
Grants	75,000	0	0	75,000	0	0	75,000
Debt Service	250	0	0	250	0	0	250
Total Costs	\$20,406,667	\$3,026,502	\$0	\$23,433,169	\$3,619,480	\$0	\$24,026,147
State/Other Special	19,516,004	2,506,436	0	22,022,440	3,099,377	0	22,615,381
Federal Special	890,663	520,066	0	1,410,729	520,103	0	1,410,766
Total Funds	\$20,406,667	\$3,026,502	\$0	\$23,433,169	\$3,619,480	\$0	\$24,026,147

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$56,544	\$0
FY 2009	\$56,544	\$0

PL- 1101 - Overtime/Differential -

The Executive Budget includes \$56,544 highway state special revenue each year of the biennium to re-establish base year overtime and differential pay with associated benefits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$11,865	\$0
FY 2009	\$10,025	\$0

PL- 1102 - Equipment Rental -

The rate schedule, required in the budgeting process as a means of providing adequate revenue for the Equipment Program, computes an adjustment to the users of the equipment. The adjustment for the General Operations Program is for \$21,890 in highway state special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$540,238	\$0
FY 2009	\$540,238	\$0

PL- 1302 - Training Program -

The new transportation bill provides 100% reimbursement of training expenditures and does not restrict the level of investment. In order to take advantage of this increased flexibility in training, the department requests to consolidate base training amounts and to increase the spending level. This request is for \$1,080,476 of federal special revenue for the biennium, and is related to decision packages in the Construction, Motor Carrier Services, and Transportation Planning Divisions calling for reductions in training.

Department Of Transportation-5401 General Operations Program-01

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$51,000	\$0
FY 2009	\$0	\$0

PL- 1401 - Software Upgrade -

The department is requesting the investment of \$51,000 of highway state special revenue to enhance the Personal Services Budget Monitoring (PSBM) system to capture actual expenditures from SABHRS rather than from a payroll system internal to the agency.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,000	\$0
FY 2009	\$5,000	\$0

PL- 1403 - Reorganization Implementation -

The recent reorganization of the Administration Division established a new Chief Accountant position, whose duties will include technical oversight of the District Financial Officers. This request is for \$10,000 of highway state special revenue for the biennium for travel costs associated with this oversight.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$15,000	\$0
FY 2009	\$10,000	\$0

PL- 1407 - Motor Fuels System Enhancements -

The Distributor Processing System, the computer software used to collect, track, and report on motor fuel taxes received from distributors, is in need of several additional reports and enhancements. Also, the dyed fuel system requires several updates. This request is for \$25,000 in highway federal special revenue for the biennium to address these needs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$234,449	\$0
FY 2009	\$256,151	\$0

PL- 1502 - ACS Contract - Restricted -

The Executive Budget includes \$234,449 state special revenue in FY 2008 and \$256,151 state special revenue in FY 2009 for maintenance and improvements to various permitting, registration, and licensing systems in the Motor Carrier Services Program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$500,000)	\$0
FY 2009	(\$500,000)	\$0

PL- 1503 - Convert Modified FTE to Permanent -

This request asks for 6.00 FTE to replace contracted programmers used on a variety of IT projects and systems in the department. This will require \$433,600 per year in Highway State Special Revenue, but will result in a cost savings in contracted services. The net effect is a reduction of \$1,000,000 in highway state special revenue for the biennium.

Department Of Transportation-5401 General Operations Program-01

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$173,003)	\$0
FY 2009	(\$173,003)	\$0

PL- 1508 - IT Cost Reductions -

The budget includes a reduction of \$346,006 state special revenue for the biennium. The reduction is due to a decreased dependence on the mainframe computer as well as the Department of Administration providing certain IT connectivity in it's rate structure that was formerly paid for directly by the department.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$79,789)	\$0
FY 2009	\$540,911	\$0

PL- 1509 - IT Equipment Replacement -

In the second year of the biennium, the department's Information Services Division anticipates a need to begin replacing some of it's more expensive video equipment, as well as replacing more desktop units than were replaced in the base year. This request is for \$461,122 of highway state special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$97,220)	\$0
FY 2009	(\$107,220)	\$0

PL- 1510 - Software Cost Reduction -

Base year expenditures included a major software rollout that will not be repeated in the coming biennium. In addition, some software costs that have historically been paid directly by the agency are now being included in the desktop rate charged by the Department of Administration. This request is for a net reduction of \$204,440 in highway state special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$18,760)	\$0
FY 2009	(\$18,760)	\$0

PL- 1511 - Print Shop Reduction -

The department's print shop has recently consolidated some of its major equipment, resulting in a cost savings. This request is for a net reduction of \$37,520 in highway state special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$155,642	\$0
FY 2009	\$163,940	\$0

PL- 1512 - IT Maintenance Costs -

New equipment and applications are continually being implemented throughout the department. Once online, these tools require maintenance in one form or another. Since many of these items were not online for the full year, the total cost to maintain them is not included in the base. This request is for \$319,582 in highway state special revenue for the biennium to annualize and cover the cost of these maintenance agreements.

Department Of Transportation-5401 Construction Program-02

Program Description - The Construction Program is responsible for construction project planning and development from the time a project is included in the long-range work plan through the actual construction. Program responsibilities include such tasks as design, accessing environmental issues, writing documents, obtaining permits, right-of-way acquisitions, issuing contract bids, awarding contracts, and administering construction contracts. Contract administration is the documentation, inspection, and testing of highway construction materials from the time the contract is awarded to a private contractor until the project is completed and the work is approved. The program also provides traffic improvement and educational programs to promote public safety, health, and welfare. The Construction Program is mandated by 2-15-2501(1), MCA; Title 60, MCA; and 23 USC 116.

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Percentage of all projects with a certificate of completion within 180 days of finishing the construction	N/A	N/A	N/A	N/A	75.0%	75.0%
85% of projects planned for the fiscal year are ready for contract	98.1%	67.0%	77.9%	85.0%	85.0%	85.0%
Maintain statewide average construction engineering costs under 10% of total contract costs	9.0%	9.4%	9.4%	8.5%	10.0%	10.0%
Maintain statewide final costs under 7% above award amount	3.3%	7.3%	3.9%	3.0%	7.0%	7.0%

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	1,105.52	(71.72)	1.00	1,034.80	(122.10)	1.00	984.42
Personal Services	57,034,086	7,117,641	58,769	64,210,496	4,610,721	58,839	61,703,646
Operating Expenses	260,631,173	22,385,859	440,944	283,457,976	26,353,250	440,944	287,425,367
Equipment	1,027,634	0	0	1,027,634	0	0	1,027,634
Capital Outlay	14,294,241	0	0	14,294,241	0	0	14,294,241
Local Assistance	382,400	0	0	382,400	0	0	382,400
Grants	4,917,935	0	500,000	5,417,935	0	500,000	5,417,935
Total Costs	\$338,287,469	\$29,503,500	\$999,713	\$368,790,682	\$30,963,971	\$999,783	\$370,251,223
State/Other Special	113,075,193	(22,441,868)	208,040	90,841,365	(27,951,220)	208,055	85,332,028
Federal Special	225,212,276	51,945,368	791,673	277,949,317	58,915,191	791,728	284,919,195
Total Funds	\$338,287,469	\$29,503,500	\$999,713	\$368,790,682	\$30,963,971	\$999,783	\$370,251,223

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$32,867,832	\$0
FY 2009	\$37,867,832	\$0

PL- 201 - Contractor Payments/Federal Aid Construction Prog -

The contractor payment request is computed by using the last balanced Tentative Construction Plan, which indicates when various projects will be let and the type of work to be completed. This data is entered into the Project Cost Scheduling (PCS) system, which uses information such as let dates, type of work, and other criteria to estimate when and at what level payments will be made for future years. The biennial request is for \$9,448,128 in highway state special revenue and \$61,287,536 in federal special revenue for a total of \$70,735,664.

Department Of Transportation-5401 Construction Program-02

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$11,267,261)	\$0
FY 2009	(\$11,267,261)	\$0

PL- 202 - Contractor Payments/State Construction Program -

The Executive recommends a reduction in budget authority of \$11,267,261 in each fiscal year to adjust for the maintenance of effort level in the state funded construction program and account for the new way in which the department accounts for it's indirect costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$3,097,093)	\$0
FY 2009	(\$6,444,103)	\$0

PL- 203 - Construction Management FTE Adjustments -

This request is a reduction for Construction Management FTE of 78.72 FTE in FY 2008 and 129.10 in FY 2009. The reduction is projected based upon the Tentative Construction Plan (TCP) for the 2009 biennium. In addition, this request includes an increase of 7.00 FTE in each year as a result the of the new SAFETEA-LU requirements. The overall reduction will be 71.72 FTE in FY 2008 and 122.10 FTE in FY 2009. The department requests a reduction of \$4,173,256 in highway state special revenue and a reduction of \$5,367,940 in federal special revenue for the 2009 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,308,782	\$0
FY 2009	\$4,308,782	\$0

PL- 208 - Overtime/Differential -

The Executive Budget includes \$4,308,782 highway state special and federal special revenue each year of the biennium to re-establish base year overtime and differential pay with associated benefits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$627,045	\$0
FY 2009	\$502,969	\$0

PL- 209 - Equipment Rental -

The user provider schedule, required in the budgeting process as a means of providing adequate revenue for the Equipment Program, computes an adjustment to the users of the equipment. The adjustment for the Construction Program is for highway state special revenue of \$204,219 and \$925,795 of federal special revenue for a total biennial request of \$1,130,014.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$481,817)	\$0
FY 2009	(\$831,817)	\$0

PL- 210 - Program Reductions -

The Program Reductions decision package includes items that were a one-time-only expense in the base year. These expenditures consists of hook-up costs for the poly com system, remodels, snooper truck rentals, and various other items. The reduction is \$233,474 state special revenue and \$1,080,160 federal special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$251,879)	\$0
FY 2009	(\$251,879)	\$0

PL- 211 - Training Reductions -

The Training Reductions decision package will reduce training expenditures in the Construction program in order for training to be funded with 100% federal dollars in the General Services Program. This biennial reduction for highway state special revenue is \$503,758.

**Department Of Transportation-5401
Construction Program-02**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$999,713	\$0
FY 2009	\$999,783	\$0

NP- 207 - Highway Traffic Safety Section-408 - OTO -

Provisions of SAFETEA-LU make funding available for critically needed highway traffic safety data collection and systems improvements. The Highway Traffic Safety Office qualifies for this funding beginning in 2006 and ending in 2009. This request is to bring in a consultant to design a workflow that would allow the department to be linked to other departments and systems. This will provide better identification of safety problems, trends in crash patterns, components of highway infrastructure that produce unsafe conditions, and other significant safety concerns. The biennial request in highway state special revenue is \$416,095 and \$1,583,401 in federal special revenue for a total request of \$1,999,496.

Department Of Transportation-5401 Maintenance Program-03

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

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Miles of road plowed during Winter Maintenance	3,219,508	2,339,000	2,737,504	2,700,000	2,700,000	2,700,000
Square yards of chip seal on Montana highways	3,358,928	3,478,000	2,334,724	2,250,000	2,000,000	2,000,000
Miles of 4" stripes applied to Montana highways	18,875	11,932	12,476	12,000	12,000	12,000

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	760.17	6.50	0.00	766.67	6.50	0.00	766.67
Personal Services	38,986,900	5,148,458	0	44,135,358	5,524,328	0	44,511,228
Operating Expenses	61,180,268	1,586,833	183,894	62,950,995	1,004,260	189,764	62,374,292
Equipment	252,673	40,000	0	292,673	0	0	252,673
Capital Outlay	4,357	101,500	0	105,857	100,000	0	104,357
Total Costs	\$100,424,198	\$6,876,791	\$183,894	\$107,484,883	\$6,628,588	\$189,764	\$107,242,550
State/Other Special	93,411,584	6,546,567	183,894	100,142,045	6,298,364	189,764	99,899,712
Federal Special	7,012,614	330,224	0	7,342,838	330,224	0	7,342,838
Total Funds	\$100,424,198	\$6,876,791	\$183,894	\$107,484,883	\$6,628,588	\$189,764	\$107,242,550

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$618,280	\$0
FY 2009	\$608,072	\$0

PL- 301 - Additional Secondary Roads -

SB 333, passed by the 1999 Legislature, made the Department of Transportation responsible for the maintenance of eligible paved secondary roads as of January 1, 2001. Each year, many secondary roads are upgraded from gravel roads to paved roads. As roads meet eligibility requirements and are approved for funding by the Legislature, they become the responsibility of MDT to maintain. Over 92 lane miles of additional secondary roads are projected to become eligible in the 2009 biennium. This request includes 6.50 FTE to meet the routine maintenance levels for these additional lane miles. The biennial adjustment is \$1,226,352 of highway state special revenue

Department Of Transportation-5401 Maintenance Program-03

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$127,710	\$0
FY 2009	\$127,710	\$0

PL- 305 - Communications Replacements -

The Executive Budget includes \$255,420 state special revenue for the biennium to continue with the department's upgrade and replacement cycle of radio equipment. Radio equipment owned by the department is 8 - 20 years old and does not comply with interoperability requirements and is no longer supported by the manufacturer. Replacement equipment will meet all state requirements.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$69,803	\$0
FY 2009	\$69,803	\$0

PL- 307 - Contracted Maintenance -

The contracts have proven to be beneficial for both parties and the cities have requested an increase in funding to cover increased operational and labor costs. In addition, NorthWestern Energy contracts to replace and perform routine maintenance on street luminary lighting. There are currently 4,810 lights under contract located in Butte, Bozeman, Missoula, Billings, and Great Falls. The biennial adjustment is \$139,606 highway state special revenue. The Department of Transportation has contracted with the cities of Billings and Missoula to perform maintenance on DOT roadways within the city limits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$100,000	\$0
FY 2009	\$100,000	\$0

PL- 308 - Land Purchases -

The budget includes \$200,000 state special revenue for the biennium to purchase land for stockpile sites and facility sites statewide in the Long Range Building Program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,054,453	\$0
FY 2009	\$2,054,453	\$0

PL- 313 - Overtime/Differential -

The Executive Budget includes \$4,108,906 highway state special revenue each year of the biennium to re-establish base year overtime and differential pay with associated benefits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,329,455	\$0
FY 2009	\$2,670,635	\$0

PL- 314 - Equipment Rental -

The user provider schedule, required in the budgeting process as a means of providing adequate revenue for the Equipment Program, computes an adjustment to the users of the equipment. The biennial adjustment for the Maintenance Program is \$6,000,090 of highway state special revenue.

Department Of Transportation-5401 Maintenance Program-03

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,112,507	\$0
FY 2009	\$1,112,507	\$0

PL- 315 - Pavement Markings -

Pavement markings are painted centerlines, edge lines, crosswalks, and special messages that are applied by contractors or MDT Maintenance Sections. The program under spent the base pavement markings budget of \$7 million annually due to weather delays and problems with product delivery. The biennial adjustment is \$493,944 highway state special revenue and \$1,731,070 federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$77,328	\$0
FY 2009	\$77,328	\$0

PL- 316 - RWIS System Maintenance -

The MDT Roadway Weather Information System (RWIS) consists of a variety of weather monitoring equipment, including web cameras, located throughout Montana on state maintained highways. This system is integral to a number of functions within the department. The department request \$154,656 state special revenue for the biennium to maintain and upgrade existing equipment as well as purchase additional equipment.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$236,015	\$0
FY 2009	\$236,015	\$0

PL- 317 - Noxious Weed Control -

The Maintenance Program under spent the base noxious weed control budget due to weather delays. Counties could not complete weed spraying due to rainy weather. This biennial adjustment is \$472,030 highway state special revenue will restore the historical level of weed control funding to \$1.3 million annually.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$52,328	\$0
FY 2009	\$52,328	\$0

PL- 318 - Travelers Information Program -

The department's 511 Travelers Information Program has become increasingly popular with the public. The program is gaining importance for the safety of those who travel the state's highways. The program is requesting funds to maintain the 511 programs information delivery level and for the anticipated levels of future information delivery. Calls for information continue to increase and the program will bring Glacier Park online in the next biennium. The biennial adjustment is \$104,656 federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$4,000,000)	\$0
FY 2009	(\$4,000,000)	\$0

PL- 319 - State Special Revenue Funding Reduction -

In order to bring the base budget back into alignment with projected needs, the budget for the Maintenance Division has been reduced by \$4,000,000. This decrease does not represent a reduction in services.

**Department Of Transportation-5401
Maintenance Program-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$45,692	\$0
FY 2009	\$45,692	\$0

PL- 320 - Training -

To maintain job related training for the Maintenance Academy, the Maintenance Management Mentoring Program, and training on diagnostic equipment, the department requests a biennial adjustment of \$91,384 highway state special revenue. The program under spent the base contracted training budget due to scheduling conflicts with the training providers.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$183,894	\$0
FY 2009	\$189,764	\$0

NP- 306 - Facility Costs -

Leasing additional space near the MDT headquarters will ease current space issues and improve the working environment for MDT employees. Costs include rental, utilities, supplies and materials, and repair and maintenance costs. The contract contains a built-in escalation clause of 5% for each year. The biennial adjustment is \$373,658 highway state special revenue.

Department Of Transportation-5401 Motor Carrier Services Div.-22

Program Description - The Motor Carrier Services (MCS) Division administers Montana's commercial motor carrier size, weight, safety, registration, and dyed fuel enforcement programs. The Licensing & Permitting Bureau registers interstate commercial vehicles, issues oversize/overweight permits, and collects and distributes fees and taxes. The Enforcement Bureau enforces state and federal commercial motor carrier laws and regulations and operates Montana's statewide network of weigh stations and mobile enforcement officers. The Motor Carrier Safety Assistance Program (MCSAP) conducts commercial motor carrier Safety Compliance Reviews and Safety Audits. The Motor Carrier Services Program is mandated by Title 61, Chapter 9, MCA.

Program Indicators -

Indicator	Actual FY 2004	Actual FY 2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Contacts	144,778	145,642	149,722	**147,385	**148,052	**148,621
Trucks weighed*						
Platform & Portable	445,110	420,111	376,298	413,840	403,416	397,851
WIM *	172,132	202,073	276,902	331,553	348,131	365,537
Total Weights	617,242	622,184	653,200	745,393	751,547	763,388

*Trucks weighed: Trucks are weighed on platform scales, portable scales and electronic weigh-in-motion (WIM) scales.

* WIM Weights are collected at the following locations:
 Culbertson Weigh Station beginning July 1998.
 Lima Weigh Station beginning January 1999
 Mossmain (Billings) Weigh Station beginning January 2000
 Armington Junction Weigh Station beginning July 2001
 Rocker (Butte) Weigh Station beginning February 2006

The State of Wyoming is anticipating that the Dietz Joint Port of Entry Weigh Station will become operational late in 2007. MCS program indicators will include Dietz information at that time.

**The MCSAP program was transferred to MDT October 1, 2005 with the first full State Fiscal Year (SFY) being 2007. The contacts information was modified in SFY 2007 to include compliance reviews, safety audits, and MCSAP safety inspections. SFY 2008 and 2009 have been increased to include those expectations.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	123.00	0.00	0.00	123.00	0.00	0.00	123.00
Personal Services	5,001,461	1,056,117	0	6,057,578	1,080,703	0	6,082,164
Operating Expenses	1,506,769	882,349	0	2,389,118	876,227	979,990	3,362,986
Equipment	0	22,348	0	22,348	22,348	0	22,348
Total Costs	\$6,508,230	\$1,960,814	\$0	\$8,469,044	\$1,979,278	\$979,990	\$9,467,498
State/Other Special	5,201,642	1,606,338	0	6,807,980	1,624,668	0	6,826,310
Federal Special	1,306,588	354,476	0	1,661,064	354,610	979,990	2,641,188
Total Funds	\$6,508,230	\$1,960,814	\$0	\$8,469,044	\$1,979,278	\$979,990	\$9,467,498

**Department Of Transportation-5401
Motor Carrier Services Div.-22**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$191,166	\$0
FY 2009	\$191,166	\$0

PL- 2201 - MCSAP Grants -

The Motor Carrier Safety Assistance Program (MCSAP) was transferred from the Department of Justice to the Department of Transportation effective October 1, 2005. Additional federal special revenue authority in the amount of \$382,332 for the biennium is required to annualize the MCSAP program and cover the projected available federal funds for the program

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$550,750	\$0
FY 2009	\$550,750	\$0

PL- 2203 - Dietz Joint Port -

Montana and Wyoming have developed a "joint" port-of-entry weigh station facility located between Sheridan, Wyoming and the Montana border on Interstate 90. The new facility services north and southbound traffic. The facility is staffed with Wyoming officers who enforce Montana commercial vehicle laws on Montana's behalf. In return, Montana will pay one half of the salaries of the Wyoming officers assigned to the facility, through a contracted services agreement. Montana will also pay a portion of facility costs, including utilities, winter maintenance, communications, etc. State special revenue of \$1,101,500 is required for the contract.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$97,095	\$0
FY 2009	\$97,095	\$0

PL- 2206 - Overtime/Differential -

The Executive Budget includes \$83,502 highway state special revenue and \$13,593 federal special revenue each year of the biennium for overtime and differential pay with associated benefits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$41,249	\$0
FY 2009	\$33,087	\$0

PL- 2207 - Equipment Rental -

The user provider schedule, required in the budgeting process as a means of providing adequate revenue for the Equipment Program, computes an adjustment to the users of the equipment. This adjustment for the Motor Carrier Services Division is \$74,336 state special revenue for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$18,000	\$0
FY 2009	\$18,000	\$0

PL- 2208 - Credit Card Fee Increase -

This request reflects higher fees incurred for credit card payments related to the increased use of the online permitting system. Motor Carrier Services anticipates credit card use will continue to grow. This biennial request is for \$36,000 of state special revenue to cover the projected increase in credit card fees.

**Department Of Transportation-5401
Motor Carrier Services Div.-22**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$53,986	\$0
FY 2009	\$53,986	\$0

PL- 2209 - Enforcement Capital Purchases -

Motor Carrier Services anticipates the necessity to purchase enforcement equipment in the next biennium. Estimates for the equipment are \$53,986 state special revenue annually.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,600	\$0
FY 2009	\$4,600	\$0

PL- 2210 - IRP Dues Increase -

Dues for participation in the International Registration Plan (IRP) are projected to increase \$4,600 from the \$53,745 base level expenditures. This biennial request is for \$9,200 of state special revenue for the increased dues.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,250	\$0
FY 2009	\$7,250	\$0

PL- 2211 - Pilot Move Trailer -

Beginning in FY 2007 and into the 2009 biennium, the Motor Carrier Services division will deploy a new Pilot Move Trailer that will function as a mobile weigh station in various locations throughout the state. This package is requested in order to pay the rental rates to the Equipment Program for the Pilot Move Trailer and a pickup truck needed to pull the trailer. This biennial request is for \$14,500 of state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$37,365	\$0
FY 2009	\$37,365	\$0

PL- 2212 - Officer Clothing Allowance -

The department proposes to increase the Motor Carrier Services enforcement officer clothing allowance from the current \$60.50 to \$90.50. This request will update the allowance to be more in line with current apparel costs, including alterations. The clothing allowance has not been raised since 1994. This biennial request is for \$74,730 of state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$7,650)	\$0
FY 2009	(\$7,650)	\$0

PL- 2213 - Training Reduction -

This requests reduces training expenditures in the Motor Carrier Services Division in order to consolidate all training authority in the General Services Division in order to utilize federal training funds. This package requests a reduction of \$15,300 in highway state special revenue for the biennium.

**Department Of Transportation-5401
Motor Carrier Services Div.-22**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$979,990	\$0

NP- 2204 - Unified Carrier Registration -

SAFETEA-LU eliminates the Single State Registration System (SSRS) effective January 1, 2007 and requires participating states to implement the Uniform Carrier Registration (UCR) program. States will receive UCR revenue equal to the revenue previously derived from SSRS, which must be used to fund commercial motor carrier safety activities administered through the state's MCSAP. The agency plans to implement the UCR on July 1, 2008, at which point MCSAP will receive an additional federal funding annually, which will require federal spending authority. This request is for \$979,990 in federal special revenue in FY 2009.

Department Of Transportation-5401 Aeronautics Program-40

Please note that this program also contains proprietary funds (see section P).

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

The division serves in a liaison capacity between the State of Montana and various entities including the U.S. Department of Transportation, the Federal Aviation Administration (FAA), and other federal and state entities. The division also is responsible for operation of the air carrier airport at West Yellowstone and for 14 other state-owned airports. Montana Aeronautics Division is authorized by 2-15-2501(2), MCA; Title 67, MCA; and various federal laws.

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Pilots registered	1,840	1,860	1,880	1,890	1,900	1,910
Aircraft registered	3,393	3,395	3,395	3,395	3,600	3,600
Search and Rescue incidences	80	95	95	95	95	95
Loans administered	14	18	20	22	15	15
Grants distributed	34	43	50	58	35	40

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	9.00	0.00	0.00	9.00	0.00	0.00	9.00
Personal Services	503,302	70,942	0	574,244	72,770	0	576,072
Operating Expenses	(785,005)	3,072,619	0	2,287,614	1,097,766	0	312,761
Equipment	12,800	0	0	12,800	0	0	12,800
Grants	602,310	1,105,690	0	1,708,000	(202,310)	0	400,000
Transfers	10,283	0	0	10,283	0	0	10,283
Debt Service	0	23,000	0	23,000	23,000	0	23,000
Total Costs	\$343,690	\$4,272,251	\$0	\$4,615,941	\$991,226	\$0	\$1,334,916
State/Other Special	279,805	2,329,179	0	2,608,984	1,020,882	0	1,300,687
Federal Special	63,885	1,943,072	0	2,006,957	(29,656)	0	34,229
Proprietary	0	0	0	0	0	0	0
Total Funds	\$343,690	\$4,272,251	\$0	\$4,615,941	\$991,226	\$0	\$1,334,916

Department Of Transportation-5401 Aeronautics Program-40

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$315,000	\$0
FY 2009	\$0	\$0

PL- 4004 - Lincoln Airport Development -

Lincoln Airport (S69) is a large, community airport serving the town and surrounding community near Lincoln, Montana. S69 is a National Plan of Integrated Airport Systems (NPIAS) airport, and receives up to \$150,000 in 95% share entitlement monies from the FAA each year. Current master planning, airport layout planning, safety, and economic needs necessitate the further development of the airport's airside facilities. The biennial cost is \$300,000 of aeronautics division federal special revenue funds which has a 5% match of \$15,000 of aeronautics division state special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,274	\$0
FY 2009	\$5,274	\$0

PL- 4005 - Overtime/Differential -

This request is to reestablish base year overtime and differential pay with associated benefits. The biennial cost is \$10,548 of aeronautics division state special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$23,692	\$0
FY 2009	\$48,599	\$0

PL- 4006 - Program/Service Cost Adjustments -

This package encompasses the needs required to maintain the operations of the Aeronautics program and its services. This package includes a wide range of small increases netting \$23,692 in operating expenses for FY 2008 and \$48,599 in FY 2009. Funding is aeronautics division state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$23,000	\$0
FY 2009	\$23,000	\$0

PL- 4007 - Aircraft Loan -

The aircraft loan package will cover costs associated with the principle and interest on the loan which was used to purchase their new aircraft in FY 2006. Since the aircraft was purchased in the base year FY 2006, the first loan payment will take place in FY 2007 and therefore was not included in base year expenditures. The biennial cost is \$46,000 of aeronautics division state special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$705,690	\$0
FY 2009	(\$602,310)	\$0

PL- 4010 - Biennial Appropriation Adjustments -

This request includes adjustments to both years of the biennium to create biennial appropriations for the Aeronautics Division's programs including Airport Courtesy Cars and Pavement Preservation. This package also encompasses the estimated revenue collected from the aviation fuel tax. The biennial costs for this package are \$34,606 of aeronautics grant funds, a reduction of \$5,600 in aeronautics division state special revenue funds, and \$74,374 of airport preservation funds.

Department Of Transportation-5401 Aeronautics Program-40

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$260,410	\$0
FY 2009	(\$39,590)	\$0

PL- 4011 - Statewide Plan Update -

The update of the system plan is a cooperative effort of the Aeronautics Division and the Federal Aviation Administration. This report is intended to identify the current resources and trends in the state's aviation system. This request has a biennial cost of \$11,040 of aeronautics division state special revenue, and \$209,780 of aeronautics division federal special revenue. The biennial request covers the expected costs associated with the FAA grant and contract.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,387,750	\$0
FY 2009	\$0	\$0

PL- 4012 - Federal Portion of Proprietary -

This package includes the federal match portion of the West Yellowstone Airport proprietary program. This package includes the match on FAA Entitlement, West Yellowstone wildlife fence, and the West Yellowstone Apron expansion. The biennial cost of this package is \$1,387,750 of aeronautics division federal special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,090,947	\$0
FY 2009	\$1,090,947	\$0

PL- 4013 - Accounting Adjustment -

Due to a timing issue at fiscal year end, federal reimbursements from the Federal Aviation Administration but not state expenditures were captured in the base budget. This request restores base budget authority of \$1,090,947 state special revenue each year to correctly budget and account for airport projects.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$400,000	\$0
FY 2009	\$400,000	\$0

PL- 4014 - Aeronautic Loans -

The Montana State Constitution requires that all monies leaving the state treasury be tied to a specific appropriation. The Aeronautics Loan Program within the Aeronautics Division historically had transactions coded directly to an account without hitting a specific appropriation. This request establishes authority for the Aeronautics Loan Program to fulfill Montana State Constitutional requirements. The biennial amount for this package is \$800,000 in aeronautic loan funds.

Department Of Transportation-5401 Transportation Planning Divisi-50

Program Description - The Transportation Planning Division provides: 1) a continuous statewide multimodal transportation planning process used to allocate highway program resources to ensure highway system performance goals are maintained and federal-aid highway and transit grant eligibility is maintained within the federal surface transportation programs; 2) an inventory of transportation infrastructure for the allocation of state fuel taxes to local governments; 3) support for the state's comprehensive statewide highway safety plan including technical analysis, performance tracking and coordination with multiple administrative agencies and jurisdictions; 4) the point of contact for MDT for major developers seeking access onto the state's highway system; 5) mapping functions to aid in the publication of the state tourist map and geo-spatial infrastructure inventories; 6) transportation planning and programming assistance to metropolitan and urban areas; and 7) responses to legislative or regulatory actions necessitating representation before courts, congressional hearings, the US DOT, the Surface Transportation Board, and others. This planning results in a program of projects which includes street highway and bridge improvements, buses for transit systems, railroad track rehabilitation, safe routes to school awards, transportation enhancements for non-motorized use and beautification improvements. The division is authorized by Title 7, Chapter 14-102, Title 15, chapter 70-101, Title 60, Chapters 3 & 11, and Title 61, Chapter 2, part 1, MCA. Federal titles are Title 23 USC Sections 134, 135, and 148(a) (6); Title 49 USC Sections 5310, 5311, and 5307 and SAFETEA-LU Sections 1404, 3018, and 3019.

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Federal aid resources for Montana which lapsed and were made available to other states	0%	0%	0%	0%	0%	0%
High priority goals and objectives in the DOT long-range plan which progressed significantly or were completed	96%	95%	96%	95%	95%	95%

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	59.10	0.00	6.00	65.10	0.00	6.00	65.10
Personal Services	2,856,867	690,454	309,425	3,856,746	698,996	309,760	3,865,623
Operating Expenses	1,526,629	27,967	668,800	2,223,396	22,885	674,800	2,224,314
Equipment	18,085	0	0	18,085	0	0	18,085
Grants	4,822,929	682,974	6,551,169	12,057,072	682,974	7,271,805	12,777,708
Total Costs	\$9,224,510	\$1,401,395	\$7,529,394	\$18,155,299	\$1,404,855	\$8,256,365	\$18,885,730
State/Other Special	2,052,950	1,291,393	1,399,932	4,744,275	1,396,770	1,544,264	4,993,984
Federal Special	7,171,560	110,002	6,129,462	13,411,024	8,085	6,712,101	13,891,746
Total Funds	\$9,224,510	\$1,401,395	\$7,529,394	\$18,155,299	\$1,404,855	\$8,256,365	\$18,885,730

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$23,239	\$0
FY 2009	\$23,239	\$0

PL- 5002 - Overtime/Differential -

The Executive Budget includes \$12,660 highway state special revenue and \$33,818 highway federal special revenue each year of the biennium to re-establish base year overtime and differential pay with associated benefits.

Department Of Transportation-5401 Transportation Planning Divisi-50

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$27,233	\$0
FY 2009	\$21,846	\$0

PL- 5003 - Equipment Rental -

The user provider schedule, required in the budgeting process as a means of providing adequate revenue for the Equipment Program, computes an adjustment to the users of the equipment. The biennial cost of the adjustment for the Transportation Planning Division is \$14,501 of highway state special revenue and \$34,578 of highway federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$381,988	\$0
FY 2009	\$381,988	\$0

PL- 5007 - State Transit Assistance -

The Executive recommends state special revenue authority of \$381,988 each year of the biennium for the senior citizen transportation assistance program, funded by a percentage of fees collected on vehicle licenses. The appropriation would allow the department to fully expend the funds collected from the revenue source for the purposes described in statute.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$330,986	\$0
FY 2009	\$330,986	\$0

PL- 5008 - Statewide Urban Planning Update -

SAFETEA-LU has increased requirements for transportation planning and programming. All updates to metropolitan and small urban transportation plans must be in compliance with these new requirements. Urban and metropolitan transportation plans are updated cooperatively with local governments through a continuous, coordinated, and comprehensive transportation planning process. This compliance requires a biennial cost of \$148,602 in highway state special revenue, and \$513,370 in highway federal special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$31,178)	\$0
FY 2009	(\$31,178)	\$0

PL- 5009 - Training Reduction -

This package will reduce training expenditures in the Transportation Planning program in order for training to be funded with 100% Federal dollars in the General Operations Division. This biennial reduction is for \$62,356 of highway state special revenue.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$238,279	\$0
FY 2009	\$238,490	\$0

NP- 5001 - Rail, Transit & Planning FTE -

In accordance with SAFETEA-LU, all updates to statewide transportation plans must be in compliance with new requirements. If requirements are not met, the Federal Highway Administration and Federal Transit Administration will not approve the Statewide Transportation Improvement Program or STIP. The department requests 4.00 FTE to meet these requirements at a biennial cost of \$95,354 of highway state special revenue and \$381,415 of highway federal special revenue.

Department Of Transportation-5401 Transportation Planning Divisi-50

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$500,000	\$0
FY 2009	\$500,000	\$0

NP- 5004 - Corridor Studies -

A significant area of linkage required by SAFETEA-LU is the coordination of transportation planning products with National Environmental Policy Act (NEPA) requirements. The Federal Highway Administration within its proposed rule for implementing SAFETEA-LU explicitly hopes to “change the culture” by using decisions made at the transportation planning stage within later environmental review processes. The biennial amount for this package includes \$200,000 in state special revenue and \$800,000 in federal special revenue to implement this requirement of the federal legislation.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,372,115	\$0
FY 2009	\$7,092,875	\$0

NP- 5005 - Passage of SAFETEA-LU Act FTA -

Due to the significant increase in state managed transit funding Montana received in SAFETEA-LU, the department requests 2.00 FTE and \$2,648,842 in FTA local match, \$10,574,132 in FTA grants, and \$242,016 in highway federal special revenue for the 2009 biennium. Montana’s share of the General Rural Public transit program increased 239%, while the transit program for Elderly and Disabled increased 13% to 26%. The request also includes spending authority for two new SAFETEA-LU programs: New Freedoms and Job Access and Reverse Commute.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$419,000	\$0
FY 2009	\$425,000	\$0

NP- 5006 - Safe Routes to School -

The department requests funding to implement the mandatory coordinator and behavioral grants provisions of the Safe Routes to School program as enacted in SAFETEA-LU. This program apportions \$1 million annually to Montana for a program to encourage elementary and middle school students to walk and bike to school. Up to 30% of this program is to be allocated to training, education, marketing, assessments, and behavioral components while the remainder will be allocated to infrastructure. The biennial costs of this request are \$844,000 of federal special revenue.

Department Of Revenue-5801

Please note that this agency also contains proprietary funds (see section P).

Mission Statement - The Department of Revenue through a competent, diverse workforce committed to success:

- Provides effective and responsive service to citizens, businesses and nonresidents who participate in Montana's economy,
- Expands cooperation of citizens in making the tax system that they own work well,
- Supports equity and integrity in taxation through effective and uniform enforcement, while protecting taxpayer rights and thanking those citizens and businesses paying their fair share of taxes,
- Protects the public health, safety and order in the administration of liquor laws,
- Advises, based on sound study and analysis, the Governor, legislature and the public on tax issues, and
- Cooperates, consistent with its statutory role and responsibilities, with public officials and agencies in local, state, tribal and federal governments to achieve the public good.

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

Reorganization - In FY 2006 the Department of Revenue reorganized its structure. The Customer Service Division was eliminated and the functions were distributed among the remaining divisions in the department. The Liquor Control Division was established to include both liquor distribution and liquor licensing. This reorganization was completed to improve the effectiveness and efficiency of each of the individual divisions. The functions of each division are described in detail under the applicable program.

Language Recommendations - "There is appropriated up to \$1 million general fund to the Department of Revenue to fund major litigation expenses related to protests of centrally assessed property taxes and corporation license and income."

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Citizen Services						
Call Center Calls Answered	129,963	113,072	125,035	125,035	125,035	125,035
Call Center Calls Received	154,359	132,121	146,936	146,936	146,936	146,936
% of Calls Answered	84.2%	85.6%	85.1%	85.1%	85.1%	85.1%
One Stop Licenses	6,235	6,311	6,548	6,797	7,055	7,323
Abandoned Property Claims	2,323	1,582	2,271	2,500	2,500	2,500
Processing & Retention Operations						
Electronically Filed Income Tax Returns	195,880	224,653	236,200	253,696	271,224	289,870
Paper Filed Income Tax Returns	243,247	200,102	203,100	207,569	213,104	218,674
% of Income Tax Returns Filed Electronically	45%	53%	54%	55%	56%	57%
Income Tax Paper Refund Timeliness (days)	30	35	32	32	33	34
Tax Payments Processed	727,229	663,299	746,650	769,050	792,120	815,885

Department Of Revenue-5801

Other Tax Type Returns Processed	361,156	544,730	747,804	671,794	818,784	740,654
Liquor Control Division						
Liquor Licenses Issued	2,233	2,262	2,267	2,300	2,350	2,400
Liquor Cases Distributed	513,885	535,635	578,941	604,400	631,598	660,019
Liquor Service Level	99.1%	98.9%	98.3%	99%	99%	99%
Liquor Accuracy	99.9%	99.9%	99.9%	99%	99%	99%
Human Resources						
Employee Retention	90%	90%	90%	90%	90%	90%
Financial Management						
HB124 Entitlement Share Distributions	\$82,458,750	\$85,005,311	\$85,504,866	\$85,595,570	\$88,185,397	\$90,855,194
Oil and Natural Gas Production Taxes	\$94,564,820	\$140,886,788	\$203,192,928	\$205,000,000	\$205,000,000	\$205,000,000
Liquor Vendor Payments	\$39,377,111	\$42,099,791	\$42,128,821	\$44,656,550	\$47,335,943	\$50,176,100
Business and Income Taxes						
Audit Collections	\$38,097,000	\$41,750,000	\$37,022,000	\$30,000,000	\$30,150,000	\$30,700,000
Accounts Receivable Dollars Collected (15)	\$34,506,845	N/A	\$41,043,896	\$35,000,000	\$35,000,000	\$35,000,000
Cigarette Stamps Issued	62,519,066	58,844,763	48,317,293	50,630,652	47,660,000	45,100,000
Appraised Market Value of Utilities	\$5,725,605,435	\$6,166,167,021	\$6,437,124,996	\$6,500,000,000	\$6,500,000,000	\$6,500,000,000
Property Tax						
Total Property Parcels	889,472	903,450	923,326	943,639	964,399	985,616
Residential New Construction	7,628	8,229	8,843	9,507	10,225	11,002
Commercial New Construction	1,077	1,220	1,328	1,445	1,575	1,714
Sales Reviews	29,055	29,648	31,699	33,896	36,250	38,770
Ownership Changes	87,745	94,643	97,954	98,756	104,007	108,316
Property Splits	11,725	13,701	15,756	18,120	20,838	23,963
Personal Property Accounts	74,351	72,926	72,034	71,134	70,245	69,367
Number of Assessments	153,009	187,853	188,087	202,592	206,644	826,576
Number of CTAB Appeals Filed	20	25	20	20	20	400
Number of STAB Appeals Filed	6	9	6	6	6	120
* Reappraisal year – new values used for this tax year						

Department Of Revenue-5801

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	611.03	79.00	9.00	699.03	93.50	9.00	713.53
Personal Services	24,601,237	6,974,339	463,140	32,038,716	7,665,467	463,640	32,730,344
Operating Expenses	10,881,515	8,108,420	2,582,324	21,572,259	7,165,560	3,590,901	21,637,976
Equipment	181,863	0	0	181,863	0	0	181,863
Debt Service	972	0	0	972	0	0	972
Total Costs	\$35,665,587	\$15,082,759	\$3,045,464	\$53,793,810	\$14,831,027	\$4,054,541	\$54,551,155
General Fund	32,716,886	14,587,757	2,897,904	50,202,547	14,493,487	3,923,500	51,133,873
State/Other Special	616,073	410,392	0	1,026,465	250,751	0	866,824
Federal Special	302,685	102,132	0	404,817	101,332	0	404,017
Proprietary	2,029,943	(17,522)	147,560	2,159,981	(14,543)	131,041	2,146,441
Total Funds	\$35,665,587	\$15,082,759	\$3,045,464	\$53,793,810	\$14,831,027	\$4,054,541	\$54,551,155

Department Of Revenue-5801 Directors Office-01

Program Description - The Director's Office is composed of four primary sections. The basic function for each of these sections is: 1) The Executive Office is responsible for the general management of the agency. This office assists the Director with administrative functions and communication to the public, other agencies, and elected officials; 2) The Legal Services Office (LS) is responsible for the overall legal efforts of the department, which include: legal representation before various courts; legislative development and review; filing bankruptcy claims; and developing policy and administrative rules. It is responsible for the management of the office of disclosure and taxpayer assistance (DTA), which handles taxpayer inquiries from other taxing jurisdictions and state agencies. The DTA office also provides taxpayer assistance. The legal services office further oversees the office of dispute resolution (ODR), which reviews, facilitates, and resolves taxpayer disputes internally through a variety of means, including mediation; 3) The Tax Policy and Research Office (TPR) is responsible for the preparation of legislative fiscal notes that affect revenue, the analysis of legislative proposals affecting the department, and department economic and compliance data analysis; and 4) the Human Resources and Organizational Development Office (HR) is responsible for the human resources, payroll and benefits, and education and training functions of the department.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	39.98	15.00	0.00	54.98	15.00	0.00	54.98
Personal Services	2,135,090	1,178,106	0	3,313,196	1,184,976	0	3,320,066
Operating Expenses	1,341,768	1,846,633	0	3,188,401	1,085,845	0	2,427,613
Total Costs	\$3,476,858	\$3,024,739	\$0	\$6,501,597	\$2,270,821	\$0	\$5,747,679
General Fund	3,447,790	2,824,285	0	6,272,075	2,078,792	0	5,526,582
State/Other Special	0	85,287	0	85,287	81,486	0	81,486
Federal Special	800	0	0	800	(800)	0	0
Proprietary	28,268	115,167	0	143,435	111,343	0	139,611
Total Funds	\$3,476,858	\$3,024,739	\$0	\$6,501,597	\$2,270,821	\$0	\$5,747,679

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$957,315	\$872,028
FY 2009	\$930,593	\$849,107

PL- 701 - Compliance - Legal -

The purpose of this proposal is to ensure that justice is served by taxpayers paying their "fair share" as determined by the Montana Constitution and the legislature so that additional or higher taxes are not required to be paid by those already paying the proper amounts under the law. Legal resources are needed to support the department's compliance efforts from litigation through to completion by collection. The proposal includes 7.00 FTE and general fund of \$957,315 in FY 2008 and \$930,593 to provide the department with the resources to ensure proper compliance.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,514,838	\$1,450,474
FY 2009	\$955,873	\$895,333

PL- 1011 - Fulfill Statutory Responsibilities -

The purpose of this proposal is to improve the efficiency and effectiveness of the department and its responsiveness to citizens, improve worker safety, and reduce disruptions in revenue administration due to natural disasters. This proposal requests \$2,470,711 general fund over the biennium to fund 8.00 FTE, and operations to provide the department with resources to perform current statutory obligations. This includes funding to recruit, train, and manage staff, improve operations, ensure timely hearings of citizen appeals of department decisions, address environmental concerns in department facilities, and provide for disaster recovery.

Department Of Revenue-5801 Information Technology & Processing-02

Program Description - The Information Technology and Processing Division (ITP) provides application development and support services; network services including data, desktop, information security, and help desk support; and tax return and payment processing including account examination and maintenance, cashing, mailroom, and records management services that enable the department to meet its business objectives. These services are provided by the Information Technology Application Resources (ITAR) Bureau, the Information Technology Services (ITS) Bureau, and the Processing and Retention Operations (PRO) Bureau.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	99.45	2.00	6.00	107.45	2.00	6.00	107.45
Personal Services	3,967,446	622,120	346,616	4,936,182	611,056	347,004	4,925,506
Operating Expenses	3,577,687	3,953,641	2,551,288	10,082,616	4,030,998	3,576,496	11,185,181
Equipment	37,702	0	0	37,702	0	0	37,702
Total Costs	\$7,582,835	\$4,575,761	\$2,897,904	\$15,056,500	\$4,642,054	\$3,923,500	\$16,148,389
General Fund	7,020,534	4,525,919	2,897,904	14,444,357	4,745,439	3,923,500	15,689,473
State/Other Special	209,122	175,400	0	384,522	22,173	0	231,295
Federal Special	92,400	39,600	0	132,000	39,600	0	132,000
Proprietary	260,779	(165,158)	0	95,621	(165,158)	0	95,621
Total Funds	\$7,582,835	\$4,575,761	\$2,897,904	\$15,056,500	\$4,642,054	\$3,923,500	\$16,148,389

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,917,344	\$3,702,344
FY 2009	\$3,934,692	\$3,874,692

PL- 201 - On-going System Costs -

This proposal requests \$7,577,036 general fund and \$275,000 state special and federal appropriation authority for ongoing costs of existing systems in the 2009 biennium. This includes funding for maintenance and mid-tier costs to ensure the new department computer systems continue to operate, to cover the cost of providing the statutorily mandated "New Hire" service, and to allow the department to collect the water adjudication fee authorized by the 2005 Legislature.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$262,521	\$262,521
FY 2009	\$291,960	\$291,960

PL- 7015 - Processing Returns & Refunds -

This proposal requests \$554,481 general fund for the biennium to process tax returns in a timely and efficient manner. The department does not have adequate resources to efficiently process all tax returns and payments. Between January and May, the department focuses all available resources on processing individual tax returns. Even with additional temporary staff, a backlog exists in processing all types of tax returns which impacts compliance and potential tax collection efforts. The department continually faces this backlog, does not provide timely feed back to taxpayers, and runs into the statute of limitations for audit purposes.

**Department Of Revenue-5801
Information Technology & Processing-02**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,897,904	\$2,897,904
FY 2009	\$3,923,500	\$3,923,500

NP- 202 - Free Electronic Filing -

This proposal requests a general fund total of \$2,897,904 in FY 2008 and \$3,923,500 in FY 2009, of which \$2,261,644 in FY 2008 and \$3,058,331 in FY 2009 is one-time only, to provide additional e-services, including free electronic filing and Telefile services to the citizens of Montana. This includes funding for 6.00 FTE to administer e-services, filing annual MW3-W2/1099's, filing C-Corp, S-Corp and Partnerships, additional e-payment options, e-services marketing, web based software Taxpayer Access Point (TAP), and Telefile services.

Department Of Revenue-5801 Liquor Control Division-03

Program Description - The Liquor Control Division (LC) is responsible for administering the Alcoholic Beverage Code with an emphasis on excellence in customer service and a focus on public safety by ensuring a safe, orderly and regulated system for the convenient distribution and responsible consumption of alcoholic beverages. The Liquor Control Division consists of the Liquor Distribution (LD) Bureau, which oversees the warehousing, inventory, and shipping of distilled spirits and fortified wines and the state agency liquor stores unit that manages the exclusive retail operation of liquor and fortified wines; and the Liquor Licensing (LL) Bureau that oversees the licensing of on-premise and off-premise businesses, manufacturers, wholesalers, warehouses, importers, and liquor representatives.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	25.00	0.00	3.00	28.00	0.00	3.00	28.00
Personal Services	1,058,366	104,277	116,524	1,279,167	108,568	116,636	1,283,570
Operating Expenses	429,833	82,033	31,036	542,902	84,545	14,405	528,783
Equipment	54,723	0	0	54,723	0	0	54,723
Total Costs	\$1,542,922	\$186,310	\$147,560	\$1,876,792	\$193,113	\$131,041	\$1,867,076
Proprietary	1,542,922	186,310	147,560	1,876,792	193,113	131,041	1,867,076
Total Funds	\$1,542,922	\$186,310	\$147,560	\$1,876,792	\$193,113	\$131,041	\$1,867,076

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$147,560	\$0
FY 2009	\$131,041	\$0

NP- 301 - Liquor System Reforms -

This proposal requests \$147,560 in FY 2008 and \$131,041 in FY 2009 of liquor enterprise funds to maintain a liquor control system and to allow fair interstate commerce based on historic court decisions. This request is for 3.00 FTE, two of these FTE are for compliance/research/audit specialists, and are contingent upon passage and approval of LC# 0515. Additional legislation is proposed that amends statutory provisions to address a Montana District Court decision concerning the constitutionality of state residency requirements for liquor licensees and establishes standards to qualify publicly traded companies as licensees. The applications are complicated and the review process takes extra time, therefore the third FTE requested is a licensing technician that will review and approve these complex applications.

Department Of Revenue-5801 Citizen Services & Resource Mgmt-05

Program Description - The Citizens Services and Resource Management Division (CSRM) integrates the accounting, purchasing, statewide facilities, safety and security functions through the Financial and Asset Management Bureau (FAM), and the call center, forms design, small business licensing coordination and abandoned property distribution through the Citizen Service Bureau (CS). The division focuses on customer service and providing support services to the department's divisions.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	25.00	1.00	0.00	26.00	1.00	0.00	26.00
Personal Services	1,085,582	108,562	0	1,194,144	112,293	0	1,197,875
Operating Expenses	599,531	137,737	0	737,268	136,920	0	736,451
Equipment	80,716	0	0	80,716	0	0	80,716
Total Costs	\$1,765,829	\$246,299	\$0	\$2,012,128	\$249,213	\$0	\$2,015,042
General Fund	1,464,617	396,593	0	1,861,210	397,707	0	1,862,324
State/Other Special	103,238	3,547	0	106,785	5,347	0	108,585
Proprietary	197,974	(153,841)	0	44,133	(153,841)	0	44,133
Total Funds	\$1,765,829	\$246,299	\$0	\$2,012,128	\$249,213	\$0	\$2,015,042

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$175,543	\$175,543
FY 2009	\$171,709	\$171,709

PL- 7013 - Citizen Services -

This proposal requests a biennial general fund appropriation of \$347,252 to continuously improve tax forms and instructions, respond to taxpayer suggestions for improvement, and provide toll-free telephone access for the citizens to communicate with the Department of Revenue. These services will improve taxpayer compliance by making it easier for citizens to understand tax forms and instructions and to communicate with the department with their questions and requests.

Department Of Revenue-5801 Business And Income Taxes Division-07

Please note that this program also contains proprietary funds (see section P).

Program Description - The Business and Income Taxes Division (BIT) is responsible for the administration and collection of Montana corporation license, natural resource, withholding, personal income, miscellaneous taxes, and industrial and centrally assessed property valuation. The Income and Withholding Bureau (IW), the Business Tax and Valuation Bureau (BTV), and the Accounts Receivable and Collections Bureau (ARC) handle these functions for the department.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	123.75	29.00	0.00	152.75	39.00	0.00	162.75
Personal Services	5,171,666	2,397,019	0	7,568,685	2,880,865	0	8,052,531
Operating Expenses	1,205,755	1,061,450	0	2,267,205	1,009,261	0	2,215,016
Total Costs	\$6,377,421	\$3,458,469	\$0	\$11,323,115	\$3,890,126	\$0	\$10,267,547
General Fund	5,904,476	3,259,526	0	9,164,002	3,695,596	0	9,600,072
State/Other Special	263,460	136,411	0	1,887,096	131,998	0	395,459
Federal Special	209,485	62,532	0	272,017	62,532	0	272,017
Total Funds	\$6,377,421	\$3,458,469	\$0	\$11,323,115	\$3,890,126	\$0	\$10,267,547

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$398,492	\$398,492
FY 2009	\$375,557	\$375,557

PL- 7012 - Tax Gap Analysis -

This proposal implements a recent Legislative Performance Audit recommendation, and will provide the department with Montana-specific information essential to effectively and efficiently manage its overall compliance program. This proposal requests \$774,049 general fund in the 2009 biennium to provide personal services and operating costs for 6.00 FTE in the Business and Income Tax Division (BIT) to conduct the targeted auditing necessary for a comprehensive, state-specific tax gap study program. The study will provide estimates of the extent of tax compliance gap and its specific sources. The results of the study will assist the department in continuously improving efforts to reduce the tax gap and improving the equity and integrity of the tax system.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,023,060	\$1,859,544
FY 2009	\$2,441,200	\$2,289,187

PL- 7019 - Compliance - Audit & Collections -

This proposal requests approximately \$4.1 million general fund for the biennium to continue to enhance tax compliance activities in Montana. This funding will provide needed resources to address several key compliance issues in areas such as pass-through entity audits, oil and gas tax audits, issues related to Montana source income, and issues associated with nonresident taxpayers. These funds will be used to hire 23.00 FTE in FY 2008 and 33.00 FTE in FY 2009, and to provide for operations and contracted services to hire specific experts.

**Department Of Revenue-5801
Business And Income Taxes Division-07**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$62,532	\$0
FY 2009	\$62,532	\$0

PL- 7020 - Federal Royalty Audit Program -

This request is for an increase of \$125,064 federal special revenue for the biennium for operating costs associated with the Federal Royalty Audit Program. Funding for the 2007 biennium was based on FY 2004 program expenditures. However, the existing agreement for the Federal Royalty Audit Program is \$62,532 per year more than is included in the base budget.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$52,147	\$52,147
FY 2009	\$52,147	\$52,147

PL- 7022 - Child Support Debt Collection Costs -

This proposal requests \$104,294 general fund over the biennium to fund debt collection costs for collecting overpaid child support payments made to custodial parents and delinquent child support payments from non-custodial parents. The 2005 Legislature authorized \$147,460 for this purpose but the department only spent \$21,583. This proposal brings funding for the 2009 biennium back to the original amount.

Department Of Revenue-5801 Property Assessment Division-08

Program Description - The Property Assessment Division (PAD) is responsible for administering the property tax laws, including annual appraisal and cyclical reappraisal. Staff located throughout the state in six geographically distinct regions and a management analyst/administrative support bureau in Helena perform the functions of this division.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	297.85	32.00	0.00	329.85	36.50	0.00	334.35
Personal Services	11,183,087	2,564,255	0	13,747,342	2,767,709	0	13,950,796
Operating Expenses	3,726,941	1,026,926	0	4,753,867	817,991	0	4,544,932
Equipment	8,722	0	0	8,722	0	0	8,722
Debt Service	972	0	0	972	0	0	972
Total Costs	\$14,919,722	\$3,591,181	\$0	\$18,510,903	\$3,585,700	\$0	\$18,505,422
General Fund	14,879,469	3,581,434	0	18,460,903	3,575,953	0	18,455,422
State/Other Special	40,253	9,747	0	50,000	9,747	0	50,000
Total Funds	\$14,919,722	\$3,591,181	\$0	\$18,510,903	\$3,585,700	\$0	\$18,505,422

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$595,595	\$595,595
FY 2009	\$208,499	\$208,499

PL- 802 - Reappraisal - GIS Staff-OTO -

This proposal requests \$595,595 in FY 2008 and \$208,499 in FY 2009 of general fund to enable the Department of Revenue to fulfill its constitutional and statutory responsibility to value agricultural and forest land properly by December 31, 2008. This proposal requests 8.00 FTE GIS staff in FY 2008 and 4.50 FTE GIS staff in FY 2009 to complete the reappraisal of these lands.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,166,796	\$1,166,796
FY 2009	\$1,446,160	\$1,446,160

PL- 8012 - Maintain Parcel Count Caseload -

This proposal requests \$2,612,956 in general fund for the 2009 biennium. The purpose of this proposal is to ensure that the department can meet its constitutional and statutory responsibility to value property equitably and uniformly across the state in the face of accelerating parcel numbers. This proposal requests an ongoing appropriation that will allow the Property Assessment Division to maintain its current case load per FTE. Based on current trends, it is estimated that the division's case load will increase from 920,000 parcels in 2005 to nearly 1.1 million parcels by the 2009 tax year. Current staffing is insufficient to handle this case load. This proposal is intended to enable the department to complete reappraisal by the statutory deadline of December 31, 2008.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$313,862	\$313,862
FY 2009	\$346,954	\$346,954

PL- 8021 - PAD Field Office Rent -

This proposal requests \$660,816 general fund over the biennium to pay rent for space occupied by the property assessment division throughout the state.

Department Of Administration-6101

Please note that this agency also contains proprietary fund (see section P).

Mission Statement - The Department of Administration exists to provide professional and responsive services to state employees, local governments, and to the state agencies that serve the citizens of Montana.

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

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	149.72	4.00	7.90	161.62	4.00	8.90	162.62
Personal Services	7,551,646	1,484,077	369,976	9,405,699	1,614,162	415,649	9,581,457
Operating Expenses	7,799,929	2,510,055	1,625,761	11,935,745	2,201,546	809,192	10,810,667
Equipment	42,256	0	215,000	257,256	0	15,000	57,256
Local Assistance	22,944	0	0	22,944	0	0	22,944
Grants	0	860,530	0	860,530	860,530	0	860,530
Transfers	500,000	(500,000)	8,534,000	8,534,000	(500,000)	7,150,000	7,150,000
Debt Service	32,050	0	0	32,050	0	0	32,050
Total Costs	\$15,948,825	\$4,354,662	\$10,744,737	\$31,048,224	\$4,176,238	\$8,389,841	\$28,514,904
General Fund	3,645,471	2,900,784	9,178,147	15,724,402	2,738,027	7,586,185	13,969,683
State/Other Special	4,210,892	1,820,999	766,590	6,798,481	1,896,376	803,656	6,910,924
Federal Special	147,422	(60,129)	800,000	887,293	(60,089)	0	87,333
Capital Projects	500,000	(500,000)	0	0	(500,000)	0	0
Proprietary	7,445,040	193,008	0	7,638,048	101,924	0	7,546,964
Total Funds	\$15,948,825	\$4,354,662	\$10,744,737	\$31,048,224	\$4,176,238	\$8,389,841	\$28,514,904

Department Of Administration-6101 Governor Elect Program-02

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses	0	0	0	0	50,000	0	50,000
Total Costs	\$0	\$0	\$0	\$0	\$50,000	\$0	\$50,000
General Fund	0	0	0	0	50,000	0	50,000
Total Funds	\$0	\$0	\$0	\$0	\$50,000	\$0	\$50,000

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$50,000	\$50,000

PL- 201 - Governor-Elect Appropriation -

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 2008 general election. The department requests \$50,000 in FY 2009.

Department Of Administration-6101 Admin Financial Serv Division-03

Please note that this program also contains proprietary funds (see section P).

Program Description - The Administrative Financial Services Division consists of several units. The Director's Office is responsible for overall supervision and coordination of agency programs and administratively attached boards and agencies. The Legal Unit provides legal services to agency and administratively attached programs. The Accounting Bureau is the process owner of the financial portion of the Statewide Budgeting, Accounting and Human Resource Systems (SABHRS), establishes state accounting policies and procedures, administers the federal Cash Management Improvement Act, processes warrants for all state agencies, and prepares the state Comprehensive Annual Financial Report (CAFR). The Management Support Bureau and personnel function provides financial, budgeting, accounting, personnel, and payroll functions for the department. Local Government Services Bureau provides technical assistance and training to local government accounting and financial personnel and defines, reviews and enforces auditing requirements for Montana's local governments. The SABHRS Services Bureau provides the programming and support for the financial, human resource and budgeting system for the State.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
LGS Systems Program - On Site Assistance (Hours)	5028	6465	4498	5700	6000	6000
LGS Audit Review Program** - Local Government Audits	488	475	529	500	500	500

****LGS Audit Review Program** - The number of audits reported above as actual for FY2004, FY2005, and FY2006 represent the number of audit reports actually received by the program during those three fiscal years. The audits received during FY2004 covered FY2003, or were biennial audits and covered FY2002 and FY2003. The audits received during FY2005 covered FY2004, or were biennial audits and covered FY2003 and FY2004. The audits received during FY2006 covered FY2005, or were biennial audits and covered FY2004 and FY2005. Audits are always conducted after the close of the last fiscal year of the audit period. The audits are submitted to the program during the fiscal year following the last fiscal year covered by the audit.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	23.84	0.25	0.00	24.09	0.25	0.00	24.09
Personal Services	1,177,233	279,596	0	1,456,829	282,520	0	1,459,753
Operating Expenses	330,751	134,503	0	465,254	18,804	0	349,555
Local Assistance	22,133	0	0	22,133	0	0	22,133
Transfers	0	0	1,384,000	1,384,000	0	0	0
Total Costs	\$1,530,117	\$414,099	\$1,384,000	\$3,328,216	\$301,324	\$0	\$1,831,441
General Fund	1,442,270	363,446	1,384,000	3,189,716	250,582	0	1,692,852
State/Other Special	793	794	0	1,587	794	0	1,587
Federal Special	42,058	45,235	0	87,293	45,275	0	87,333
Proprietary	44,996	4,624	0	49,620	4,673	0	49,669
Total Funds	\$1,530,117	\$414,099	\$1,384,000	\$3,328,216	\$301,324	\$0	\$1,831,441

**Department Of Administration-6101
Admin Financial Serv Division-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$12,000	\$12,000
FY 2009	\$12,000	\$12,000

PL- 302 - Burial Board -

The Burial Preservation Board has quasi judicial powers to carry out the functions of the Human Skeletal Remains and Burial Site Protection Act and the Repatriation of Human Remains and Funerary Objects Act. This proposal requests the funding for travel expenses related to the annual meeting of the Burial Preservation Board, according to 22-3-804, MCA.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$4,343)	(\$4,343)
FY 2009	(\$4,322)	(\$4,322)

PL- 303 - Labor Relations 0.25 FTE Attorney and Rent -

The Office of Labor Relations moved from State Personnel into the Director's Office. The budget request is to move 0.25 FTE attorney corresponding with the move, eliminating rent expense for a non-state building.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$1,000	\$1,000

PL- 305 - Presidential Electors Travel -

The department must pay presidential electors and reimburse their travel costs as required by 13-25-106, MCA, in the year in which a president of the United States is to be elected.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$10,000	\$10,000
FY 2009	\$0	\$0

PL- 307 - Laptop Computer Replacement -

The Executive recommends funding to replace five laptops with Local Government Services Bureau in order to comply with the four year replacement cycle. The lap top computers are used during accounting and financial reporting assistance at local governments.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$70,000	\$70,000
FY 2009	\$0	\$0

PL- 308 - SABHRS Readiness Assessment (Biennial/OTO) -

Oracle recently acquired PeopleSoft. The new product is Oracle Fusion and will replace PeopleSoft. This one-time-only request of \$70,000 in FY 2008 is to review and evaluate the two products, and explore other options for the state's accounting system.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,000	\$4,000
FY 2009	\$4,000	\$4,000

PL- 309 - Local Government Services Travel -

The Local Government Services Bureau provides accounting and financial reporting support to local governments. This

**Department Of Administration-6101
Admin Financial Serv Division-03**

budget request is \$4,000 general fund per year for travel.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,790	\$7,790
FY 2009	\$8,112	\$8,112

PL- 311 - Allocate Department Indirect /Administrative Costs -

This request is to fund the department's indirect costs charged by the centralized service bureaus.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,384,000	\$1,384,000
FY 2009	\$0	\$0

NP- 301 - PERS Defined Contribution Transfer OTO -

The Public Employees' Retirement Systems' Defined Contribution Retirement Plan (DCRP) was established July 1, 2002. Funding to establish the plan was provided by a loan to be repaid by the DCRP members. The requirement of the plan members to repay this loan is creating an undue hardship on the members of the plan, particularly since only 4% of eligible members have chosen the DCRP. The cost to establish new retirement programs should be the responsibility of the plan sponsor. The plan sponsor is the State of Montana. This request is for a one-time-only general fund payment of \$1,384,000 to repay the loan.

Department Of Administration-6101 Architecture & Engineering Pgm-04

Program Description - The Architecture and Engineering Division (A&E) manages remodeling and construction of state buildings. Its functions include planning new projects and remodeling projects; advertising, bidding, and awarding construction contracts; administering contracts with architects, engineers, and contractors; disbursing building construction payments; and providing design services for small projects. The division also formulates a long-range building plan for legislative consideration each session. This division operates under the authority found in Titles 17 and 18, MCA, as well as other state mandates. In addition, the division is developing and implementing a condition and needs assessment of K-12 public school facilities as authorized by the December 2005 special session of the legislature.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	17.00	0.00	0.00	17.00	0.00	0.00	17.00
Personal Services	915,948	117,241	0	1,033,189	122,253	0	1,038,201
Operating Expenses	267,022	63,409	340,000	670,431	66,901	340,000	673,923
Transfers	0	0	7,150,000	7,150,000	0	7,150,000	7,150,000
Total Costs	\$1,182,970	\$180,650	\$7,490,000	\$8,853,620	\$189,154	\$7,490,000	\$8,862,124
General Fund	0	0	7,150,000	7,150,000	0	7,150,000	7,150,000
State/Other Special	1,182,970	180,650	340,000	1,703,620	189,154	340,000	1,712,124
Total Funds	\$1,182,970	\$180,650	\$7,490,000	\$8,853,620	\$189,154	\$7,490,000	\$8,862,124

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,466	\$0
FY 2009	\$4,720	\$0

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request is to fund the department's indirect costs charged by the centralized service bureaus.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$340,000	\$0
FY 2009	\$340,000	\$0

NP- 312 - Contracted Services Expanded Long Range Building -

The Long Range Building Program (LRBP) has experienced significant growth since the 2005 biennium. Assuming the estimated program for the 2009 biennium is approved by the Legislature, growth in the program for the period is from just under \$80 million to over \$261 million. The cash program has also increased from \$3 million to over \$112 million. This budget request is for \$340,000 in FY 2008 and \$340,000 in FY 2009 for contracted services. The contracted services will be used for staffing needs for project management in the areas of planning, designing, and construction activities.

Department Of Administration-6101 Architecture & Engineering Pgm-04

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,150,000	\$7,150,000
FY 2009	\$7,150,000	\$7,150,000

NP- 413 - Deferred Maintenance Funding -

The State of Montana Long Range Building Program (LRBP) is the primary source of funding for major repairs and maintenance for two thirds of state-owned buildings, with a combined replacement value exceeding \$1.15 billion. Ongoing funding for the LRBP program has diminished over time and currently the level of funding is not sufficient to maintain a reasonable level of major maintenance on state buildings, causing the state's backlog of deferred maintenance to grow to an estimated \$205 million. The Governor proposes an ongoing general fund appropriation of \$7.15 million annually to directly address this problem of insufficient ongoing funding for maintenance of state buildings.

Department Of Administration-6101 General Services Program-06

Please note that this program also contains proprietary funds (see section P).

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

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

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

The Print and Mail Services Bureau provides print and mail services to state agencies at a central facility. Services include internal printing including three quick copy centers, external (contracted) printing, photocopy pool, mail preparation, central mail operations, inter-agency (deadhead) mail, and the United States post office in the Capitol.

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	10.35	0.00	1.90	12.25	0.00	1.90	12.25
Personal Services	493,727	45,358	96,909	635,994	48,825	97,151	639,703
Operating Expenses	104,180	1,778,742	163,373	2,046,295	1,870,495	163,473	2,138,148
Equipment	0	0	15,000	15,000	0	15,000	15,000
Transfers	500,000	(500,000)	0	0	(500,000)	0	0
Debt Service	32,050	0	0	32,050	0	0	32,050
Total Costs	\$1,129,957	\$1,324,100	\$275,282	\$2,729,339	\$1,419,320	\$275,624	\$2,824,901
General Fund	629,957	1,824,100	8,634	2,462,691	1,919,320	8,642	2,557,919
State/Other Special	0	0	266,648	266,648	0	266,982	266,982
Federal Special	0	0	0	0	0	0	0
Capital Projects	500,000	(500,000)	0	0	(500,000)	0	0
Proprietary	0	0	0	0	0	0	0
Total Funds	\$1,129,957	\$1,324,100	\$275,282	\$2,729,339	\$1,419,320	\$275,624	\$2,824,901

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,047	\$3,047
FY 2009	\$3,195	\$3,195

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request is to fund the department's indirect costs charged by the centralized service bureaus.

**Department Of Administration-6101
General Services Program-06**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$500,000)	\$0
FY 2009	(\$500,000)	\$0

PL- 620 - Eliminate Capital Land Grant Funding -

The Executive recommends eliminating the \$500,000 per year rent allocation from the Capitol Land Grant account to the Facilities Maintenance Bureau for major maintenance projects. These funds will instead be used by the Long-Range Building program for major maintenance projects. The funds are difficult to project and posed problems for facilities management, within such a small program, to plan and carry out projects. Rental rates were determined without this revenue.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,634	\$8,634
FY 2009	\$8,642	\$8,642

NP- 604 - Funding Switch for 0.20 FTE in the Procurement Bureau -

The State Procurement is requesting a funding change for 0.20 FTE in the State Procurement Bureau. The position was previously funded 80% from the general fund and 20% from proprietary funds when the incumbent in this position was the Deputy Division Administrator and worked in general fund and proprietary programs. Reorganization in FY 2006 resulted in this position being reclassified to a contracts officer which should be 100% general funded.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$16,079	\$0
FY 2009	\$16,091	\$0

NP- 602 - Funding Switch for 0.10 FTE in the Pro-Card Program -

The State Procurement Card Program requests a funding switch from an internal service fund to a state special revenue fund. The internal service fund recovered revenue through a card fee charged to user agencies. A new contract awarded in FY 2006 has eliminated the need to charge the card fee. Future revenue to support program costs, will be generated through a volume rebate from the card company based on the yearly procurement card total purchases. This request is contingent on passage and approval of LC 642.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,715	\$0
FY 2009	\$50,834	\$0

NP- 606 - Funding Switch for 0.60 FTE in the Fueling Program -

The Statewide Vehicle Fueling Program requests a fund switch from an internal service fund to a state special revenue fund. The internal service fund recovered revenue through a fee charged on fuel purchases. A new fueling contract awarded in FY 2006 has eliminated the need to charge the fee. Future revenue will be generated through a volume discount rebate of .006 of gross fuel purchases. This request is contingent on passage and approval of LC 642.

**Department Of Administration-6101
General Services Program-06**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,000	\$0
FY 2009	\$50,000	\$0

NP- 610 - Litigation Program/Restricted-OTO -

This request is for a one-time only and restricted appropriation to create a state special revenue litigation fund of \$50,000 each year to pay the costs associated with procurement protests filed under Section 18-4-242, MCA. Currently, agencies have to bear this cost even though the decision is made by the Department of Administration. This request is contingent on passage and approval of LC 642.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$149,854	\$0
FY 2009	\$150,057	\$0

NP- 614 - Computer Surplus Disposal Program -

This request is for \$299,911 over the biennium of state special revenue to fund an electronics surplus disposal program. Currently, surplus electronics such as computers, printers, monitors, servers, projectors, and computer peripherals are disposed of in the land fill. Because these electronics contain hazardous materials such as lead and mercury many landfills are no longer accepting these items. This program will follow EPA guidelines by diverting these items from landfills and reusing the toxic material in new products. This request is contingent on passage and approval of LC 642.

Department Of Administration-6101 Information Tech Serv Division-07

Please note that this program also contains proprietary funds (see section P).

Program Description - Information Technology Services Division (ITSD) is a proprietary program that manages central computing and telecommunications services for state government. ITSD provides central mainframe and mid-tier computer services and manages the statewide data network SummitNet used by all agencies located throughout the state. ITSD provides local and long distance telephone network services used by all agencies, including the Montana University System, and manages the state's video network called METNET. ITSD coordinates electronic government services for the state and manages the states Internet presence at mt.gov. ITSD also manages the Office of Cyber Protection

The division coordinates Geographic Information Systems (GIS) development and manages the Public Safety Services Office that includes the state's 911 and public safety radio programs. These programs are funded by state special revenue and general funds.

Through the Office of the Chief Information Officer, the division develops the Statewide Strategic IT Plan, coordinates information technology for the state, and reviews and approves equipment and software acquisitions. The division also provides statewide information technology training and supports consulting services contracts used by agencies in support of IT systems.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	9.00	3.00	0.00	12.00	3.00	0.00	12.00
Personal Services	611,264	160,050	0	771,314	161,371	0	772,635
Operating Expenses	291,186	104,027	800,000	1,195,213	97,391	0	388,577
Equipment	0	0	200,000	200,000	0	0	0
Grants	0	860,530	0	860,530	860,530	0	860,530
Total Costs	\$902,450	\$1,124,607	\$1,000,000	\$3,027,057	\$1,119,292	\$0	\$2,021,742
General Fund	409,018	234,459	200,000	843,477	233,303	0	642,321
State/Other Special	388,068	995,512	0	1,383,580	991,353	0	1,379,421
Federal Special	105,364	(105,364)	800,000	800,000	(105,364)	0	0
Total Funds	\$902,450	\$1,124,607	\$1,000,000	\$3,027,057	\$1,119,292	\$0	\$2,021,742

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,325	(\$1,767)
FY 2009	\$6,405	(\$1,726)

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request is to fund the department's indirect costs charged by the centralized service bureaus.

**Department Of Administration-6101
Information Tech Serv Division-07**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,084,225	\$0
FY 2009	\$1,080,472	\$0

PL- 740 - GIS Funding Switch for 3.00 FTE -

This request is a fund switch of 3.00 FTE that are currently funded with a proprietary fund to a state special revenue fund. The positions will be funded through the Montana Land Information Act (MLIA). In addition, it is expected that there will be \$860,530 cash available each year for grants to the counties, but because there were no grants made in FY 06, there is no base budget for grants. Consequently, \$860,530 grant authority is requested each year along with additional operating authority each year.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$800,000	\$0
FY 2009	\$0	\$0

NP- 710 - Geographic Coordinate Database (Biennium) -

This request is to extend current funds into the next biennium to invest in federal/state/local partnerships to enhance the accuracy of the geographic coordinate database. Federal special revenue authority of \$800,000 is requested as a biennial appropriation.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$200,000
FY 2009	\$0	\$0

NP- 737 - Earthquake Protection Enterprise Data Center-OTO -

Because the state's data center is located in an area of the state that has high seismic activity ratings, the administration requests funding for stabilizing equipment for all critical applications located in the data center. This request is for a one-time-only general fund appropriation of \$200,000 to protect the state's current data center in the event of an earthquake.

Department Of Administration-6101 Banking And Financial Division-14

Program Description - The Division of Banking and Financial Institutions licenses, supervises, regulates and examines financial institutions operating in and outside of Montana. Those institutions include 67 banks and trust companies, including 209 branch banks; 12 credit unions; 390 consumer finance companies; 148 sales finance companies; 113 deferred deposit lenders; 41 title loan companies; and 8 escrow companies. The division also licenses and examines 291 mortgage brokers and 392 loan originators. All program functions are statutorily mandated in Title 32, Chapters 1-9 and Title 31, Chapter 1, Parts 7 & 8, MCA.

Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009	
Regulated depositories – banks, credit unions							
Number	81	81	80	79	77	76	
Examinations	38	44	42	43	40	40	
New charter and merger applications	6	5	5	4	3	2	
Regulated non-depository lenders – consumer loan, title loan, deferred deposit loan licensees							
Applications for new licenses	103	116	108	100	92	90	
Licenses outstanding	475	515	530	550	518	500	
Examinations	81	161	189	203	201	203	
Other regulated businesses							
Applications for new mortgage broker and loan originator licenses	N/A*	620	156	125	125	125	
Mortgage broker and loan originator licenses outstanding	N/A*	516	562	625	650	650	
Mortgage broker and loan originator examinations	N/A*	0	7	15	25	40	
Applications for new sales finance company licenses	24	20	13	15	15	15	
Sales finance company licenses outstanding	153	151	149	150	150	150	
Escrow company licenses outstanding	9	9	8	9	9	10	
Other examinations and investigations	5	1	0	0	0	0	
Other information							
Complaints processed	24	44	76	N/A**	N/A**	N/A**	
Refunds, rebates and penalties from lenders to borrowers as a result of examinations	Number	10,145	Not available	Not available	N/A**	N/A**	N/A**
	Amount	\$2,027,478	\$466,124	\$35,169	N/A**	N/A**	N/A**

Department Of Administration-6101 Banking And Financial Division-14

Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget
Budget Item	Fiscal 2006	Fiscal 2008	Fiscal 2008	Fiscal 2008	Fiscal 2009	Fiscal 2009	Fiscal 2009
FTE	36.00	0.00	2.00	38.00	0.00	3.00	39.00
Personal Services	1,946,070	526,974	75,615	2,548,659	636,767	120,835	2,703,672
Operating Expenses	660,750	107,961	84,327	853,038	67,434	75,839	804,023
Total Costs	\$2,606,820	\$634,935	\$159,942	\$3,401,697	\$704,201	\$196,674	\$3,507,695
State/Other Special	2,606,820	634,935	159,942	3,401,697	704,201	196,674	3,507,695
Total Funds	\$2,606,820	\$634,935	\$159,942	\$3,401,697	\$704,201	\$196,674	\$3,507,695

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$2,974)	\$0
FY 2009	(\$2,436)	\$0

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request will fund changes in the department's indirect/administrative costs for services received from other proprietary funded centralized service functions of the agency.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$104,175	\$0
FY 2009	\$208,350	\$0

PL- 1401 - Fund Professional Career Ladder Program -

This request will continue to fund the professional career ladder program in the Division of Banking. The request is for a maximum potential salary adjustment of between \$1,500 and \$2,500, depending on the employee's performance in FY 2008 and FY 2009. These adjustments are funded with state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$35,130	\$0
FY 2009	\$29,730	\$0

PL- 1404 - Rent Increase for Billings Office -

The division proposes to relocate the office of the Billings staff at a cost of \$35,130 in the first year and \$29,730 in the second year. The first year includes approximately \$5,000 of moving costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$36,000	\$0
FY 2009	\$0	\$0

PL- 1405 - E-Licensing -

This budget request is for the Division of Banking and Financial Institutions to provide electronic licensing of consumer finance company licensees. The division successfully implemented a mortgage broker and loan originator licensing program during the last biennium. Complaint, initial licensing application, and licensing renewal forms would be available for completion on-line at the division website or for printable download. Forms completed on-line would reduce paperwork and processing time and allow the public greater access to licensing information and regulatory actions of the division. The state special revenue cost is \$36,000 in the first year.

**Department Of Administration-6101
Banking And Financial Division-14**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
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FY 2008	\$5,385	\$0
FY 2009	\$5,385	\$0

PL- 1406 - Lease Van from Dept of Transportation Motor Pool -

This request is to lease one minivan from the Motor Pool at a cost of \$5,385 each year of the biennium.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
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FY 2008	\$159,942	\$0
FY 2009	\$196,674	\$0

NP- 1403 - License Mortgage Lenders -

This decision package will add staff to protect consumers seeking mortgage loans and to ensure that the mortgage lending industry is operating without unfair, deceptive, and fraudulent practices on the part of mortgage lenders. This request is for 3.00 FTE and associated operating costs of \$159, 942 in the first year and \$196,674 in the second year. This decision package is funded with state special revenue derived from mortgage lender license fees and is contingent on passage and approval of LC# 264.

Department Of Administration-6101 Montana State Lottery-15

Program Description - The Montana Lottery designs and markets lottery games that allow players to purchase chances to win prizes. The Lottery offers a variety of instant/scratch and lotto-style games, some in cooperation with other lotteries through the Multi-State Lottery Association. A five-member Lottery Commission, appointed by the Governor, sets policy and oversees program activities and procedures. The net revenue, after prizes, sales commissions, and operating expenses is deposited in the state general fund on a quarterly basis.

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	31.50	0.00	0.00	31.50	0.00	0.00	31.50
Personal Services	1,480,114	128,400	0	1,608,514	132,725	0	1,612,839
Operating Expenses	5,877,674	59,984	0	5,937,658	(35,474)	0	5,842,200
Equipment	42,256	0	0	42,256	0	0	42,256
Total Costs	\$7,400,044	\$188,384	\$0	\$7,588,428	\$97,251	\$0	\$7,497,295
Proprietary	7,400,044	188,384	0	7,588,428	97,251	0	7,497,295
Total Funds	\$7,400,044	\$188,384	\$0	\$7,588,428	\$97,251	\$0	\$7,497,295

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
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FY 2008	(\$3,493)	\$0
FY 2009	(\$2,955)	\$0

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request will fund changes in the department's indirect/administrative costs for services received from other proprietary funded centralized service functions of the agency.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
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FY 2008	\$1,250	\$0
FY 2009	\$1,250	\$0

PL- 1501 - Commission Per Diem -

This is a base adjustment to restore zero-based per diem costs for the Lottery Commission's five members who meet at least every 3 months according to statute.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
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FY 2008	\$14,000	\$0
FY 2009	\$14,000	\$0

PL- 1502 - Shipping Charges -

The Montana Lottery utilizes United Parcel Services (UPS) for secure shipment of Lottery scratch tickets to its retail customers. This service is necessary and sustains the secure shipment of scratch tickets from the Montana Lottery Security Warehouse to the retailer's location. This request is to cover the anticipated increase in the cost of this service in the next biennium.

Department Of Administration-6101
Montana State Lottery-15

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,600	\$0
FY 2009	\$11,400	\$0

PL- 1503 - Rent -

Rent will increase 12% each year of the biennium in the Peterson Building. The increase is \$7,600 in FY 2008 and \$11,400 in FY 2009, funded from Lottery proprietary funds.

Department Of Administration-6101 Health Care & Benefits Division-21

Please note that this program also contains proprietary funds (see section P).

Program Description - The Health Care and Benefits Division provides state employees, retirees, members of the legislature, and their dependents with group benefits in an efficient manner and at an affordable cost by administering a solvent, prudent benefits program. The division administers benefits plans including health, dental, prescription drug, life, long-term care, and vision coverage, flexible spending accounts, a sick leave fund, employee assistance services, health promotion, and a voluntary employee benefit health care expense trust. The division administers a lease and contract to provide daycare services for Helena area state employees. Finally, the division is responsible for the centralized oversight and management of workers' compensation related matters impacting the state as an employer.

Employee benefits are governed by 2-18-701 et seq., 2-18-801 et seq., 2-18-1101 et seq., 2-18-1301 et seq., and 33-2-712, MCA. The Montana Safety Culture Act as it applies to state government is found in 39-71-1501 et seq.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	0.00	0.00	3.00	3.00	0.00	3.00	3.00
Personal Services	0	0	149,629	149,629	0	149,799	149,799
Operating Expenses	32,241	9,108	238,061	279,410	10,874	229,880	272,995
Total Costs	\$32,241	\$9,108	\$387,690	\$429,039	\$10,874	\$379,679	\$422,794
General Fund	0	0	387,690	387,690	0	379,679	379,679
State/Other Special	32,241	9,108	0	41,349	10,874	0	43,115
Total Funds	\$32,241	\$9,108	\$387,690	\$429,039	\$10,874	\$379,679	\$422,794

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$9,117	\$0
FY 2009	\$10,883	\$0

PL- 2108 - Daycare Pilot Program & Lease Rate -

The Health Care and Benefits Division requests state special revenue of \$9,117 in FY 2008 and \$10,883 in FY 2009 to cover the costs of increased rent for the state daycare.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$387,690	\$387,690
FY 2009	\$379,679	\$379,679

NP- 2111 - Centralize Workers' Compensation Cost Containment -

The Executive recommends general fund authority to provide a central location for oversight of workers' compensation cost containment efforts. Services will be provided that will implement loss prevention and return-to-work programs for all of state government. The centralization would necessitate hiring 3.00 FTE to provide the services of a program manager, an early-return-to-work manager, and a safety program coordinator. The FTE would be centralized in the Health Care and Benefits Division and would provide outreach services to individual agencies. This request includes funding for the 3.00 FTE and \$387,690 in FY 2008 and \$379,679 in FY 2009.

Department Of Administration-6101 State Personnel Division-23

Please note that this program also contains proprietary funds (see section P).

Program Description - The State Personnel Division provides state agencies with a variety of human resource management programs including professional development, position classification and salary administration, employee relations, appeals, and compliance with state and federal employment law. The state general fund is reimbursed for administrative costs of the State Personnel Division through the statewide cost allocation plan. The division publishes state rules, standards, and policies relating to recruitment, selection, diversity, discipline, grievance, performance appraisal, leave, and other personnel matters. The division administers eligibility for the various benefit plans including health, life, long-term care, dental, and vision insurance, accidental death and dismemberment, a sick leave fund, employee incentive awards, and flexible spending accounts. The division also is the process owner of the SABHRS HR enterprise system and through its Central Payroll Bureau prepares, maintains, and distributes payroll for all state employees.

The Human Resources Standards and Services Bureau functions are governed by 2-18-101 et seq.; 2-18-201 et seq.; 2-18-301 through 312; 2-18-601 et seq.; 2-18-809 through 2-18-820 2-18-1011 through 1013; 2-18-1101 et seq.; 2-18-1201 et seq.; 39-29-112; and 39-30-106MCA. The payroll unit is governed by 2-18-401 et seq., MCA. Employee benefits are governed by 2-18-701 et seq., 2-18-801 et seq., 2-18-1101 et seq., 2-18-1301 et seq., and 33-2-712, MCA. The Professional Development Center is governed by 2-18-102 (1)(b), MCA.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	15.53	0.75	0.00	16.28	0.75	0.00	16.28
Personal Services	670,041	200,692	0	870,733	203,182	0	873,223
Operating Expenses	182,056	244,653	0	426,709	45,794	0	227,850
Total Costs	\$852,097	\$445,345	\$0	\$1,297,442	\$248,976	\$0	\$1,101,073
General Fund	852,097	445,345	0	1,297,442	248,976	0	1,101,073
Total Funds	\$852,097	\$445,345	\$0	\$1,297,442	\$248,976	\$0	\$1,101,073

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,415	\$7,415
FY 2009	\$7,640	\$7,640

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request will fund changes in the department's indirect/administrative costs for services received from other proprietary funded centralized service functions of the agency.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$200,000
FY 2009	\$0	\$0

PL- 2301 - SABHRS Readiness Assessment (Biennial/OTO) -

Oracle recently acquired PeopleSoft. The new product is Oracle Fusion and will replace PeopleSoft. This one-time-only request of \$200,000 in FY 2008 is to review and evaluate the two products, and explore other options for the state's human resource system.

**Department Of Administration-6101
State Personnel Division-23**

Total Agency Impact General Fund Total

FY 2008	\$27,500	\$27,500
FY 2009	\$27,500	\$27,500

PL- 2304 - Maintenance Agreement-eBenefits/Policy Module -

In conjunction with Health Care and Benefits Division, the SPD is acquiring a software license and services related to an electronic content interactive system. The purpose of this software is to provide on-line, self-service information in an interactive, customized fashion for benefit plan users. This type of software is designed to permit users to research and model specific situations and information regarding their benefit plans and how it applies to their specific situation. Periodic updates and maintenance of the system require users to pay an annual maintenance fee. The HCBD and SPD will each cover half of the anticipated annual maintenance cost of \$55,000.

Total Agency Impact General Fund Total

FY 2008	(\$21,411)	(\$21,411)
FY 2009	(\$21,432)	(\$21,432)

PL- 2305 - Transfer 0.25 FTE Attorney to Labor Relations -

This request transfers 0.25 FTE attorney position from State Personnel Division to Office of Labor Relations.

Total Agency Impact General Fund Total

FY 2008	\$45,378	\$45,378
FY 2009	\$42,744	\$42,744

PL- 2314 - HRSS Request for Additional 1.00 FTE -

The Special Task Force on State Pay has made recommendations that define a statewide pay philosophy, which include a single compensation system. One of the key elements for success of this major undertaking is the support provided by the State Personnel Division to the agencies. This request is to provide additional staff by reinstating 1.00 FTE that was cut by the 2005 legislature.

Department Of Administration-6101 State Tax Appeal Board-37

Program Description - The State Tax Appeal Board, established by Article VIII, Section 7, of the Montana Constitution and 15-2-101, MCA, provides a tax appeal system for all actions of the Department of Revenue. It hears appeals from decisions of the 56 county tax appeal boards, primarily involving residential and commercial property valuation, and takes original jurisdiction in matters involving income taxes, corporate taxes, severance taxes, centrally-assessed property and new industry property, motor fuels taxes, vehicle taxes, and cabin site leases. The board travels throughout the state to hear appeals from decisions of the county tax appeal boards and to conduct informational meetings for the various county tax appeal boards. The State Tax Appeal Board directs the county tax appeal board secretaries, who are state employees, and pays their salaries and employee benefits from its personal services appropriation. The board also reviews and pays the expenses, including employee benefits, of those county tax appeal board secretaries who are county employees. In addition, the board pays the clerical-related expenses for all 56 county tax appeal boards, including supplies, postage, and copies, but excluding office equipment.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	
FTE	6.50	0.00	1.00	7.50	0.00	1.00	7.50	
Personal Services	257,249	25,766	47,823	330,838	26,519	47,864	331,632	
Operating Expenses	54,069	7,668	0	61,737	9,327	0	63,396	
Local Assistance	811	0	0	811	0	0	811	
Total Costs	\$312,129	\$33,434	\$47,823	\$393,386	\$35,846	\$47,864	\$395,839	
General Fund	312,129	33,434	47,823	393,386	35,846	47,864	395,839	
Total Funds	\$312,129	\$33,434	\$47,823	\$393,386	\$35,846	\$47,864	\$395,839	

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,846	\$1,846
FY 2009	\$1,937	\$1,937

PL- 311 - Allocate Department Indirect/Administrative Costs -

This request will fund changes in the department's indirect/administrative costs for services received from other proprietary funded centralized service functions of the agency.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$47,823	\$47,823
FY 2009	\$47,864	\$47,864

NP- 3701 - STAB 1.0 FTE -

The State Tax Appeal Board, which is administratively attached to the Department of Administration, is requesting to make permanent a modified 1.0 FTE for an administrative specialist position.

Montana Consensus Council-6106 MT Consensus Council-01

Mission Statement - The Montana Consensus Council shall promote fair, effective, and efficient processes for building agreement on natural resource and other public policy issues that are important to Montanans.

Statutory Authority - State mandates the Montana Consensus Council under MCA 2-15-1027.

Program Description - The Montana Consensus Council is a public organization that helps citizens and officials build agreement and resolve disputes on natural resource and other public policy issues. The Montana Consensus Council assists state agencies and private organizations with resolving workplace conflict and providing workplace hostility prevention training.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	2.50	0.00	0.00	2.50	0.00	0.00	2.50
Personal Services	114,484	35,596	0	150,080	36,612	0	151,096
Operating Expenses	38,974	3,054	0	42,028	3,113	0	42,087
Total Costs	\$153,458	\$38,650	\$0	\$192,108	\$39,725	\$0	\$193,183
General Fund	69,041	6,591	0	75,632	7,466	0	76,507
State/Other Special	84,417	32,059	0	116,476	32,259	0	116,676
Total Funds	\$153,458	\$38,650	\$0	\$192,108	\$39,725	\$0	\$193,183

Office Of Public Defender-6108

Mission Statement - The mission of the Office of the State Public Defender is to ensure equal access to justice for the state's indigent. The statewide public defender system, created by passage of The Montana Public Defender Act contained in Title 47, Montana Code Annotated, requires the new system to be operational by July 1, 2006.

The Public Defender Commission is responsible for the design, direction, and supervision of the new system. The Commission appoints the chief public defender, approves the strategic plan for the delivery of services, approves statewide standards for qualifications and training of public defenders, and approves the overall design of the new statewide system. The Act provides for a one-year transition period for these tasks to be completed.

Statutory Authority - Title 47

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	90.25	102.25	0.00	192.50	102.25	0.00	192.50
Personal Services	320,686	10,569,442	0	10,890,128	10,582,421	0	10,903,107
Operating Expenses	332,105	7,712,739	275,000	8,319,844	7,603,259	275,000	8,210,364
Equipment	60,653	0	0	60,653	0	0	60,653
Total Costs	\$713,444	\$18,282,181	\$275,000	\$19,270,625	\$18,185,680	\$275,000	\$19,174,124
General Fund	713,444	18,282,181	200,000	19,195,625	18,185,680	200,000	19,099,124
State/Other Special	0	0	75,000	75,000	0	75,000	75,000
Total Funds	\$713,444	\$18,282,181	\$275,000	\$19,270,625	\$18,185,680	\$275,000	\$19,174,124

**Office Of Public Defender-6108
Public Defender Office-01**

Program Description - The Office of State Public Defender administers the statewide public defender system that delivers public defender services in all courts in Montana for criminal and certain civil cases for an individual who is determined to be financially unable to retain private counsel and who is accused of an offense that could result in the person's loss of life or liberty if convicted. The office administers the statewide public defender system that is supervised by the Public Defender Commission. The office is administratively attached to the Department of Administration but has authority in law to provide administrative functions as determined by the commission.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	87.25	97.25	0.00	184.50	97.25	0.00	184.50
Personal Services	320,686	10,092,071	0	10,412,757	10,104,513	0	10,425,199
Operating Expenses	332,105	7,615,710	275,000	8,222,815	7,505,713	275,000	8,112,818
Equipment	60,653	0	0	60,653	0	0	60,653
Total Costs	\$713,444	\$17,707,781	\$275,000	\$18,696,225	\$17,610,226	\$275,000	\$18,598,670
General Fund	713,444	17,707,781	200,000	18,621,225	17,610,226	200,000	18,523,670
State/Other Special	0	0	75,000	75,000	0	75,000	75,000
Total Funds	\$713,444	\$17,707,781	\$275,000	\$18,696,225	\$17,610,226	\$275,000	\$18,598,670

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$10,712,693	\$10,712,693
FY 2009	\$10,658,642	\$10,658,642

PL- 101 - Office of Public Defender Funding Annualization -

This request will annualize funding for the newly created Office of the Public Defender for the 2009 Biennium. FY 2006 was a transition year with limited expenditures thus creating a substantially under funded base budget. On July 1, 2006 (FY 2007) the agency began operations by providing public defender services statewide. The Executive is requesting \$10,712,693 in FY 2008 and \$10,658,642 in FY 2009 of general fund authority to provide the Office of the Public Defender with essential operational funding. The request also includes the addition of 97.25 FTE to meet the long-range plan and mission of the Public Defender Commission which provides more defense services by state employed attorneys rather than by contracted attorneys.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,750,000	\$1,750,000
FY 2009	\$1,750,000	\$1,750,000

PL- 102 - Adjustment for Increase in Caseload -

This request is for \$1,750,000 general fund each fiscal year to fund the projected caseload increase in the 2009 biennium. This request is for a restricted appropriation that will only be used should the projected growth materialize.

**Office Of Public Defender-6108
Public Defender Office-01**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$200,000
FY 2009	\$200,000	\$200,000

NP- 104 - Fitness to Proceed and Related Costs -

Persons charged with a crime may need to be evaluated to assure the courts that they are 'fit to proceed' in the process. If a public defender requests an assessment, then the public defender system is responsible for the cost. These people are sent to Warm Springs or other medical facilities that can provide this assessment. The budget includes \$200,000 general fund each fiscal year to pay for these types of evaluations.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,000	\$0
FY 2009	\$75,000	\$0

NP- 105 - Misc. State Special Revenue Funding -

The Executive is requesting state special revenue funding in the Office of the Public Defender to enable the office to expend any funds they may receive in the various accounts they have been directed to establish in the enabling legislation. These funds will account for court ordered sentencing costs, payment from youths, crime victims compensation funds, grants, gifts or donations. These funds will be used to offset costs associated with technology purchases and/or training needs. This request is for \$75,000 each year of the biennium.

Office Of Public Defender-6108 Appellate Defender Office-02

Program Description - The Appellate Defender Program provides appeal services for indigent citizens.

The Public Defender Commission is responsible for the design, direction and supervision of the statewide public defender system, which includes the appellate section. The chief public defender, who is appointed by the Commission, selects the chief appellate defender, who supervises attorneys and support staff within the appellate office.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	3.00	5.00	0.00	8.00	5.00	0.00	8.00
Personal Services	0	477,371	0	477,371	477,908	0	477,908
Operating Expenses	0	97,029	0	97,029	97,546	0	97,546
Total Costs	\$0	\$574,400	\$0	\$574,400	\$575,454	\$0	\$575,454
General Fund	0	574,400	0	574,400	575,454	0	575,454
Total Funds	\$0	\$574,400	\$0	\$574,400	\$575,454	\$0	\$575,454

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$374,857	\$374,857
FY 2009	\$375,684	\$375,684

PL- 101 - Appellate Defender Funding Annualization -

This request will annualize funding for the newly created Appellates Division of the Office of the Public Defender for the 2009 Biennium. The division was authorized by SB 146 passed by the 2005 Legislative session. On July 1, 2006 (FY 2007), the agency began operations by providing public defenders services statewide. The Executive is requesting \$374,857 in FY 2008 and \$375,684 in FY 2009 of general fund authority to provide the Appellate Division essential operational funding.