

## Dept Of Fish, Wildlife & Parks-5201

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

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

**Statutory Authority** - Title 87 and 23, MCA.

**Language** - "If the department receives additional federal special revenue for services comparable to those with general license revenue or is required to adjust personal services expenditures between state and federal accounts, the approving authority may adjust the state special revenue appropriation and the federal appropriation by like amounts."

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	659.85	14.75	5.00	679.60	15.75	5.00	680.60
Personal Services	31,173,981	4,230,144	216,770	35,620,895	4,400,061	215,553	35,789,595
Operating Expenses	24,251,674	3,806,204	2,218,000	30,275,878	3,715,325	2,199,000	30,165,999
Equipment	773,754	260,500	31,000	1,065,254	238,000	20,000	1,031,754
Grants	947,419	(10,750)	0	936,669	(10,750)	0	936,669
Benefits & Claims	6,188	0	0	6,188	0	0	6,188
Transfers	26,463	73,189	0	99,652	73,189	0	99,652
<b>Total Costs</b>	<b>\$57,179,479</b>	<b>\$8,359,287</b>	<b>\$2,465,770</b>	<b>\$68,004,536</b>	<b>\$8,415,825</b>	<b>\$2,434,553</b>	<b>\$68,029,857</b>
General Fund	0	139,032	500,000	639,032	116,612	500,000	616,612
State/Other Special	41,524,440	5,487,727	3,818,285	50,830,452	5,547,961	3,787,068	50,859,469
Federal Special	15,655,039	2,732,528	(1,852,515)	16,535,052	2,751,252	(1,852,515)	16,553,776
<b>Total Funds</b>	<b>\$57,179,479</b>	<b>\$8,359,287</b>	<b>\$2,465,770</b>	<b>\$68,004,536</b>	<b>\$8,415,825</b>	<b>\$2,434,553</b>	<b>\$68,029,857</b>

## Dept Of Fish, Wildlife & Parks-5201 Information Services Division-01

**Program Description** - Information Services provides information technology and information management services to the entire department including, but not limited to:

- Network creation and administration;
- Hardware and off-the-shelf software procurement and configuration;
- Support of automated license sales and drawings;
- Intranet and Internet communications;
- Software development, deployment and support, and GIS, GPS, and all database management.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
# of technology users supported	N/A	N/A	1,100	1,133	1,167	1,202
# of software applications developed/supported	N/A*	N/A*	70	77	85	94
# of web site visits	1,539,168	1,861,239	2,509,227	3,261,995	4,240,594	5,512,771

\*Software applications were provided through several entities rather than a centralized division, so numbers are not readily available.

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	35.50	0.00	0.00	35.50	0.00	0.00	35.50
Personal Services	1,698,541	485,876	0	2,184,417	492,956	0	2,191,497
Operating Expenses	1,310,541	263,488	0	1,574,029	334,812	0	1,645,353
Equipment	24,500	0	0	24,500	0	0	24,500
Grants	69,389	0	0	69,389	0	0	69,389
<b>Total Costs</b>	<b>\$3,102,971</b>	<b>\$749,364</b>	<b>\$0</b>	<b>\$3,852,335</b>	<b>\$827,768</b>	<b>\$0</b>	<b>\$3,930,739</b>
State/Other Special	2,535,049	978,451	179,034	3,692,534	1,056,706	179,034	3,770,789
Federal Special	567,922	(229,087)	(179,034)	159,801	(228,938)	(179,034)	159,950
<b>Total Funds</b>	<b>\$3,102,971</b>	<b>\$749,364</b>	<b>\$0</b>	<b>\$3,852,335</b>	<b>\$827,768</b>	<b>\$0</b>	<b>\$3,930,739</b>

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

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

#### NP- 103 - Information Services Overhead Refund -

This budget request switches funding of \$179,034 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

## Dept Of Fish, Wildlife & Parks-5201 Field Services Division-02

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

**Program Description** - The Field Services Division provides services in the following areas. The Landowner Sportsman Relations Unit establishes and maintains communications with users, resource-based organizations, and individuals; provides coordination for FWP weed management, livestock reimbursement, and landowner assistance functions; and administers the Living With Wildlife, Game Damage, Block Management, and Access Montana hunting access enhancement programs. The Living With Wildlife program provides grants to agencies, local government, and non-government organizations to reduce human/wildlife conflicts in urban and suburban settings. The Game Damage program provides assistance to landowners in minimizing impacts of game animals to property and crops. The Block Management and Access Montana programs provide tangible benefits to landowners to offset potential impacts associated with public hunting access on private property or to obtain public hunting access to public land.

The Design and Construction Bureau administers the department's Crossing the Barriers program and provides architectural and engineering services for construction and maintenance projects at state parks, state fishing access sites, and wildlife management areas.

The Aircraft Unit provides aerial mountain lake surveys and fish planting, wildlife surveys, wildlife capture and marking, and transportation for the department.

The Land Unit is responsible for the real estate functions of the department, including the preparation of conservation easement terms and amendments, acquisition and disposal of real estate and real property, and management of all permanent land records.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Number of acres enrolled in block management	8,761,894	8,767,805	8,528,241	8,700,000	8,700,000	8,700,000
Number of hunter days on block management land	408,093	411,299	421,754	430,000	430,000	430,000

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	45.80	1.00	0.00	46.80	1.00	0.00	46.80
Personal Services	2,050,511	184,052	0	2,234,563	191,399	0	2,241,910
Operating Expenses	6,522,533	913,378	0	7,435,911	944,130	0	7,466,663
Equipment	6,458	0	0	6,458	0	0	6,458
Grants	30,681	1,820	0	32,501	1,820	0	32,501
Benefits & Claims	6,188	0	0	6,188	0	0	6,188
<b>Total Costs</b>	<b>\$8,616,371</b>	<b>\$1,099,250</b>	<b>\$0</b>	<b>\$9,715,621</b>	<b>\$1,137,349</b>	<b>\$0</b>	<b>\$9,753,720</b>
State/Other Special	7,866,985	1,084,383	290,841	9,242,209	1,116,834	290,841	9,274,660
Federal Special	749,386	14,867	(290,841)	473,412	20,515	(290,841)	479,060
<b>Total Funds</b>	<b>\$8,616,371</b>	<b>\$1,099,250</b>	<b>\$0</b>	<b>\$9,715,621</b>	<b>\$1,137,349</b>	<b>\$0</b>	<b>\$9,753,720</b>

**Dept Of Fish, Wildlife & Parks-5201  
Field Services Division-02**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$660,000	\$0
FY 2009	\$660,000	\$0

**PL- 201 - Block Management -**

This request restores \$660,000 each year of the biennium of state special revenue to the operational budget at the level authorized by the last legislature. Funding comes from the annual raffle of a moose, sheep, goat, deer, and elk super tag and variable priced outfitter sponsored non-resident deer and elk licenses.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$84,428	\$0
FY 2009	\$109,029	\$0

**PL- 202 - Tax Adjustment -**

This budget request restores \$84,428 in FY 2008 and \$109,029 in FY 2009 of state and federal special revenue to cover anticipated tax liabilities for land and administrative facilities owned or leased by the department.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$22,247	\$0
FY 2009	\$22,247	\$0

**PL- 203 - Game Damage Elk Herders -**

The Executive recommends this request of \$22,247 state special revenue each year of the 2009 biennium to restore the base budget to hire short-term works to herd game animals away from crops and stored hay and or grain as a means to mitigate game damage on private property. The funding was authorized by the previous legislature, but because of the way personal services are funded for these type of short-term workers, the expenditures were not carried forward in the base budget and needs to be restored.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,820	\$0
FY 2009	\$1,820	\$0

**PL- 204 - Living With Wildlife Biennial -**

This budget request of \$1,820 state special revenue for each year of the 2009 biennium will restore the biennial authority for the Living with Wildlife Grant Program. No change from the previously approved \$65,000 biennial budget is being requested.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$32,900	\$0
FY 2009	\$32,900	\$0

**PL- 206 - Conservation Easement Land Steward -**

The Executive recommends \$32,900 state special revenue each year of the 2009 biennium to partially fund 1.00 FTE to ensure the long-term stewardship obligation of the department in conservation easements.

**Dept Of Fish, Wildlife & Parks-5201  
Field Services Division-02**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$49,434	\$0
FY 2009	\$49,434	\$0

**PL- 208 - Dam Safety Act Technical Adjustment -**

The budget request of \$49,434 state special revenue each year of the 2009 biennium is recommended by the Executive to fund a part-time engineer and associated operations within the Department of Natural Resources and Conservation Services which provides dam safety expertise for the FWP owned water impoundment project.

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

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

**NP- 209 - Field Services Overhead Refund -**

This budget request switches funding of \$290,841 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

## Dept Of Fish, Wildlife & Parks-5201 Fisheries Division-03

**Program Description** - The Fisheries Division is responsible for preserving and perpetuating aquatic species and their ecosystems and for meeting public demand for fishing opportunities and aquatic wildlife stewardship. The division formulates and implements policies and programs that emphasize management for wild fish populations and the protection and restoration of habitat necessary to maintain these populations. The program:

- Operates a hatchery program to stock lakes and reservoirs where natural reproduction is limited;
- Regulates angler harvests;
- Monitors fish populations; and
- Provides and maintains adequate public access.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Number of fish stocked (in millions)	46.3	32.0	47.0	60.0	60.0	60.0
Pounds of fish stocked	338,000	125,600	680,000	600,000	600,000	600,000
Fish habitat projects	41	40	40	40	50	50

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	143.02	2.00	0.00	145.02	3.00	0.00	146.02
Personal Services	6,619,541	1,274,608	0	7,894,149	1,338,007	0	7,957,548
Operating Expenses	3,801,751	869,351	1,050,000	5,721,102	881,984	1,050,000	5,733,735
Equipment	289,897	243,000	0	532,897	231,500	0	521,397
Grants	70,000	0	0	70,000	0	0	70,000
<b>Total Costs</b>	<b>\$10,781,189</b>	<b>\$2,386,959</b>	<b>\$1,050,000</b>	<b>\$14,218,148</b>	<b>\$2,451,491</b>	<b>\$1,050,000</b>	<b>\$14,282,680</b>
General Fund	0	0	250,000	250,000	0	250,000	250,000
State/Other Special	4,092,689	611,173	240,761	4,944,623	662,250	240,761	4,995,700
Federal Special	6,688,500	1,775,786	559,239	9,023,525	1,789,241	559,239	9,036,980
<b>Total Funds</b>	<b>\$10,781,189</b>	<b>\$2,386,959</b>	<b>\$1,050,000</b>	<b>\$14,218,148</b>	<b>\$2,451,491</b>	<b>\$1,050,000</b>	<b>\$14,282,680</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$180,224	\$0
FY 2009	\$180,224	\$0

#### PL- 301 - Fort Peck Base Adjustments -

The Executive recommends \$180,224 state special revenue each year of the 2009 biennium for operational costs not captured in the base budget due to not being fully staffed or operational throughout the base year.

**Dept Of Fish, Wildlife & Parks-5201  
Fisheries Division-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$120,830	\$0
FY 2009	\$144,669	\$0

**PL- 302 - Fish Management Biologists and Techs -**

This budget request includes 2.00 FTE in FY 2008 and 3.00 FTE in FY 2009 and \$120,830 and \$144,669, of state and federal special revenue for the same years for fish management biologists and technicians. The additional FTE will be used to conduct monitoring of fish populations and provide better management of the most popular blue ribbon fisheries in the state.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$106,800	\$0
FY 2009	\$106,800	\$0

**PL- 303 - Operations Cost Adjustment -**

The Executive recommends \$106,800 each year of the 2009 biennium of state and federal special revenue for increased contractual and operating costs for the Fisheries Program.

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

**PL- 307 - Fisheries Legislative Contract Authority OTO -**

This proposal is for \$1,000,000 each year of the 2009 biennium of one-time-only federal special revenue for short-term federal contract authority that becomes available in the interim.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,050,000	\$250,000
FY 2009	\$1,050,000	\$250,000

**NP- 306 - Fisheries Statewide Wildlife Grants -**

This budget request of \$500,000 general fund and \$400,000 state special revenue to match \$1,200,000 federal special revenue for the biennium will be used to conserve native fish and wildlife species and to reduce the potential for federal listing of species. The general fund portion of the request is proposed as one-time-only funding.

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

**NP- 308 - Fisheries Overhead Refund -**

This budget request switches funding of \$40,761 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

**Language Recommendations** - "During the 2009 biennium, if the department obtains federal funding for the operations of the Fort Peck Fish Hatcher, it must be used to replace state special revenue approved to fund personal services and operational costs of the hatchery."

## Dept Of Fish, Wildlife & Parks-5201 Enforcement Division-04

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

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Number of Contacts	142,440	136,770	141,484	145,000	145,000	145,000
Number of Violations	12,498	9,968	11,589	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	108.73	2.00	2.00	112.73	2.00	2.00	112.73
Personal Services	5,730,967	484,823	86,118	6,301,908	508,053	86,262	6,325,282
Operating Expenses	1,565,863	347,417	43,000	1,956,280	344,917	24,000	1,934,780
Equipment	82,664	11,000	11,000	104,664	0	0	82,664
Grants	35,400	0	0	35,400	0	0	35,400
<b>Total Costs</b>	<b>\$7,414,894</b>	<b>\$843,240</b>	<b>\$140,118</b>	<b>\$8,398,252</b>	<b>\$852,970</b>	<b>\$110,262</b>	<b>\$8,378,126</b>
General Fund	0	139,032	0	139,032	116,612	0	116,612
State/Other Special	7,112,336	592,647	140,118	7,845,101	623,828	110,262	7,846,426
Federal Special	302,558	111,561	0	414,119	112,530	0	415,088
<b>Total Funds</b>	<b>\$7,414,894</b>	<b>\$843,240</b>	<b>\$140,118</b>	<b>\$8,398,252</b>	<b>\$852,970</b>	<b>\$110,262</b>	<b>\$8,378,126</b>

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

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

#### PL- 402 - Warden Overtime -

This budget request is recommended to restore state and federal special revenue of \$200,000 each year of the 2009 biennium for zero-based overtime in the Enforcement Division for wardens during holidays and peak work periods.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$18,561	\$0
FY 2009	\$18,561	\$0

#### PL- 403 - Block Management -

This request restores \$18,561 each year of the biennium of state special revenue to the operational budget for block management. Funding will be from the annual raffle of a moose, sheep, goat, deer, and elk super tag and variable priced outfitter sponsored non-resident deer and elk licenses.

**Dept Of Fish, Wildlife & Parks-5201  
Enforcement Division-04**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,200	\$0
FY 2009	\$6,200	\$0

**PL- 404 - Parks Enforcement -**

More emphasis is required and is being placed on State Parks enforcement. This necessitates an increase to the Parks funding in the Enforcement program. In addition, an unprecedented number of vacancies occurred during the base year. As a result, base year funding was not completely spent.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$20,000	\$0
FY 2009	\$20,000	\$0

**PL- 406 - Board of Outfitters -**

The budget request of \$20,000 state special revenue for both FY 2008 and FY 2009 is for annual compliance checks and investigations per a Memorandum of Understanding with the Board of Outfitters.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$146,350	\$139,032
FY 2009	\$122,750	\$116,612

**PL- 407 - Regional Investigators -**

The Executive recommends 2.00 FTE and \$139,032 in FY 2008 and \$116,612 in FY 2009 general fund and \$7,318 in FY 2008 and \$6,138 in FY 2009 of state special revenue to increase investigations of resource abuse and commercialized wildlife crimes.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$31,609	\$0
FY 2009	\$31,609	\$0

**PL- 409 - Radio Dispatch -**

This proposal of \$31,609 for both FY 2008 and FY 2009 of state special revenue will support an additional dispatcher at the Montana Highway Patrol dispatch center to handle the increased workload during evenings, weekends, and holidays and to coordinate FWP game warden responses, TIP-MONT, and license and violation database queries.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$30,000	\$0
FY 2009	\$30,000	\$0

**PL- 410 - Off Highway Vehicle -**

This budget request of \$30,000 state special revenue for both FY 2008 and FY 2009 will enable FWP to increase patrols and concentrate enforcement efforts on OHV due to increased complaints.

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

**PL- 411 - Legislative Contract Authority OTO -**

This proposal is for \$15,000 each year of the 2009 biennium of one-time-only federal special revenue for short-term federal contract authority that becomes available in the interim.

**Dept Of Fish, Wildlife & Parks-5201  
Enforcement Division-04**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$140,118	\$0
FY 2009	\$110,262	\$0

**NP- 412 - State Lands Wardens -**

The Executive recommends 2.00 FTE and state special revenue of \$140,118 in FY 2008 and \$110,262 in FY 2009 enabling DNRC to more effectively and efficiently provide unrestricted enforcement of the state land recreational use rules violations on trust land.

## Dept Of Fish, Wildlife & Parks-5201 Wildlife Division-05

**Program Description** - The Wildlife Division is responsible for the department's statewide Wildlife Management Program, which enhances the use of Montana's renewable wildlife resources for public benefit. It protects, regulates, and perpetuates wildlife populations with habitat management and regulated harvest. Through promotion of land management practices, wildlife habitat areas are maintained and enhanced. In addition, the program provides wildlife recreational opportunities to the public, including non-game wildlife, and provides public information regarding conservation of wildlife populations and wildlife habitats. The program manages animals legislatively categorized as big game, non-game wildlife, game birds, furbearers, and threatened and endangered species.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Acres of habitat acquired or enhanced	200,000	220,000	150,000	150,000	180,000	200,000
Regulations printed	695,000	787,000	680,000	680,000	680,000	680,000
Recreation day associated with hunting and trapping	2,728,311	3,200,000	2,900,000	3,000,000	3,000,000	3,000,000

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	101.43	2.50	0.00	103.93	2.50	0.00	103.93
Personal Services	5,169,939	631,435	0	5,801,374	656,135	0	5,826,074
Operating Expenses	2,677,895	949,035	1,050,000	4,676,930	956,560	1,050,000	4,684,455
Equipment	55,290	0	0	55,290	0	0	55,290
Grants	136,237	0	0	136,237	0	0	136,237
<b>Total Costs</b>	<b>\$8,039,361</b>	<b>\$1,580,470</b>	<b>\$1,050,000</b>	<b>\$10,669,831</b>	<b>\$1,612,695</b>	<b>\$1,050,000</b>	<b>\$10,702,056</b>
General Fund	0	0	250,000	250,000	0	250,000	250,000
State/Other Special	4,136,295	638,046	273,382	5,047,723	654,135	273,382	5,063,812
Federal Special	3,903,066	942,424	526,618	5,372,108	958,560	526,618	5,388,244
<b>Total Funds</b>	<b>\$8,039,361</b>	<b>\$1,580,470</b>	<b>\$1,050,000</b>	<b>\$10,669,831</b>	<b>\$1,612,695</b>	<b>\$1,050,000</b>	<b>\$10,702,056</b>

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

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

#### PL- 501 - Survey & Inventory Funding -

The budget request of 1.00 FTE and \$150,000 of both state and federal special revenue each year of the 2009 biennium will reauthorize a one-time-only appropriation from the 2007 biennium to fund a pilot and increased operational costs for completing, refining, and increasing the number of aerial wildlife surveys.

**Dept Of Fish, Wildlife & Parks-5201  
Wildlife Division-05**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$51,852	\$0
FY 2009	\$51,922	\$0

**PL- 502 - R1 Wildlife Conflict Specialist -**

The Executive recommends 1.00 FTE and \$51,852 in FY 2008 and \$51,922 in FY 2009 of state special revenue for a wildlife conflict specialist. The specialist's duties will focus on responding to nuisance black bears, mountain lions, and moose in the urban/wild land interface and has public safety aspects that are important considerations.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$80,000	\$0
FY 2009	\$80,000	\$0

**PL- 504 - Harvest Survey Automation -**

This request of \$40,000 from both state and federal special revenue for both FY 2008 and FY 2009 will allow FWP to upgrade their Harvest Survey Program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$34,479	\$0
FY 2009	\$34,479	\$0

**PL- 505 - Black Bear Research OTO -**

This proposal for 0.50 FTE and \$34,479 of both state and federal special revenue for each year of the 2009 biennium will restore one-time-only authority to complete DNA survey techniques and complete the final study report.

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

**PL- 510 - Legislative Contract Authority OTO -**

This proposal is for \$500,000 each year of the 2009 biennium of one-time-only federal special revenue for short-term federal contract authority that becomes available in the interim.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$107,300	\$0
FY 2009	\$107,300	\$0

**PL- 511 - Deer, Elk, Moose, Goat, Sheep Auctions -**

This request restores \$107,300 each year of the 2009 biennium of state special revenue to the operational budget. Funding will be from the annual raffle of a moose, sheep, goat, deer, and elk auctions.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$41,100	\$0
FY 2009	\$41,100	\$0

**PL- 513 - Migratory Bird Fund/Upland Game Bird -**

The budget request of \$41,100 state special revenue for both FY 2008 and FY 2009 is for increased operation costs to implement the Wetland and the Upland Game Bird Programs.

**Dept Of Fish, Wildlife & Parks-5201  
Wildlife Division-05**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,050,000	\$250,000
FY 2009	\$1,050,000	\$250,000

**NP- 507 - State Wildlife Grants (SWG) -**

This budget request of \$500,000 general fund and \$400,000 state special revenue to match \$1,200,000 federal special revenue for the biennium to be used to conserve native fish and wildlife species and to reduce the potential for federal listing of species. The general fund portion of the request is proposed as one-time-only.

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

**NP- 514 - Wildlife Overhead Refund -**

This budget request switches funding of \$73,382 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

## Dept Of Fish, Wildlife & Parks-5201 Parks Division-06

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

**Program Description** - The Parks Division is responsible for conserving the scenic, historic, archaeological, scientific, and recreational resources of the state, and for providing for their use and enjoyment. The program includes 50 parks, 13 affiliated lands such as rifle ranges and recreation sites managed by local and federal agencies, and 320 fishing access sites. Other programs administered by the division include motorized and non-motorized trail grants and local government recreation grants.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
State Park Visitation	1.6 million	1.65 million	1.70 million	1.75 million	1.80 million	1.85 million
Satisfaction with state park maintenance	85%	85%	86%	90%	90%	95%
Satisfaction with resources protection	85%	85%	85%	90%	90%	90%
Satisfaction with staff service	85%	90%	92%	95%	95%	95%
Satisfaction with park education programs	75%	75%	80%	85%	90%	90%
Satisfaction with feeling safe in parks	85%	85%	85%	85%	85%	85%

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	101.08	6.25	0.00	107.33	6.25	0.00	107.33
Personal Services	3,958,323	568,992	0	4,527,315	587,549	0	4,545,872
Operating Expenses	2,482,606	261,742	0	2,744,348	268,167	0	2,750,773
Equipment	269,224	6,500	0	275,724	6,500	0	275,724
Grants	470,024	0	0	470,024	0	0	470,024
<b>Total Costs</b>	<b>\$7,180,177</b>	<b>\$837,234</b>	<b>\$0</b>	<b>\$8,017,411</b>	<b>\$862,216</b>	<b>\$0</b>	<b>\$8,042,393</b>
State/Other Special	6,848,900	777,234	117,317	7,743,451	802,216	117,317	7,768,433
Federal Special	331,277	60,000	(117,317)	273,960	60,000	(117,317)	273,960
<b>Total Funds</b>	<b>\$7,180,177</b>	<b>\$837,234</b>	<b>\$0</b>	<b>\$8,017,411</b>	<b>\$862,216</b>	<b>\$0</b>	<b>\$8,042,393</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$68,508	\$0
FY 2009	\$68,508	\$0

#### PL- 603 - Land & Water Conservation Fund -

The budget request of \$68,508 of state special revenue in each year of the 2009 biennium is for operations to administer the land and water community grants program funded by the federal Land and Water Conservation Fund (LWCF).

**Dept Of Fish, Wildlife & Parks-5201  
Parks Division-06**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,500	\$0
FY 2009	\$6,500	\$0

**PL- 604 - Snowmobile Equipment BIEN -**

This request of \$6,500 state special revenue for both FY 2008 and FY 2009 increases the biennial appropriation of state special revenue to a total of \$370,000 for the biennium for local snowmobile clubs to replace groomer equipment, groom trails, or maintain equipment.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$37,819	\$0
FY 2009	\$37,819	\$0

**PL- 605 - Community Service -**

The budget request restores \$37,819 in FY 2008 and FY 2009 of state special revenue for funding of supervisors for community service program volunteers doing park maintenance projects. Because a modified FTE was used in FY 2006, the expenditures are not reflected in the base.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$98,547	\$0
FY 2009	\$98,671	\$0

**PL- 606 - FAS Maintenance & Operations -**

The Executive recommends 3.00 FTE and \$98,547 in FY 2008 and \$98,671 in FY 2009 of state special revenue to hire seasonal maintenance workers and supervisors to better maintain and manage Fishing Access Sites (FAS) statewide.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$95,820	\$0
FY 2009	\$95,886	\$0

**PL- 607 - Parks Operations & Maintenance -**

The budget request includes 1.75 FTE and \$95,820 in FY 2008 and \$95,886 in FY 2009 of state special revenue to hire seasonal staff to operate and maintain state parks.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,614	\$0
FY 2009	\$75,614	\$0

**PL- 608 - Cultural & Historic Resource Staff -**

This budget request includes 1.50 FTE and \$75,614 each year of the 2009 biennium of state special revenue to hire a full-time heritage coordinator to improve management and operations of heritage resources and cultural parks. A park ranger would be hired during the summer for the Rosebud Battlefield State Park to provide more maintenance and protection of the site.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$60,000	\$0
FY 2009	\$60,000	\$0

**PL- 611 - Parks Legislative Contract Authority OTO -**

This proposal will provide one-time-only authority to spend from federal sources of funding that become available under contractual agreements during the interim.

**Dept Of Fish, Wildlife & Parks-5201  
Parks Division-06**

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

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

**NP- 610 - Parks Overhead Refund -**

This budget request switches funding of \$117,317 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

## Dept Of Fish, Wildlife & Parks-5201 Communication And Education Div-08

**Program Description** - The Conservation Education Division, through its Helena office and seven regional information and education managers, coordinates the department's information and education programs and department planning efforts. Specific responsibilities include:

- Distributing public information through news releases, audio-visual materials, brochures, Montana Outdoors Magazine, and public service announcements;
- Coordinating youth education programs;
- Coordinating the production of hunting, fishing, and trapping regulations;
- Coordinating the hunter, bow-hunter, trapper, snowmobile, boat and off-highway vehicle education, and safety programs;
- Providing reception services including the sale of licenses and disseminating of licensing and regulation information for the department's Helena Headquarters; and
- Facilitating FWP's strategic planning process.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Hunter Ed students instructed	6,500	6,500	6,500	6,500	6,500	6,500
Bow-hunter Ed students instructed	2,500	2,500	2,500	2,500	2,500	2,500
Television Outdoor reports	52	48	50	50	48	48

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	28.55	0.00	0.00	28.55	0.00	0.00	28.55
Personal Services	1,502,995	134,003	0	1,636,998	139,748	0	1,642,743
Operating Expenses	1,407,958	68,832	0	1,476,790	123,871	0	1,531,829
Equipment	5,000	0	0	5,000	0	0	5,000
Grants	135,688	(12,570)	0	123,118	(12,570)	0	123,118
<b>Total Costs</b>	<b>\$3,051,641</b>	<b>\$190,265</b>	<b>\$0</b>	<b>\$3,241,906</b>	<b>\$251,049</b>	<b>\$0</b>	<b>\$3,302,690</b>
State/Other Special	2,197,805	190,265	134,406	2,522,476	251,049	134,406	2,583,260
Federal Special	853,836	0	(134,406)	719,430	0	(134,406)	719,430
<b>Total Funds</b>	<b>\$3,051,641</b>	<b>\$190,265</b>	<b>\$0</b>	<b>\$3,241,906</b>	<b>\$251,049</b>	<b>\$0</b>	<b>\$3,302,690</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$9,074)	\$0
FY 2009	(\$9,074)	\$0

#### PL- 802 - Shooting Range Grants Biennial -

This reduction of \$9,074 each year of the 2009 biennium of state special revenue will restore the shooting range grants program authority to \$166,236 for the biennium.

**Dept Of Fish, Wildlife & Parks-5201  
Communication And Education Div-08**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$25,764	\$0
FY 2009	\$77,292	\$0

**PL- 803 - The Wildlife Education Center RST -**

The budget includes \$25,764 in FY 2008 and \$77,292 in FY 2009 of state special revenue for daily operations of an education center located at the Montana Wildlife Center at Spring Meadow Lake State Park in Helena.

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

**PL- 804 - Off Highway Vehicle Education -**

This request of \$5,000 each year of the 2009 biennium for state special revenue for off-highway-vehicle (OHV) educational programs, printing of maps and materials will increase the public information and safety efforts specific to OHV use.

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

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

**NP- 805 - Com & Ed Overhead Refund -**

This budget request switches funding of \$134,406 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

## Dept Of Fish, Wildlife & Parks-5201 Management And Finance-09

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

### Program Description - Management and Finance:

The Administration and Finance Division and the Department Management Division were reorganized into the Management and Finance Division.

The management sections of the division are responsible for:

- Overall department direction regarding policy, planning, program development, guidelines, and budgets.
- Liaison with the Governor's Office and the Legislature.
- Interaction with the Fish, Wildlife and Parks Commission.
- Decision-making for key resource activities affecting the department.
- Supervision of the seven divisions that provide program development and staff support.
- Supervision of the seven regional offices that are responsible for program implementation.
- Liaison with Montana's Indian tribes and with other state and federal agencies.
- Legal services for the department.
- Human Resource Management.

The Finance sections of the division provide for:

- Department-wide support for accounting.
- Fiscal management.
- Purchasing and property management.
- Federal aid administration.
- The sale of hunting, fishing, and other recreational licenses.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Estimated FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Personnel appraisals conducted (Performance Agreements)	88%	89%	98%	98%	98%	98%
%of employee participants in Leadership & Career Development Initiatives	75%	77%	90%	90%	90%	90%
License and Permit Sales (by license year)	1,751,581	1,752,315	1,787,361	1,823,109	1,859,571	1,896,763

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	95.74	1.00	3.00	99.74	1.00	3.00	99.74
Personal Services	4,443,164	466,355	130,652	5,040,171	486,214	129,291	5,058,669
Operating Expenses	4,482,527	132,961	75,000	4,690,488	(139,116)	75,000	4,418,411
Equipment	40,721	0	20,000	60,721	0	20,000	60,721
Transfers	26,463	73,189	0	99,652	73,189	0	99,652
<b>Total Costs</b>	<b>\$8,992,875</b>	<b>\$672,505</b>	<b>\$225,652</b>	<b>\$9,891,032</b>	<b>\$420,287</b>	<b>\$224,291</b>	<b>\$9,637,453</b>
State/Other Special	6,734,381	615,528	2,442,426	9,792,335	380,943	2,441,065	9,556,389
Federal Special	2,258,494	56,977	(2,216,774)	98,697	39,344	(2,216,774)	81,064
<b>Total Funds</b>	<b>\$8,992,875</b>	<b>\$672,505</b>	<b>\$225,652</b>	<b>\$9,891,032</b>	<b>\$420,287</b>	<b>\$224,291</b>	<b>\$9,637,453</b>

**Dept Of Fish, Wildlife & Parks-5201  
Management And Finance-09**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$65,139	\$0
FY 2009	\$63,139	\$0

**PL- 901 - State Wildlife Grants & Energy Development -**

The budget includes 1.00 FTE and \$30,070 state special and \$96,208 federal special revenue for the biennium for a position to coordinate and implement Montana's Comprehensive Fish and Wildlife Conservation Strategy and to minimize the impacts of expanding energy development on fish and wildlife.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$30,000	\$0
FY 2009	\$30,000	\$0

**PL- 903 - Citizen Advisory Committees -**

The budget request of \$30,000 state special revenue each year of the 2009 biennium is to pay citizen members of advisory committees per diem and travel expenses.

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

**PL- 904 - Area Offices Rent Increase -**

This request for \$15,000 state special revenue for FY 2008 and FY 2009 will allow for relocation of the Lewistown Area Office in Region 4 and the Havre Area Office. Leases will expire in 2007 and the current locations are no longer cost effective nor do they accommodate existing staff sizes. In addition, public access and parking are restricted.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$73,189	\$0
FY 2009	\$73,189	\$0

**PL- 905 - Search & Rescue Base Adjustment -**

The Executive recommends \$73,189 state special revenue in both years of the 2009 biennium to restore authority for transferring cash to the Department of Military Affairs for costs associated with searching for hunters, anglers, or trappers by search and rescue clubs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$161,060	\$0
FY 2009	\$0	\$0

**PL- 906 - Water Adjudication RST -**

The budget request of \$161,060 in FY 2008 of state special revenue is for payment of water right fees associated with lands and in-stream flow on rivers and streams per HB 22 passed by the 2005 Legislature.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$16,000	\$0
FY 2009	\$16,000	\$0

**PL- 907 - Commission Expense Adjustment -**

The Executive recommends \$16,000 state special revenue each year of the 2009 biennium to restore authority for members of the Commission's honorarium and per diem.

**Dept Of Fish, Wildlife & Parks-5201  
Management And Finance-09**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$9,000	\$0
FY 2009	\$9,000	\$0

**PL- 908 - Seasonal Overtime -**

This budget request is recommended to restore state special revenue funding of \$9,000 each year of the 2009 biennium for overtime. The overtime is used in lieu of adding staff during peak workload periods for licensing, payroll, fiscal year end, and budget preparation.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	(\$7,306)	\$0

**PL- 911 - Statute Book Printing -**

The budget includes a reduction of \$7,306 in FY 2009 of state special revenue for costs associated with cyclical printing costs. The department prints statute books following each legislative session to inform staff and the public of relevant laws pertaining to department programs.

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

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

**NP- 909 - Management & Finance Overhead Refund -**

This budget request switches funding of \$2,216,774 for both FY 2008 and FY 2009 from federal special revenue to state special revenue to record indirect costs recovery in the fund which it was originally paid. The net impact on the division's budget is zero.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$225,652	\$0
FY 2009	\$224,291	\$0

**NP- 915 - River Recreation Management Program -**

The budget includes 3.00 FTE and funding of \$225,652 in FY 2008 and \$224,291 in FY 2009 of state special revenue for river recreation management and improvements to fishing access sites and to implement a commercial use permit system for department lands.

## Dept. Of Environmental Quality-5301

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

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

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

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	362.79	11.00	8.50	382.29	11.00	8.50	382.29
Personal Services	17,573,187	3,633,000	470,204	21,676,391	3,701,282	470,602	21,745,071
Operating Expenses	21,927,137	11,288,161	1,032,844	34,248,142	11,387,166	268,536	33,582,839
Equipment	122,112	300,005	0	422,117	50,005	0	172,117
Grants	1,637,948	357,000	0	1,994,948	385,000	0	2,022,948
Benefits & Claims	0	2,050,000	0	2,050,000	2,050,000	0	2,050,000
Debt Service	1,807	0	0	1,807	0	0	1,807
<b>Total Costs</b>	<b>\$41,262,191</b>	<b>\$17,628,166</b>	<b>\$1,503,048</b>	<b>\$60,393,405</b>	<b>\$17,573,453</b>	<b>\$739,138</b>	<b>\$59,574,782</b>
General Fund	3,780,841	3,017,493	1,014,568	7,812,902	2,819,539	269,904	6,870,284
State/Other Special	17,501,602	9,081,551	238,095	26,821,248	9,109,880	231,107	26,842,589
Federal Special	19,979,748	5,529,122	250,385	25,759,255	5,644,034	238,127	25,861,909
Expendable Trust	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$41,262,191</b>	<b>\$17,628,166</b>	<b>\$1,503,048</b>	<b>\$60,393,405</b>	<b>\$17,573,453</b>	<b>\$739,138</b>	<b>\$59,574,782</b>

## Dept. Of Environmental Quality-5301 Central Management Program-10

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

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 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	2.00	0.00	12.00	2.00	0.00	12.00
Personal Services	541,448	319,809	0	861,257	323,646	0	865,094
Operating Expenses	1,133,321	1,239,168	0	2,372,489	1,045,887	0	2,179,208
Equipment	0	20,000	0	20,000	20,000	0	20,000
<b>Total Costs</b>	<b>\$1,674,769</b>	<b>\$1,578,977</b>	<b>\$0</b>	<b>\$3,253,746</b>	<b>\$1,389,533</b>	<b>\$0</b>	<b>\$3,064,302</b>
General Fund	316,482	1,058,320	0	1,374,802	859,767	0	1,176,249
State/Other Special	1,125,281	195,424	0	1,320,705	204,870	0	1,330,151
Federal Special	233,006	325,233	0	558,239	324,896	0	557,902
<b>Total Funds</b>	<b>\$1,674,769</b>	<b>\$1,578,977</b>	<b>\$0</b>	<b>\$3,253,746</b>	<b>\$1,389,533</b>	<b>\$0</b>	<b>\$3,064,302</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,000,000	\$1,000,000
FY 2009	\$800,000	\$800,000

**PL- 1001 - Business Process Improvement OTO -**

DEQ proposes to analyze its existing business processes to identify and implement improvements in quality of service, efficiency, timeliness, consistency, and cost-effectiveness. Specific focus areas are accounts receivable and subdivision permit application and review. The DEQ was formed from parts of three former departments, each with a different way of doing business. This inconsistency sometimes leads to costly inefficiencies and delayed revenue collection. The Executive recommends a one-time-only biennial general fund appropriation of \$1,800,000 for this work.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$149,795	\$38,664
FY 2009	\$155,983	\$39,583

**PL- 1002 - Central Management Operating Adjust -**

The Executive recommends \$149,795 in FY 2008 and \$155,983 in FY 2009 of all funds for additional contracted services, office rent, and indirect costs as well as restoration of operating costs associated with vacancies during the base year.

**Dept. Of Environmental Quality-5301  
Central Management Program-10**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$271,363	\$0
FY 2009	\$271,219	\$0

**PL- 1003 - Central Management Information Technology Grants -**

The budget request of \$271,363 in FY 2008 and \$271,219 in FY 2009 federal special revenue is recommended for upgrading databases and hardware to achieve the long-term goal of participating in the Environmental Information Network.

## Dept. Of Environmental Quality-5301 Planning, Prevention & Assistance Div.-20

**Program Description** - The Planning, Prevention and Assistance Division 1) finances construction and improvement of community drinking water and wastewater systems, and provides engineering review and technical assistance to Montana communities water infrastructure planners; 2) assists small businesses in reducing emissions and complying with environmental regulations; 3) monitors air and water quality conditions, assesses potential pollution problems, and aids industry to achieve cost effective compliance; 4) assists communities to plan for energy, watershed, airshed, and solid and hazardous waste management; 5) helps develop water Total Maximum Daily Loads (TMDL); 6) proposes rules and policy and develops environmental protection criteria; 7) provides analysis to assess the cost effectiveness of environmental programs; 8) finances energy saving retrofits of public buildings and renewable energy systems for homeowners and small businesses; and 9) provides technical assistance and education to builders, homeowners, and businesses on energy efficiency and renewable energy, indoor air quality, radon, recycling, and solid waste reduction. The division consists of three bureaus: Technical and Financial Assistance, Water Quality Planning, and Air, Energy and Pollution Prevention.

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	89.58	2.00	2.00	93.58	2.00	2.00	93.58
Personal Services	4,246,220	957,476	105,248	5,308,944	975,979	105,334	5,327,533
Operating Expenses	5,998,514	1,517,638	335,393	7,851,545	1,799,269	90,588	7,888,371
Equipment	97,490	285,836	0	383,326	35,836	0	133,326
<b>Total Costs</b>	<b>\$10,342,224</b>	<b>\$2,760,950</b>	<b>\$440,641</b>	<b>\$13,543,815</b>	<b>\$2,811,084</b>	<b>\$195,922</b>	<b>\$13,349,230</b>
General Fund	2,155,109	730,501	440,641	3,326,251	739,164	195,922	3,090,195
State/Other Special	801,695	375,133	0	1,176,828	362,178	0	1,163,873
Federal Special	7,385,420	1,655,316	0	9,040,736	1,709,742	0	9,095,162
<b>Total Funds</b>	<b>\$10,342,224</b>	<b>\$2,760,950</b>	<b>\$440,641</b>	<b>\$13,543,815</b>	<b>\$2,811,084</b>	<b>\$195,922</b>	<b>\$13,349,230</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$35,000	\$0
FY 2009	\$35,000	\$0

**PL- 2005 - Increase Waste Reduction & Recycling -**

This budget request of \$35,000 state special revenue for each year of the 2009 biennium is recommended to expand waste reduction and recycling efforts in the state.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$72,401	\$18,100
FY 2009	\$70,148	\$17,537

**PL- 2009 - Wetland Pilot Project FTE -**

The Executive recommends 1.00 FTE and approximately \$18,000 general fund and approximately \$71,000 federal special revenue each year of the 2009 biennium for a pilot grant to develop two different assessment tools to track wetland gains and losses.

**Dept. Of Environmental Quality-5301  
Planning, Prevention & Assistance Div.-20**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,901,681	\$314,983
FY 2009	\$1,929,431	\$312,293

**PL- 2010 - PPA Operating Adjustment -**

The department requests \$1,901,681 in FY 2008 and \$1,929,431 in FY 2009 from all funds to restore the base operating expenses in the Planning, Prevention, & Assistance Division that were not expended in the base year due to vacancies.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$80,103	\$80,103
FY 2009	\$79,814	\$79,814

**PL-2013 – State Building Energy Conservation FTE –**

The Executive recommends 1.00 FTE and approximately \$80,000 general fund each year of the biennium to provide dedicated staff for the State Building Energy Conservation Program. The current program is staffed on an ad-hoc basis from other positions within the division. Due to the success of the program and the increased demand due to high energy costs and increased potential savings, a permanent full-time position for the program is necessary.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$30,000	\$30,000
FY 2009	\$30,000	\$30,000

**NP- 2001 - Annual Maintenance for Relational Database Mgt System IT -**

The budget request of \$30,000 general fund each year of the 2009 biennium is recommended to fund the annual maintenance of the Water Quality Assessment, Reporting, and Documentation System (WARD) which is key to the assessment of impaired water bodies and the development of Total Maximum Daily Loads (TMDL) that address those impairments.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$160,641	\$160,641
FY 2009	\$165,922	\$165,922

**NP- 2006 - Restore Energy Planning Functions -**

The Executive recommends 2.00 FTE and general fund of \$160,641 in FY 2008 and \$165,922 in FY 2009 to restore and provide statutorily required energy analysis and policy support for new challenges associated with a significant expansion of state and regional electric transmission infrastructure.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,000	\$250,000
FY 2009	\$0	\$0

**NP- 2007 - Biofuels Testing - OTO -**

The Executive recommends a \$250,000 one-time-only biennial general fund appropriation in the Planning, Prevention, & Assistance Division. The appropriation will be used to purchase equipment to test Montana-produced biofuels to ensure they meet national standards, which allows them to be sold on the market. Without such equipment available in Montana, such testing is cost prohibitive for all but the largest producers.

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

## Dept. Of Environmental Quality-5301 Enforcement Division-30

**Program Description** - The Enforcement Division is the central control for activities designed to facilitate the enforcement of the statutes and regulations administered by the department. The division develops department enforcement policies and procedures for approval by the director and ensures they are implemented in a consistent manner across the department. A citizen complaint clearinghouse and information tracking system is maintained by the division. The division coordinates the legal and technical aspects of enforcement cases, both administrative and judicial, and monitors violators to determine compliance with department orders.

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	14.00	1.00	0.00	15.00	1.00	0.00	15.00
Personal Services	706,737	136,485	0	843,222	139,216	0	845,953
Operating Expenses	308,921	26,828	0	335,749	14,044	0	322,965
<b>Total Costs</b>	<b>\$1,015,658</b>	<b>\$163,313</b>	<b>\$0</b>	<b>\$1,178,971</b>	<b>\$153,260</b>	<b>\$0</b>	<b>\$1,168,918</b>
General Fund	404,184	109,997	0	514,181	100,663	0	504,847
State/Other Special	251,636	98,605	0	350,241	98,228	0	349,864
Federal Special	359,838	(45,289)	0	314,549	(45,631)	0	314,207
<b>Total Funds</b>	<b>\$1,015,658</b>	<b>\$163,313</b>	<b>\$0</b>	<b>\$1,178,971</b>	<b>\$153,260</b>	<b>\$0</b>	<b>\$1,168,918</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$21,619	\$8,574
FY 2009	\$16,645	\$6,601

**PL- 3001 - Enforcement Operations Adjustments -**

The budget includes \$21,619 in FY 2008 and \$16,645 in FY 2009 of all funds to restore budget authority for contracts services, travel, and indirect costs. Adjustments are necessary to allow staff to respond to and document citizen complaints and spills.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$77,230	\$77,230
FY 2009	\$68,368	\$68,368

**PL- 3002 - Enforcement Division New FTE -**

The Executive recommends 1.00 FTE and general fund of \$77,230 in FY 2008 and \$68,368 in FY 2009 for an additional position and operating costs to address violations and citizen complaints more effectively.

**Dept. Of Environmental Quality-5301  
Remediation Division-40**

**Program Description** - The Remediation Division protects human health and the environment by preventing exposure to hazardous substances that have been released to soil, sediment, surface water, or groundwater. The division also ensures compliance with state and federal regulations. It oversees and conducts investigation and cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned mine lands; implements corrective actions at sites with leaking underground storage tanks; and oversees groundwater remediation at sites where improper placement of wastes has caused groundwater contamination. This division is divided into two bureaus. The Hazardous Waste Site Cleanup Bureau (HWSCB) oversees or conducts the investigation and cleanup of sites contaminated by chemical spills, hazardous substances, and petroleum released by industrial and commercial operations other than mining. The bureau works with the Petroleum Tank Release Compensation Board for eligibility and reimbursement determinations and provides grants to local governments for compliance assistance. The Mine Waste Cleanup Bureau (MWCB) is responsible for administering and overseeing remedial actions at historical mine sites, abandoned mines, ore-transport and processing facilities. It also oversees the provisions of the federal Comprehensive Environmental Response and Liability Act (CERCLA or federal Superfund 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	61.76	0.00	0.00	61.76	0.00	0.00	61.76
Personal Services	2,847,299	617,299	0	3,464,598	628,959	0	3,476,258
Operating Expenses	7,983,127	3,687,811	0	11,670,938	3,716,667	0	11,699,794
Equipment	5,831	(5,831)	0	0	(5,831)	0	0
Benefits & Claims	0	2,050,000	0	2,050,000	2,050,000	0	2,050,000
Debt Service	1,807	0	0	1,807	0	0	1,807
<b>Total Costs</b>	<b>\$10,838,064</b>	<b>\$6,349,279</b>	<b>\$0</b>	<b>\$17,187,343</b>	<b>\$6,389,795</b>	<b>\$0</b>	<b>\$17,227,859</b>
General Fund	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000
State/Other Special	3,472,724	3,797,851	0	7,270,575	3,797,932	0	7,270,656
Federal Special	7,365,340	1,551,428	0	8,916,768	1,591,863	0	8,957,203
<b>Total Funds</b>	<b>\$10,838,064</b>	<b>\$6,349,279</b>	<b>\$0</b>	<b>\$17,187,343</b>	<b>\$6,389,795</b>	<b>\$0</b>	<b>\$17,227,859</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$488,435)	\$0
FY 2009	(\$464,852)	\$0

**PL- 4001 - Remediation Operations Adjustment -**

This budget reduction of state and federal special revenue of \$488,435 in FY 2008 and \$464,852 in FY 2009 is due to decreases in program funding. Some budget adjustments are also required due to staff vacancies.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,700,000	\$0
FY 2009	\$2,700,000	\$0

**PL- 4002 - Bond Sale for state obligations at Superfund sites -**

The Executive recommends \$5.4 million state special revenue over the 2009 biennium to spend bond proceeds from CERCLA bonds sold under the authority of 75-10-623, MCA. This would allow expenditures for state obligations at the 10-Mile, Libby, East Helena, and Carpenter Snow Creek.

**Dept. Of Environmental Quality-5301  
Remediation Division-40**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$99,881	\$0
FY 2009	\$99,880	\$0

**PL- 4003 - Hazardous Waste Cleanup Bureau LUST Trust BIE -**

The department requests a \$199,761 state special revenue biennial appropriation for the departments' Petroleum Release Section. The department is required to recover federal grant funds expended in the cleanup of contamination from certain federally defined tanks. Under Leaking Underground Storage Tank (LUST) federal law, any state-recovered monies must continue to be used for cleanup of other sites also meeting federal LUST site criteria.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$95,000	\$0
FY 2009	\$95,000	\$0

**PL- 4004 - Mine Waste Cleanup Bureau Beal (BIEN) -**

The Executive recommends \$95,000 state special revenue each year of the 2009 biennium to expend the remaining funds that the DEQ recovered from its bond forfeiture action at the Pegasus Beal Mountain mine for post-bankruptcy management of the former Pegasus Beal Mountain mine site.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$366,753	\$0
FY 2009	\$366,752	\$0

**PL- 4006 - Mine Waste Cleanup Bureau Libby Troy (BIEN) -**

The Executive recommends \$733,505 biennial federal special revenue for additional investigation and remediation planning at the Libby Troy Asbestos site.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,050,000	\$0
FY 2009	\$2,050,000	\$0

**PL- 4007 - Orphan Share Claims Payments (RST/BIEN) -**

This budget request of \$2.05 million state special revenue each year of the biennium is recommended to reimburse remedial action costs claimed for the orphan's share of eligible remedial action costs for contaminated sites and to defend the liability allocation process in these cleanups.

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

**PL- 4008 - Accelerated Remediation Selected CECRA Sites OTO -**

The Executive recommends \$1 million one-time-only general fund each year of the 2009 biennium for contracted services for conducting remedial investigation and subsequent activities to address contaminants affecting human health and the environment at the Upper Blackfoot Mining Complex (UBMC) facility. These expenditures are cost recoverable.

**Dept. Of Environmental Quality-5301  
Permitting & Compliance Div.-50**

**Program Description** - The Permitting and Compliance Division administers all DEQ permitting and compliance activities based on 25 state regulatory and five related federal authorities. The division: 1) reviews and assesses environmental permit applications (coordinating with other state, local, and federal agencies) to determine control measures needed to ensure compliance with the law and to prevent land, water, and air conditions detrimental to public health welfare, safety, and the environment; 2) prepares supporting environmental documents under the Montana Environmental Policy Act and provides training and technical assistance when needed; 3) inspects to determine compliance with permit conditions, laws, and rules; and 4) when compliance problems are discovered, provides assistance to resolve the facility's compliance issues, and when necessary recommends formal enforcement actions to the Enforcement Division. Activities are organized in the Air Resources Management Bureau (air); Industrial and Energy Minerals Bureau (coal, uranium, opencut); Environmental Management Bureau (hard rock, facility siting); Public Water and Subdivision Bureau (public water supply and subdivision); Water Protection Bureau (water discharge); and Waste and Underground Tank Management Bureau (solid waste, junk vehicles, septage pumpers, hazardous waste, asbestos, underground storage tanks).

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	181.45	6.00	6.50	193.95	6.00	6.50	193.95
Personal Services	8,938,144	1,587,391	364,956	10,890,491	1,617,755	365,268	10,921,167
Operating Expenses	6,176,660	4,779,602	697,451	11,653,713	4,773,086	177,948	11,127,694
Equipment	18,791	0	0	18,791	0	0	18,791
Grants	1,637,948	357,000	0	1,994,948	385,000	0	2,022,948
<b>Total Costs</b>	<b>\$16,771,543</b>	<b>\$6,723,993</b>	<b>\$1,062,407</b>	<b>\$24,557,943</b>	<b>\$6,775,841</b>	<b>\$543,216</b>	<b>\$24,090,600</b>
General Fund	905,066	118,675	573,927	1,597,668	119,945	73,982	1,098,993
State/Other Special	11,230,333	4,562,884	238,095	16,031,312	4,592,732	231,107	16,054,172
Federal Special	4,636,144	2,042,434	250,385	6,928,963	2,063,164	238,127	6,937,435
Expendable Trust	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$16,771,543</b>	<b>\$6,723,993</b>	<b>\$1,062,407</b>	<b>\$24,557,943</b>	<b>\$6,775,841</b>	<b>\$543,216</b>	<b>\$24,090,600</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$286,771	\$0
FY 2009	\$276,343	\$0

**PL- 5001 - Oil & Gas Well Registration FTE -**

The state and federal special revenue request includes 3.00 FTE and \$286,771 in FY 2008 and \$276,343 in FY 2009 to implement current regulatory requirements applicable to conventional oil and gas well facilities and to provide technical support to the Bureau of Land Management (BLM). The department anticipates increased new registrations or permit applicators from oil and gas well facilities and an increase in air quality permit applications.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,076	\$0
FY 2009	\$71,922	\$0

**PL- 5002 - Permitting Major Sources of Air Pollution FTE -**

The Executive recommends an increase of 1.00 FTE and state special revenue of \$75,076 in FY 2008 and \$71,922 in FY 2009 for personal services and associated operating costs. Title V of the Federal Clean Air Act requires regulatory agencies to conduct detailed compliance evaluations to ensure companies are complying with all applicable air quality regulations, and to ensure that human health is being protected.

**Dept. Of Environmental Quality-5301  
Permitting & Compliance Div.-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$77,250	\$0
FY 2009	\$78,000	\$0

**PL- 5003 - Air Online Compliance Reporting-RST/OTO/BIE -**

This budget request of biennial one-time-only restricted state special revenue of \$77,250 in FY 2008 and \$78,000 in FY 2009 to modify the department's agency-wide database to allow regulated facilities to submit required compliance reports online.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,076	\$0
FY 2009	\$71,922	\$0

**PL- 5005 - Air Pollutant Emission Tracking -**

This state special revenue budget request includes the addition of 1.00 FTE and \$75,076 in FY 2008 and \$71,922 in FY 2009 to inventory and track emissions of air pollutants from all emission sources in order to implement the requirements of the New Source Review permitting program, and to implement the requirements of the Montana and Federal Clean Air Acts.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$66,950	\$13,390
FY 2009	\$67,600	\$13,520

**PL- 5006 - Air Resources Bureau Relocation-RST/OTO/BIE -**

The Executive recommends this restricted one-time-only biennial budget request of \$66,950 in FY 2008 and \$67,600 in FY 2009 for relocation of the Air Resources Management Bureau. With the increase of FTE the department will need to relocate the bureau or other staff within the Metcalf Building.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$38,167	\$2,727
FY 2009	\$40,635	\$3,026

**PL- 5009 - PCD Vehicles Owned and Leased -**

This budget request of \$38,167 in FY 2008 and \$40,635 in FY 2009 is for replacement of six vehicles that are currently owned by the department and two leased vehicles from the state Motor Pool.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,725	\$0
FY 2009	\$7,800	\$0

**PL- 5011 - Aerial Reconnaissance in Coal Mine Inspection -**

The budget includes \$7,725 in FY 2008 and \$7,800 in FY 2009 of state special revenue to support helicopter flights twice annually in the inspection and compliance evaluation program. It would be beneficial to electronically document landscape references or standards for comparison between pre-mine and reclamation landscapes for future administrative and regulatory purposes.

**Dept. Of Environmental Quality-5301  
Permitting & Compliance Div.-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,061,131	\$0
FY 2009	\$3,091,131	\$0

**PL- 5012 - Hard Rock & MFSA Projects-RST/BIE -**

This request is for \$3,061,131 in FY 2008 and \$3,091,131 in FY 2009 of restricted biennial state and federal special revenue for projects administered by the Hard Rock and Major Facility Siting Act (MFSA) Programs and associated indirect costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$33,438	\$0
FY 2009	\$33,750	\$0

**PL- 5015 - Industrial Wastewater Operator Cert BIE/OTO -**

The Executive recommends a biennial one-time-only state special revenue appropriation of \$33,438 for FY 2008 and \$33,750 for FY 2009 to examine the industrial wastewater certification categories, develop new categories, and develop corresponding prescriptive industrial wastewater exams and study materials.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$30,900	\$0
FY 2009	\$31,200	\$0

**PL- 5016 - High Strength Wastewater Standards BIE/OTO -**

This request for biennial one-time-only state special revenue of \$30,900 in FY 2008 and \$31,200 in FY 2009 is to prepare a new circular or addition to DEQ-4 on non-residential strength wastewater treatment.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$51,500	\$0
FY 2009	\$52,000	\$0

**PL- 5017 - Subdivision Training IT -**

The budget includes \$51,500 in FY 2008 and \$52,000 in FY 2009 of state special revenue for contractor review of subdivision applications and Internet-based application maintenance.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$80,478	\$0
FY 2009	\$77,530	\$0

**PL- 5018 - Public Water Supply - Kalispell FTE -**

This state and federal special revenue budget request includes the addition of 1.00 FTE and \$80,478 in FY 2008 and \$77,530 in FY 2009 to provide technical assistance, compliance assistance, engineering review, operator training, and sanitary inspections to public water supply systems. The position would be located in the department's Kalispell Regional Office.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$243,000	\$0
FY 2009	\$243,000	\$0

**PL- 5019 - Subdivision Grants to Counties -**

The Executive recommends state special revenue of \$243,000 each year of the 2009 biennium for county contracts to perform subdivision reviews.

**Dept. Of Environmental Quality-5301  
Permitting & Compliance Div.-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$119,600	\$0
FY 2009	\$118,450	\$0

**PL- 5024 - Brownsfields Grant BIEN-**

This biennial budget request of \$119,600 in FY 2008 and \$118,450 in FY 2009 of federal special revenue will be used to establish and enhance the Hazardous Waste Section Brownsfields response program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,161,952	\$58,878
FY 2009	\$1,153,462	\$57,723

**PL- 5026 - Permitting & Compliance Division Base Adjustments -**

The department's Permitting and Compliance Division base expenditures were low due to vacancies, low payouts for the Operator Reimbursement Program, junk vehicle grants to counties and abandoned vehicle reimbursements, contracts not put into place due to vacancies, a missed fiscal year end accrual, and indirect costs. This budget request of \$1,161,952 in FY 2008 and \$1,153,462 in FY 2009 of all funds will restore the base operating budget for the division for these areas.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$82,400	\$0
FY 2009	\$83,200	\$0

**PL- 5027 - On-site Wastewater Operator Certification OTO/BIE -**

The Executive recommends restricted one-time-only funding of \$82,400 in FY 2008 and \$83,200 in FY 2009 state special revenue to develop an operator certification program for on-site wastewater treatment systems in accordance with 37-42-101, MCA.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$257,500	\$0
FY 2009	\$260,000	\$0

**PL- 5028 - Air Regulatory Assistance RST/OTO/BIEN -**

This restricted one-time-only biennial budget request of \$257,500 in FY 2008 and \$260,000 in FY 2009 state special revenue to contract for permit application review, permit writing, preparation of environmental reviews required under the Montana Environmental Policy Act, and compliance activities to assure that permit conditions and other applicable requirements are being met.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,679	\$0
FY 2009	\$71,865	\$0

**NP- 5013 - MFSA/MEPA FTE -**

This state special budget request includes 1.00 FTE and \$75,679 in FY 2008 and \$71,865 in FY 2009 for Major Facilities Siting projects and Montana Environmental Policy Act analysis.

**Dept. Of Environmental Quality-5301  
Permitting & Compliance Div.-50**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$162,416	\$0
FY 2009	\$159,242	\$0

**NP- 5014 - Subdivision Review FTE -**

This Executive recommends this state special budget request including 2.00 FTE and \$162,416 in FY 2008 and \$159,242 in FY 2009 of state special revenue to provide for quicker turnaround time of plan review.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,385	\$0
FY 2009	\$238,127	\$0

**NP- 5020 - Coal Bed Methane Compliance Monitoring FTE -**

This state special budget request includes 2.00 FTE and \$250,385 in FY 2008 and \$238,127 in FY 2009 of federal special revenue to assist with energy related development, to monitor compliance of coal bed methane discharges, and to develop discharge permits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$73,927	\$73,927
FY 2009	\$73,982	\$73,982

**NP- 5021 - METH Staff - Re-Instate FTE -**

This budget request includes 1.50 FTE and \$73,927 in FY 2008 and \$73,982 in FY 2009 general fund for the new methamphetamine cleanup program authorized by the 2005 Legislature in HB 60. The FTE were inadvertently omitted from MBARS when the bill was amended into HB 2 at the end of last session.

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

**NP- 5029 - Swift Gulch Drainage System OTO/BIE -**

The Executive recommends \$500,000 general fund during the 2009 biennium to be used to design and construct a semi-passive treatment system for the Swift Gulch drainage northwest of the Zortman-Landusky mine site in Eastern Montana

## Dept. Of Environmental Quality-5301 Petro Tank Release Comp. Board-90

**Program Description** - The Petroleum Tank Release Compensation Board is responsible for administering the petroleum tank release cleanup fund. This includes reimbursement to petroleum storage tank owners and operators for corrective action costs and compensation paid to third parties for bodily injury and property damage resulting from a release of petroleum from a petroleum storage tank. The board is responsible for responding to and working with private individuals, corporations, other state agencies, the Governor's office, the legislature, federal agencies, and other interested parties with activities relative to petroleum storage tanks. It has a staff of 6.00 FTE and also funds 15.50 FTE within DEQ. It is attached to the DEQ for administrative purposes.

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	6.00	0.00	0.00	6.00	0.00	0.00	6.00
Personal Services	293,339	14,540	0	307,879	15,727	0	309,066
Operating Expenses	326,594	37,114	0	363,708	38,213	0	364,807
<b>Total Costs</b>	<b>\$619,933</b>	<b>\$51,654</b>	<b>\$0</b>	<b>\$671,587</b>	<b>\$53,940</b>	<b>\$0</b>	<b>\$673,873</b>
State/Other Special	619,933	51,654	0	671,587	53,940	0	673,873
<b>Total Funds</b>	<b>\$619,933</b>	<b>\$51,654</b>	<b>\$0</b>	<b>\$671,587</b>	<b>\$53,940</b>	<b>\$0</b>	<b>\$673,873</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,388	\$0
FY 2009	\$51,174	\$0

**PL- 9001 - PTRCB Operations Adjustment -**

The Executive recommends state special revenue of \$50,388 in FY 2008 and \$51,174 in FY 2009 for increased legal costs associated with claim subrogation.

## Department Of Livestock-5603

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

**Statutory Authority** - Title 81, MCA

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 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	135.99	0.00	2.00	137.99	0.00	2.00	137.99
Personal Services	5,555,013	701,375	73,579	6,329,967	725,619	73,656	6,354,288
Operating Expenses	2,437,756	446,555	321,848	3,206,159	418,389	166,048	3,022,193
Equipment	107,513	201,712	10,000	319,225	120,712	0	228,225
<b>Total Costs</b>	<b>\$8,100,282</b>	<b>\$1,349,642</b>	<b>\$405,427</b>	<b>\$9,855,351</b>	<b>\$1,264,720</b>	<b>\$239,704</b>	<b>\$9,604,706</b>
General Fund	572,665	85,088	523,569	1,181,322	88,096	371,438	1,032,199
State/Other Special	6,068,235	1,187,894	(144,077)	7,112,052	1,098,954	(155,537)	7,011,652
Federal Special	1,459,382	76,660	25,935	1,561,977	77,670	23,803	1,560,855
<b>Total Funds</b>	<b>\$8,100,282</b>	<b>\$1,349,642</b>	<b>\$405,427</b>	<b>\$9,855,351</b>	<b>\$1,264,720</b>	<b>\$239,704</b>	<b>\$9,604,706</b>

## Department Of Livestock-5603 Centralized Services Program-01

**Program Description** - The Centralized Services Division is responsible for budgeting, accounting, payroll, personnel, legal services, purchasing, administrative, information technology, and general services functions for the department. The Milk Control Bureau is administratively attached to the division. The Predator Control Program is administered by the Board of Livestock and the Executive Officer. Although the board placed the predator function in this division during the 2003 biennium, all functions remain unchanged, including the two aircraft and the contract with U.S. Department of Agriculture Wildlife Services. Through helicopter hunting and contracts, predators that kill or injure domestic livestock, primarily coyotes, are controlled.

The Livestock Crimestoppers' Commission and the Beef Research and Marketing Committee are administratively attached. The 57th Legislature administratively attached the Board of Horse Racing to the Department of Livestock. This board and its staff report directly to the executive officer.

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	19.78	0.00	0.00	19.78	0.00	0.00	19.78
Personal Services	827,608	137,609	0	965,217	140,193	0	967,801
Operating Expenses	677,208	329,478	250,000	1,256,686	298,993	100,000	1,076,201
<b>Total Costs</b>	<b>\$1,504,816</b>	<b>\$467,087</b>	<b>\$250,000</b>	<b>\$2,221,903</b>	<b>\$439,186</b>	<b>\$100,000</b>	<b>\$2,044,002</b>
General Fund	0	0	250,000	250,000	0	100,000	100,000
State/Other Special	1,504,816	467,087	0	1,971,903	439,186	0	1,944,002
Federal Special	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$1,504,816</b>	<b>\$467,087</b>	<b>\$250,000</b>	<b>\$2,221,903</b>	<b>\$439,186</b>	<b>\$100,000</b>	<b>\$2,044,002</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$77,675	\$0
FY 2009	\$77,675	\$0

**PL- 1005 - Predator Control Authority Increase -**

The Executive recommends this budget request of \$155,350 state special authority to restore the 2009 biennium budget for aerial hunting of predators via contract with USDA Wildlife Services and for contracted services for aerial flying for predator control. Because of serious drought and state special revenue funding shortfalls in FY 2003 the Board of Livestock reduced the Predator Control budget by \$200,000 each year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,763	\$0
FY 2009	\$4,683	\$0

**PL- 1006 - Department wide IT Equipment Replacement RST -**

The Executive recommends state special revenue of \$6,763 in FY 2008 and \$4,683 in FY 2009. This increase, in combination with the base budget, will allow the department to replace 19 personal computers in FY 2008 and 20 in FY 2009, replace a color laser printer in FY 2008, and lease an oracle server and a network server from the Department of Administration.

## Department Of Livestock-5603 Centralized Services Program-01

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,100	\$0
FY 2009	\$5,100	\$0

**PL- 1007 - Board of Livestock - Per Diem -**

The budget includes \$5,100 state special authority each year of the 2009 biennium for members of the Board of Livestock's per diem.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,055	\$0
FY 2009	\$2,055	\$0

**PL- 1009 - Information Technology -Oracle Training -**

This request of \$2,055 state special authority each year of the biennium is for the estimated cost of Oracle and other training for two new information technology staff.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$25,000	\$0
FY 2009	\$25,000	\$0

**PL- 1037 - Board of Milk Control - Legal Fees -**

The Executive recommends state special revenue of \$25,000 each year of the biennium for contract legal fees. The Board of Milk Control utilizes the Attorney General's Office for legal services for litigation.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,100	\$0
FY 2009	\$1,100	\$0

**PL- 1038 - Board of Milk Control - Per Diem -**

The budget includes \$1,100 state special authority each year of the 2007 biennium for members of the Board of Milk Control's per diem.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,300	\$0
FY 2009	\$1,300	\$0

**PL- 1078 - Board of Horse Racing - Per Diem -**

The Executive recommends \$1,300 state special authority each year of the 2009 biennium for members of the Board of Horse Racing's per diem.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$671	\$0
FY 2009	\$815	\$0

**PL- 1079 - Board of Horse Racing - Rent -**

This request includes state special revenue of \$671 in FY 2008 and \$815 in FY 2009 for the contracted 2% increase for office space rent.

**Department Of Livestock-5603  
Centralized Services Program-01**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,000	\$100,000
FY 2009	\$250,000	\$100,000

**NP- 1080 – Board of Horseracing Support -**

The Executive recommends \$250,000 general fund in FY 2008 and \$100,000 general fund in FY 2009 to help bridge the funding gap for the Board of Horseracing while the study committee works to find permanent solutions to keep the legacy of horseracing alive in Montana.

## Department Of Livestock-5603 Diagnostic Laboratory Program-03

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

Program Proposed Budget							
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	20.50	0.00	1.00	21.50	0.00	1.00	21.50
Personal Services	952,645	65,643	40,772	1,059,060	69,415	40,812	1,062,872
Operating Expenses	476,411	29,539	11,500	517,450	30,952	10,000	517,363
Equipment	0	55,000	10,000	65,000	0	0	0
<b>Total Costs</b>	<b>\$1,429,056</b>	<b>\$150,182</b>	<b>\$62,272</b>	<b>\$1,641,510</b>	<b>\$100,367</b>	<b>\$50,812</b>	<b>\$1,580,235</b>
General Fund	93,651	0	206,349	300,000	0	206,349	300,000
State/Other Special	1,335,405	150,182	(144,077)	1,341,510	100,367	(155,537)	1,280,235
<b>Total Funds</b>	<b>\$1,429,056</b>	<b>\$150,182</b>	<b>\$62,272</b>	<b>\$1,641,510</b>	<b>\$100,367</b>	<b>\$50,812</b>	<b>\$1,580,235</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$63,902	\$0
FY 2009	\$8,902	\$0

**PL- 3007 - Diagnostic Lab Equipment -**

This budget request includes state special revenue of \$72,804 for leasing and replacement of lab equipment anticipated for the 2009 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,323	\$0
FY 2009	\$8,320	\$0

**PL- 3009 - Lab Recharges -**

The Executive recommends a state special revenue increase of \$7,323 in FY 2008 and \$8,320 in FY 2009 for increase facility service recharges from Montana State University (MSU) where the department's Diagnostic Laboratory is located in Bozeman.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,208	\$0
FY 2009	\$2,208	\$0

**PL- 3010 - Lab Overtime -**

This budget request is recommend by the Executive to restore state special funding of \$2,208 each year of the 2009 biennium for overtime at the laboratory. Overtime is zero-based and necessary to receive samples on weekends and for peak seasonal testing such as spring calving season.

**Department Of Livestock-5603  
Diagnostic Laboratory Program-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$206,349
FY 2009	\$0	\$206,349

**NP- 3001 - Diagnostic Lab General Fund Increase -**

The Executive recommends this funding switch from state special revenue to general fund of \$206,349 each year of the biennium. Currently the livestock industry in Montana is supporting testing of public health related diseases that directly benefit public safety. This change will keep the rates at the lab at an appropriate level and acknowledge the benefit the lab provides to the general public.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$62,272	\$0
FY 2009	\$50,812	\$0

**NP- 3008 - Diagnostic Lab PCR Technology OTO -**

This recommendation adds 1.00 FTE and state special revenue funding of \$62,272 in FY 2008 and \$50,812 in FY 2009 for a specialized molecular technologist to operate the Polymerase Chain Reaction (PCR) equipment to perform PCR molecular testing and operating costs at the Diagnostic Lab.

## Department Of Livestock-5603 Animal Health Division-04

**Program Description** - The Animal Health Division provides diagnosis, prevention, control, and eradication of animal diseases, including those in bison and game farm animals. The program cooperates with the Departments of Public Health and Human Services, Fish, Wildlife and Parks, and Agriculture to protect human health from animal diseases transmissible to humans. Sanitary standards are supervised for animal concentration points, such as auction markets, and certain animal product processing facilities, such as rendering plants. The Rabies Control Unit protects public health from rabies by controlling the transmission of domestic animal and wildlife rabies, particularly through eradication of skunks.

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	14.00	0.00	0.00	14.00	0.00	0.00	14.00
Personal Services	480,654	218,509	0	699,163	222,652	0	703,306
Operating Expenses	651,686	39,376	0	691,062	38,410	0	690,096
Equipment	72,225	0	0	72,225	26,000	0	98,225
<b>Total Costs</b>	<b>\$1,204,565</b>	<b>\$257,885</b>	<b>\$0</b>	<b>\$1,462,450</b>	<b>\$287,062</b>	<b>\$0</b>	<b>\$1,491,627</b>
State/Other Special	301,047	224,317	0	525,364	253,494	0	554,541
Federal Special	903,518	33,568	0	937,086	33,568	0	937,086
<b>Total Funds</b>	<b>\$1,204,565</b>	<b>\$257,885</b>	<b>\$0</b>	<b>\$1,462,450</b>	<b>\$287,062</b>	<b>\$0</b>	<b>\$1,491,627</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$26,000	\$0

**PL- 4003 - Animal Health Division Vehicle Replacement RST/OTO -**

This request is for a one-time-only restricted state special revenue appropriation of \$26,000 in FY 2009 for a vehicle for a livestock investigator.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$31,564	\$0
FY 2009	\$30,815	\$0

**PL- 4004 - Federal Funding - Bison -**

This is an increase of federal authority of \$31,564 in FY 2008 and \$30,815 in FY 2009 to continue the work agreed to in the cooperative agreement with USDA/APHIS. The funding is for bison operations and Greater Yellowstone Interagency Brucellosis Committee (GYIBC) research and cooperative efforts and contracted services for research and analysis of brucellosis.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,600	\$0
FY 2009	\$6,600	\$0

**PL- 4005 - Out-of-State Travel -**

This request is for state special revenue authority of \$6,600 each fiscal year of the 2009 biennium for out-of-state travel in the Animal Health Division.

## Department Of Livestock-5603 Milk & Egg Program-05

**Program Description** - The Milk and Egg Inspection program ensures that eggs, milk, and milk products sold or manufactured in Montana are fit for human consumption. Enforcement of state and federal laws is accomplished through licensing, sampling, laboratory testing, and product and site inspections, done in cooperation with other state and federal agencies.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 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	252,561	13,881	0	266,442	14,825	0	267,386
Operating Expenses	43,757	4,791	0	48,548	4,794	0	48,551
Equipment	0	26,000	0	26,000	0	0	0
<b>Total Costs</b>	<b>\$296,318</b>	<b>\$44,672</b>	<b>\$0</b>	<b>\$340,990</b>	<b>\$19,619</b>	<b>\$0</b>	<b>\$315,937</b>
State/Other Special	263,464	44,672	0	308,136	19,619	0	283,083
Federal Special	32,854	0	0	32,854	0	0	32,854
<b>Total Funds</b>	<b>\$296,318</b>	<b>\$44,672</b>	<b>\$0</b>	<b>\$340,990</b>	<b>\$19,619</b>	<b>\$0</b>	<b>\$315,937</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$26,000	\$0
FY 2009	\$0	\$0

**PL- 5004 - Milk and Egg Bureau Vehicle Replacement RST/OTO -**

This request is for a one-time-only restricted state special revenue authority of \$26,000 in FY 2008 for a vehicle for a sanitarian to provide milk and egg inspections.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,181	\$0
FY 2009	\$3,181	\$0

**PL- 5005 - Milk & Egg Out of State Travel -**

The Executive recommends state special revenue authority of \$3,181 each year of the 2009 biennium for out-of-state travel for Milk and Egg sanitarians to attend national conferences so they can maintain certification, receive training to improve their inspection processes, and review new regulations that have been adopted.

## Department Of Livestock-5603 Brands Enforcement Division-06

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

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	57.21	0.00	0.00	57.21	0.00	0.00	57.21
Personal Services	2,312,794	169,389	0	2,482,183	179,718	0	2,492,512
Operating Expenses	308,946	11,535	0	320,481	11,858	0	320,804
Equipment	35,288	120,712	0	156,000	94,712	0	130,000
<b>Total Costs</b>	<b>\$2,657,028</b>	<b>\$301,636</b>	<b>\$0</b>	<b>\$2,958,664</b>	<b>\$286,288</b>	<b>\$0</b>	<b>\$2,943,316</b>
State/Other Special	2,657,028	301,636	0	2,958,664	286,288	0	2,943,316
<b>Total Funds</b>	<b>\$2,657,028</b>	<b>\$301,636</b>	<b>\$0</b>	<b>\$2,958,664</b>	<b>\$286,288</b>	<b>\$0</b>	<b>\$2,943,316</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$120,712	\$0
FY 2009	\$94,712	\$0

**PL- 6002 - Brand Division Vehicle Replacement RST/OTO -**

This request is for one-time-only restricted state special revenue authority of \$120,712 in FY 2008 and \$94,712 in FY 2009 for replacement of 11 vehicles for enforcing livestock laws in 18 districts across the state.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$78,169	\$0
FY 2009	\$78,169	\$0

**PL- 6003 - Overtime - Brand Enforcement Division -**

This budget request is recommended to restore state special revenue funding of \$78,169 each year of the 2009 biennium for overtime in the Brands Enforcement Division. The overtime is necessary during fall marketing.

## Department Of Livestock-5603 Meat/Poultry Inspection-10

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

Program Proposed Budget							
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	19.50	0.00	1.00	20.50	0.00	1.00	20.50
Personal Services	728,751	96,344	32,807	857,902	98,816	32,844	860,411
Operating Expenses	279,748	31,836	60,348	371,932	33,382	56,048	369,178
<b>Total Costs</b>	<b>\$1,008,499</b>	<b>\$128,180</b>	<b>\$93,155</b>	<b>\$1,229,834</b>	<b>\$132,198</b>	<b>\$88,892</b>	<b>\$1,229,589</b>
General Fund	479,014	85,088	67,220	631,322	88,096	65,089	632,199
State/Other Special	6,475	0	0	6,475	0	0	6,475
Federal Special	523,010	43,092	25,935	592,037	44,102	23,803	590,915
<b>Total Funds</b>	<b>\$1,008,499</b>	<b>\$128,180</b>	<b>\$93,155</b>	<b>\$1,229,834</b>	<b>\$132,198</b>	<b>\$88,892</b>	<b>\$1,229,589</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$41,286	\$41,286
FY 2009	\$41,286	\$41,286

#### **NP- 1009 - Meat Inspection Funding Shortfall -**

This budget request is recommended by the Executive to restore the level of funding necessary for operation of the Meat Inspection Program that was reduced by the federal government. The United States Department of Agriculture Food Safety Inspection Service cooperative agreement has been reduced by \$65,000 for federal fiscal year 2006 and 2007. The agreement allows for up to 50% federal funding program expenditure match. The department has mitigated the shortfall to \$41,286 per year, and that amount is included from the general fund each year of the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$45,347	\$22,673
FY 2009	\$41,084	\$20,542

#### **NP- 1010 - Meat Plant Inspector RST -**

The Executive recommends adding 1.00 FTE and general and federal funding of \$45,347 in FY 2008 and \$41,084 in FY 2009 for an additional meat inspector in anticipation of additional meat plants applying to come on line and their associated additional inspections. The United States Department of Agriculture Food Safety Inspection Service cooperative agreement allows for up to 50% federal funding program expenditure match.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,522	\$3,261
FY 2009	\$6,522	\$3,261

#### **NP- 1011 - FAIM Computer Maintenance Contract -**

This budget request for general and federal funding of \$6,522 is to provide computer hardware and software maintenance contracts for the state's Meat Inspection Program. The United States Department of Agriculture Food Safety Inspection Service cooperative agreement allows for up to 50% federal funding program expenditure match.

## Dept of Natural Resources & Conservation-5706

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

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

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

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	531.37	4.50	8.50	544.37	4.50	8.50	544.37
Personal Services	25,427,463	3,550,189	379,649	29,357,301	3,661,170	380,349	29,468,982
Operating Expenses	10,626,422	4,137,780	2,012,185	16,776,387	2,177,417	1,982,238	14,786,077
Equipment	1,105,964	240,208	1,390,000	2,736,172	49,984	390,000	1,545,948
Capital Outlay	121,347	13,771	0	135,118	13,771	0	135,118
Local Assistance	0	200,000	0	200,000	200,000	0	200,000
Grants	1,384,297	125,000	255,000	1,764,297	125,000	255,000	1,764,297
Transfers	809,421	150,475	5,000,000	5,959,896	167,930	5,000,000	5,977,351
Debt Service	380,807	98,013	0	478,820	98,013	0	478,820
<b>Total Costs</b>	<b>\$39,855,721</b>	<b>\$8,515,436</b>	<b>\$9,036,834</b>	<b>\$57,407,991</b>	<b>\$6,493,285</b>	<b>\$8,007,587</b>	<b>\$54,356,593</b>
General Fund	18,140,525	1,965,210	6,985,869	27,105,104	1,897,171	5,971,458	26,009,154
State/Other Special	20,004,366	6,319,327	2,150,965	28,447,658	4,369,544	2,136,129	26,510,0539
Federal Special	1,710,830	230,899	(100,000)	1,855,229	226,570	(100,000)	1,837,400
Expendable Trust	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$39,855,721</b>	<b>\$8,515,436</b>	<b>\$9,036,834</b>	<b>\$57,407,991</b>	<b>\$6,493,285</b>	<b>\$8,007,587</b>	<b>\$54,356,593</b>

## Dept of Natural Resources & Conservation-5706 Centralized Services-21

**Program Description** - The Centralized Services Division provides managerial and administrative support services to the department through: 1) the Director's Office, which includes the director, legal staff, and public information; and 2) support services, which manages all financial activities, coordinates information systems, produces publications and graphic materials, and performs general administrative support services. Support services include fiscal affairs, data processing, personnel, legal, reception, and mail. Responsibilities include trust revenue collection and distribution and maintenance of ownership records for trust and non-trust state-owned land.

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	38.00	3.00	0.00	41.00	3.00	0.00	41.00
Personal Services	1,870,032	496,011	0	2,366,043	503,523	0	2,373,555
Operating Expenses	552,382	180,400	0	732,782	61,658	0	614,040
Equipment	0	155,000	0	155,000	45,000	0	45,000
Capital Outlay	0	10,000	0	10,000	10,000	0	10,000
Debt Service	2,316	0	0	2,316	0	0	2,316
<b>Total Costs</b>	<b>\$2,424,730</b>	<b>\$841,411</b>	<b>\$0</b>	<b>\$3,266,141</b>	<b>\$620,181</b>	<b>\$0</b>	<b>\$3,044,911</b>
General Fund	1,955,739	469,700	0	2,425,439	338,876	0	2,294,615
State/Other Special	388,359	347,343	0	735,702	283,937	0	672,296
Federal Special	80,632	24,368	0	105,000	(2,632)	0	78,000
<b>Total Funds</b>	<b>\$2,424,730</b>	<b>\$841,411</b>	<b>\$0</b>	<b>\$3,266,141</b>	<b>\$620,181</b>	<b>\$0</b>	<b>\$3,044,911</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$195,164	\$0
FY 2009	\$180,263	\$0

**PL- 2101 - GIS Enterprise Project IT -**

The Executive recommends 2.00 FTE and state special revenue of \$195,164 in FY 2008 and \$180,263 in FY 2009. This will enable the department to implement an Enterprise GIS providing an organization-wide approach that facilitates the integration, implementation, operation, and management of tabular and spatial information. This provides many benefits and opportunities to an organization by streamlining work processes; allowing integration of data and systems; improving accessibility and data management; reducing duplication of efforts and costs (hardware, software & personnel); rapid automated updating; and leveraging of an organization's data for decision-making, and analysis.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$104,758	\$0
FY 2009	\$107,839	\$0

**PL- 2102 - CSD Operating Adjustment -**

The request is for 1.00 FTE and state special revenue of \$104,758 for FY 2008 and \$107,839 for FY 2009. The additional FTE is for a network administrator to assist end-users, work on security, and provide software training to employees. This position will enable the department to meet statutory requirements regarding information technology and work with the trust land management database.

**Dept of Natural Resources & Conservation-5706  
Centralized Services-21**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$46,000	\$30,000
FY 2009	\$12,000	\$0

**PL- 2103 - CSD Equipment IT OTO -**

The budget is requested for one-time-only general fund, state special, and federal special funding of \$46,000 in FY 2008 and \$12,000 in FY 2009. The agency will be utilizing the \$30,000 general funding for a purchase in FY 2008 for videoconferencing equipment to be installed in Helena, Missoula, and Kalispell to reduce staff travel and travel expenses. Additional information technology equipment purchases will include 12 servers, 1 printer, and 1 fax machine.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$105,000	\$105,000
FY 2009	\$25,000	\$25,000

**PL- 2104 - GIS Enterprise Equipment IT OTO -**

The Executive recommends one-time-only general fund authority of \$105,000 in FY 2008 and \$25,000 in FY 2009 to fund the infrastructure for a GIS Enterprise project. The infrastructure will include servers, server software, geodata storage, and connection of those systems to a proposed federated GIS system for the State of Montana. The proposal calls for a tiered approach with an initial hardware and software purchase in FY 2008 and expansion of that system in FY2009 to meet anticipated growth in the system during development.

**Dept of Natural Resources & Conservation-5706  
Oil & Gas Conservation Div.-22**

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

Program Proposed Budget							
Budget Item	Base Budget Fiscal 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	20.50	0.00	1.00	21.50	0.00	1.00	21.50
Personal Services	917,514	260,923	37,669	1,216,106	278,099	37,696	1,233,309
Operating Expenses	376,782	447,307	272,500	1,096,589	448,933	272,500	1,098,215
Equipment	48,345	5,000	0	53,345	5,000	0	53,345
Grants	0	0	5,000	5,000	0	5,000	5,000
<b>Total Costs</b>	<b>\$1,342,641</b>	<b>\$713,230</b>	<b>\$315,169</b>	<b>\$2,371,040</b>	<b>\$732,032</b>	<b>\$315,196</b>	<b>\$2,389,869</b>
State/Other Special	1,256,978	798,893	315,169	2,371,040	817,695	315,196	2,389,869
Federal Special	85,663	(85,663)	0	0	(85,663)	0	0
<b>Total Funds</b>	<b>\$1,342,641</b>	<b>\$713,230</b>	<b>\$315,169</b>	<b>\$2,371,040</b>	<b>\$732,032</b>	<b>\$315,196</b>	<b>\$2,389,869</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$413,241	\$0
FY 2009	\$422,249	\$0

**PL- 2201 - O&G Regulatory Operating Adjustment -**

This budget request is for a state special revenue increase of \$413,241 in FY 2008 and \$422,249 in FY 2009. The authority is to restore the base budget for coal bed methane contracted studies not performed because of litigation, board per diem, and increases to contracted legal services, exempt staff pay, janitorial services, and rent.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$71,158	\$0
FY 2009	\$77,509	\$0

**PL- 2202 - Underground Injection Control (UIC) Operating Adj. -**

This request for state special revenue of \$71,158 in FY 2008 and \$77,509 in FY 2009 to restore board per diem, annualize contract budgets for board attorney, agency legal services, janitorial and database services, fund exempt staff pay increase and increased travel, as well as cover other increased operating expenses.

**Dept of Natural Resources & Conservation-5706  
Oil & Gas Conservation Div.-22**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$212,669	\$0
FY 2009	\$212,696	\$0

**NP- 2203 - O&G Public Assess Data System IT -**

This executive recommendation proposes 1.0 FTE and \$212,669 state special revenue per year of the 2009 biennium to continue a historical records acquisition project started in the 2005 biennium. The project involves the scanning and microfilming of historical records and making them available for internet or other public accessibility. The FTE will scan and index historical documents housed in the Billings office while the majority of the operating budget is to contract with the Secretary of State's Office to microfilm historical records housed in the Helena office.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$62,500	\$0
FY 2009	\$62,500	\$0

**NP- 2204 - O&G Education & Outreach BIEN -**

This request for a \$125,000 state special revenue biennial appropriation will allow the division to contract with Montana Tech to provide summer petroleum workshops for teachers and to provide matching scholarship funds for an essay contest arising out of those workshops.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,500	\$0
FY 2009	\$7,500	\$0

**NP- 2205 - O&G North American Prospect Exposition (NAPE) BIEN -**

This biennial proposal requests state special revenue of \$7,500 per year for staff and board members to sponsor an information booth at the annual North American Prospect Expedition (NAPE) in Houston. Funding will provide travel, meals, lodging, registration, booth rental, and conference room costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$32,500	\$0
FY 2009	\$32,500	\$0

**NP- 2208 - Temporary Relocation Costs RST/OTO/BIEN -**

The Executive recommends this one-time-only biennial budget request for state special revenue of \$65,000 for temporary office space for the Billings staff and relocation costs.

**Language Recommendations** - "The department is authorized to decrease state special revenue money in the underground injection control program and increase federal special money by a like amount when the amount of federal EPA funds available for the program becomes known. Any federal special revenue is to be spent before state special revenue."

## Dept of Natural Resources & Conservation-5706 Conservation/Resource Dev Div-23

**Program Description** - The Conservation and Resource Development Division provides technical, administrative, financial and legal assistance to Montana's 58 conservation districts by administering the Conservation District Act, Montana Rangeland Resources Act, and the Natural Streambed and Land Preservation Act. The division also manages several loan and grant programs for local communities, local governments, state agencies and private citizens. The programs include the state revolving fund, which currently includes \$150 million loaned to communities for water and waste water systems, coal severance tax loans to governmental entities totaling \$45 million and private loans for \$16.5 million. Grant programs administered by the division include the Reclamation Development, Renewable Resource, and Conservation District grant programs.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 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	24.50	0.00	1.00	25.50	0.00	1.00	25.50
Personal Services	1,264,390	225,843	51,462	1,541,695	229,125	51,496	1,545,011
Operating Expenses	1,331,953	284,357	246,738	1,863,048	293,456	251,744	1,877,153
Equipment	54,996	0	0	54,996	0	0	54,996
Local Assistance	0	200,000	0	200,000	200,000	0	200,000
Grants	1,199,806	125,000	150,000	1,474,806	125,000	150,000	1,474,806
<b>Total Costs</b>	<b>\$3,851,145</b>	<b>\$835,200</b>	<b>\$448,200</b>	<b>\$5,134,545</b>	<b>\$847,581</b>	<b>\$453,240</b>	<b>\$5,151,966</b>
General Fund	1,299,129	137,594	0	1,436,723	139,631	0	1,438,760
State/Other Special	2,305,218	678,456	448,200	3,431,874	681,140	453,240	3,439,598
Federal Special	246,798	19,150	0	265,948	26,810	0	273,608
<b>Total Funds</b>	<b>\$3,851,145</b>	<b>\$835,200</b>	<b>\$448,200</b>	<b>\$5,134,545</b>	<b>\$847,581</b>	<b>\$453,240</b>	<b>\$5,151,966</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$115,000	\$23,000
FY 2009	\$123,000	\$23,000

**PL- 2301 - CARDD Operating Adjustment -**

The Executive recommends \$115,000 in FY 2008 and \$123,000 in FY 2009 of general, state special, and federal revenue to restore the base budget due open positions, the St Mary's Project and work group, increased rent, contracted services, and operating costs.

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

**PL- 2302 - Drinking Water Loan Program Assistance -**

This state special revenue budget request is for \$200,000 each year of the 2009 biennium to match federal authority for hardship communities in the Safe Drinking Water program.

**Dept of Natural Resources & Conservation-5706  
Conservation/Resource Dev Div-23**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$114,000	\$0
FY 2009	\$114,000	\$0

**PL- 2306 - Regional Water Systems -**

The Executive recommends this increase of \$114,000 state special revenue per year for continued development of water system projects including Dry Prairie, Dry Red Water, Central Montana, and the North Central Regional Water System.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$40,000	\$0
FY 2009	\$40,000	\$0

**PL- 2307 - Yellowstone River Council -**

This request increases the state special revenue base by \$40,000 per year of the 2009 biennium to pay for Yellowstone River Council expenses. The council consist of 13 districts that have joined together to develop a base of information for future studies and have started aerial and land assessments of the river. Information gathering and costs are shared by the conservation districts and the federal government.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$125,000	\$0
FY 2009	\$125,000	\$0

**PL- 2312 - Watershed Grants -**

This state special revenue budget request of \$125,000 each year of the 2009 biennium is for the Watershed Planning and Assistance Grant (WPAG) Program. The program assists conservation districts and affiliated local watershed groups with expenses associated with watershed planning. Grants can be used for the collection of baseline resource information, facilitators, development of a watershed management plan, training, educational efforts, and incidental costs associated with watershed planning

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$150,000	\$0
FY 2009	\$150,000	\$0

**NP- 2303 - Irrigation Assistance -**

This budget request is to restore \$150,000 in FY 2008 and FY 2009 state special revenue for the Irrigation Assistance Program to provide grants to develop new irrigation or increase the value of existing agricultural land through improved irrigation. The FY 2007 biennium appropriation for this purpose was one-time-only.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$128,200	\$0
FY 2009	\$133,240	\$0

**NP- 2308 - Missouri River Council -**

This request for state special revenue of \$128,200 in FY 2008 and \$133,240 in FY 2009 will support the work of the Missouri River Development Council. The council consists of 15 districts that have joined together to address natural resource issues along the Missouri River. Information gathered and costs are shared by the conservation districts and the federal government

**Dept of Natural Resources & Conservation-5706  
Conservation/Resource Dev Div-23**

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

**NP- 2311 - Conservation District Watershed Position -**

The Executive recommends 1.00 FTE and state special revenue of \$70,000 each year of the 2009 biennium to work on and coordinate watershed management between the Conservation Districts (CDs), federal, and state agencies. The Conservation District Bureau provides technical and financial assistance to CDs in support of watershed efforts and participates on the Watershed Coordinating Council.

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

**NP- 2314 - Conservation Dist Operating-Coal Bed Methane RST -**

This Executive recommends \$100,000 state special revenue in each year of the 2009 biennium for Conservation Districts expenses necessary to process landowner claims for the Coal Bed Methane Protection Program.

**Language Recommendations** - "The department is appropriated up to \$600,000 for the 2009 biennium from the state special revenue account established in 85-1-604, MCA, for the purchase of prior liens on property held as loan security as required by 85-1-618, MCA."

"The department is authorized to decrease federal special revenue in the Pollution Control and/or Drinking Water Revolving Fund Loan programs and increase state special revenue by a like amount within the Special Administration Account when the amount of federal EPA CAP funds have been expended or federal funds and bond proceeds will be used for other program purposes."

"There is appropriated up to \$1,000,000 for the biennium from the Coal Bed Methane Protection Account to fund possible landowner/water right holder claims for emergency loss of water."

## Dept of Natural Resources & Conservation-5706 Water Resources Division-24

**Program Description** - The Water Resources Division is responsible for many programs associated with the uses, development, and protection of Montana's water. The division manages and maintains the state-owned dams, reservoirs, and canals; develops and recommends in state, interstate, and international water policy to the director, Governor, and Legislature; administers the Dam Safety, Floodplain Management, and Water Management programs; provides support to the Board of Water Well Contractors; assists the Water Court with the adjudication of pre-July 1, 1973 water rights; administers applications for new water rights, changes in historic water rights and ownership updates; and is responsible for maintaining centralized water rights records. The division consists of an administration unit and four bureaus: Water Management Bureau, Water Rights Bureau, State Water Projects Bureau, and the Water Operations Bureau. In addition, the Flathead Basin Commission is administratively attached to 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	149.50	0.00	5.50	155.00	0.00	5.50	155.00
Personal Services	7,033,696	1,139,151	239,056	8,411,903	1,164,123	239,661	8,437,480
Operating Expenses	2,459,393	2,290,209	321,772	5,071,374	449,789	303,994	3,213,176
Equipment	13,188	17,858	0	31,046	(12,516)	0	672
Capital Outlay	3,000	0	0	3,000	0	0	3,000
Debt Service	371,731	98,013	0	469,744	98,013	0	469,744
<b>Total Costs</b>	<b>\$9,881,008</b>	<b>\$3,545,231</b>	<b>\$560,828</b>	<b>\$13,987,067</b>	<b>\$1,699,409</b>	<b>\$543,655</b>	<b>\$12,124,072</b>
General Fund	6,271,348	724,106	380,969	7,376,423	730,072	366,558	7,367,978
State/Other Special	3,523,534	2,708,083	179,859	6,424,976	869,674	177,097	4,570,305
Federal Special	86,126	113,042	0	185,668	99,663	0	185,789
<b>Total Funds</b>	<b>\$9,881,008</b>	<b>\$3,545,231</b>	<b>\$560,828</b>	<b>\$13,987,067</b>	<b>\$1,699,409</b>	<b>\$543,655</b>	<b>\$12,124,072</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$242,738	\$86,538
FY 2009	\$222,932	\$67,005

**PL- 2401 - Water Resources Operating Adjustment IT -**

This proposal requests an increase of \$153,543 general fund and \$312,127 in state and federal special revenue authority for the 2009 biennium for operating adjustments. The request includes overtime at the Broadwater hydropower facility, increased contracted services for water right files and adjudication, the Stream Gauging Program, regional and water right adjudication program rent, annualization of operating costs associated with the St. Mary's hydrologist position that was not filled until January 2006, and debt service for repayment of a federal loan for rehabilitation on the Middle Creek Dam.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,895,000	\$0
FY 2009	\$25,000	\$0

**PL- 2402 - State Water Projects Rehabilitation BIE/OTO -**

The Executive recommends this one-time-only biennial appropriation of \$1,920,000 state special revenue for land surveying services, rehabilitation work on Ackley Lake Dam, engineering and construction services on Deadmans Basin Dam, pre-engineering on Cataract Dam, and rehabilitation of the East Fork Siphon.

**Dept of Natural Resources & Conservation-5706  
Water Resources Division-24**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$85,000	\$0
FY 2009	\$85,000	\$0

**PL- 2404 - Community Assistance Program (CAP) Federal -**

This budget includes an increase of \$85,000 federal special revenue each year of the 2009 biennium for this on-going grant from the Federal Emergency Management Agency (FEMA). The primary purpose of the grant is to reduce the damage claims to the National Flood Insurance program thru education and training.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$11,800	\$0
FY 2009	\$8,000	\$0

**PL- 2408 - Flathead Basin Commission Operating Adjustment IT -**

This request of \$19,800 over the biennium for the Flathead Basin Commission's operational budget includes minor equipment and funds for travel , rent, and supplies.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$26,500	\$0
FY 2009	\$26,500	\$0

**PL- 2409 - BWWC Operating Adjustment -**

The Executive recommends \$26,500 state special revenue each year of the 2009 biennium for the Board of Water Well Contractors (BWWC) per diem, contracted legal services and other litigation costs, and for annualization of operating costs due to the board's support position being vacant for six months of the base year.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$117,961	\$0
FY 2009	\$117,978	\$0

**NP- 2403 - Water Rights Records Optical Imaging-ITSD -**

This proposal requests 1.00 FTE and \$117,961 for FY 2008 and \$117,978 for FY 2009 state special revenue to continue the conversion from microfilm to digital technology and utilization of document-scanning technology for water right records that began in the 2007 biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$119,602	\$119,602
FY 2009	\$113,794	\$113,794

**NP- 2405 - Yellowstone Compact Study and Hydrologist RST -**

This general fund budget request is for 1.00 FTE and \$119,602 in FY 2008 and \$113,794 in FY 2009. The FTE is for a hydrologist to coordinate technical work associated with potential litigation of the Yellowstone River Compact. The position will also monitor surface water flow and precipitation and collect water samples for chemical analyses.

**Dept of Natural Resources & Conservation-5706  
Water Resources Division-24**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$20,027	\$0
FY 2009	\$18,534	\$0

**NP- 2406 - St. Mary Administrative Position -**

The Executive recommends 0.50 FTE and state special revenue of \$20,027 in FY 2008 and \$18,534 in FY 2009 for support staff and associated operating costs for the St Mary's Rehabilitation Project.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$20,000	\$0
FY 2009	\$20,000	\$0

**NP- 2407 - Upper Clark Fork Steering Committee -**

This state special revenue request of \$20,000 per year of the 2009 biennium is for the Upper Clark Fork Steering Committee to continue carrying out its legislative mandate in 85-2-338, MCA, for water management and use in the Upper Clark Fork Basin as well as statewide.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$115,000	\$115,000
FY 2009	\$115,000	\$115,000

**NP- 2411 - Map Modernization Program State Match IT -**

The Executive recommends this general fund request for \$115,000 each year of the 2009 biennium to provide for contracting of engineering and mapping services to augment floodplain mapping during an ongoing national effort by Federal Emergency Management Agency (FEMA) to update all floodplain maps in the state

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

**NP- 2413 - DFWP Dam Engineer -**

The Executive recommends state special revenue of \$81,050 in FY 2008 and \$84,292 in FY 2009 for an engineering position that will provide dedicated engineering services for the maintenance and rehabilitation of the 10 dams owned by the Department of Fish, Wildlife, and Parks (DFWP). The position will be paid from a contract with DFWP. The request appears as a zero cost, because it is a funding switch between two state special revenue funds.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$168,238	\$146,367
FY 2009	\$158,349	\$137,764

**NP- 2412 - Surface Water/Ground Water Permitting Process -**

This request for 3.00 FTE and \$284,131 general fund and \$42,456 state special revenue over the biennium will allow the department to evaluate the potential interaction of increased new ground water developments on surface water supplies and to evaluate management and mitigation activities required to prevent adverse affect on other users, especially existing users of surface water resources. The request is contingent on passage and approval of LC 218.

**Dept of Natural Resources & Conservation-5706**  
**Water Resources Division-24**

**Language Recommendations** - "During the 2009 biennium, up to \$1 million of funds currently in or to be deposited in the Broadwater replacement and renewal account is appropriated to the department for repairing or replacing equipment at the Broadwater hydropower facility."

"During the 2009 biennium, up to \$70,000 of interest earned on the Broadwater water users account is appropriated to the department for the purpose of repair, improvement, or rehabilitation of the Broadwater-Missouri diversion project."

"During the 2009 biennium, up to \$500,000 of funds currently in or to be deposited in the state project hydropower earnings account is appropriated for the purpose of repairing, improving, or rehabilitating department state water projects."

## Dept of Natural Resources & Conservation-5706 Reserved Water Rights Comp Com-25

**Program Description** - The Montana Reserved Water Rights Compact Commission was created by the Legislature in 1979 as part of the state-wide water rights adjudication effort. 85-2-701 et seq. It consists of four members appointed by the Governor, two by the President of the Senate, two by the Speaker of the House of Representatives, and one by the Attorney General. Members serve for four years. The commission negotiates water rights with the Indian tribes and federal agencies, which claim federal reserved water rights within the state, to establish a formal agreement (compact) on the amount of water to be allocated to each interest. The Compact Commission is scheduled to sunset on July 1, 2009.

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	(1.00)	0.00	8.00	(1.00)	0.00	8.00
Personal Services	586,759	(6,966)	0	579,793	(6,015)	0	580,744
Operating Expenses	118,640	6,365	97,500	222,505	8,467	97,500	224,607
<b>Total Costs</b>	<b>\$705,399</b>	<b>(\$601)</b>	<b>\$97,500</b>	<b>\$802,298</b>	<b>\$2,452</b>	<b>\$97,500</b>	<b>\$805,351</b>
General Fund	705,399	(601)	97,500	802,298	2,452	97,500	805,351
<b>Total Funds</b>	<b>\$705,399</b>	<b>(\$601)</b>	<b>\$97,500</b>	<b>\$802,298</b>	<b>\$2,452</b>	<b>\$97,500</b>	<b>\$805,351</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$38,988)	(\$38,988)
FY 2009	(\$37,735)	(\$37,735)

**PL- 2502 - RWRCC Operating Adjustment -**

This request includes a reduction of \$38,988 in FY 2008 and \$37,735 in FY 2009 which reflects the operational adjustments for commission per diem, rent, and removal of 1.00 FTE in anticipation of the Compact Commission sunseting on July 1, 2009.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$97,500	\$97,500
FY 2009	\$97,500	\$97,500

**NP- 2501 - RWRCC Contracted Services OTO -**

The Executive recommends this one-time-only general fund budget request for \$97,500 each year for the Reserved Water Rights Compact Commission to contract for a fisheries biologist and engineer primarily to support negotiations with the Confederated Salish and Kootenai Tribe (CSKT).

**Language Recommendations** - "It is the intent of the Legislature that the Department of Natural Resources and Conservation create a new Compact Implementation Bureau under the Water Rights Division consisting of 5.00 FTE and current budget levels. The bureau would be charged with follow up work that must occur following the sunset of the Reserved Water Rights Compact Commission on July 1, 2009. Follow up work will include, but not be limited to, congressional approvals, water court approvals, technical reports, archiving documents and creating a digital library, engineering and hydrological oversight of ongoing water projects envisioned by the various compacts, joint water management with the Tribes, legal interpretation, compact administration and dispute resolution functions."

## Dept of Natural Resources & Conservation-5706 Forestry/Trust Lands-35

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

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

- 1) Fire and Aviation Management - Protecting 50 million acres of state and private forest and watershed lands from wildfire through a combination of direct protection and county support.
- 2) Forest Practice Regulation - Enforcing Montana's streamside management zone regulations and monitoring the voluntary best management practices program on all forests in Montana.
- 3) Administering Montana Fire Hazard Reduction Law - Ensuring that the fire hazard created by logging and other forest management operations on private forest lands is adequately reduced, or that additional fire protection is provided until the hazard is reduced.
- 4) Providing Forestry Services - Providing technical forestry assistance to private landowners, businesses and communities.
- 5) Tree and Shrub Nursery - Growing and selling seedlings for conservation and reforestation plantings on state and private lands in Montana.

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

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	289.87	2.50	1.00	293.37	2.50	1.00	293.37
Personal Services	13,755,072	1,435,227	51,462	15,241,761	1,492,315	51,496	15,298,883
Operating Expenses	5,787,272	929,142	1,073,675	7,790,089	915,114	1,056,500	7,758,886
Equipment	989,435	62,350	1,390,000	2,441,785	12,500	390,000	1,391,935
Capital Outlay	118,347	3,771	0	122,118	3,771	0	122,118
Grants	184,491	0	100,000	284,491	0	100,000	284,491
Transfers	809,421	150,475	5,000,000	5,959,896	167,930	5,000,000	5,977,351
Debt Service	6,760	0	0	6,760	0	0	6,760
<b>Total Costs</b>	<b>\$21,650,798</b>	<b>\$2,580,965</b>	<b>\$7,615,137</b>	<b>\$31,846,900</b>	<b>\$2,591,630</b>	<b>\$6,597,996</b>	<b>\$30,840,424</b>
General Fund	7,908,910	647,911	6,507,400	15,064,221	672,640	5,507,400	14,088,950
State/Other Special	12,530,277	1,759,552	1,207,737	15,497,566	1,744,098	1,190,596	15,464,971
Federal Special	1,211,611	173,502	(100,000)	1,285,113	174,892	(100,000)	1,286,503
Expendable Trust	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$21,650,798</b>	<b>\$2,580,965</b>	<b>\$7,615,137</b>	<b>\$31,846,900</b>	<b>\$2,591,630</b>	<b>\$6,597,996</b>	<b>\$30,840,424</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$31,072	\$20,508
FY 2009	\$31,109	\$20,532

**PL- 3505 - Inmate Fire Suppression Crews -**

This budget request is for 0.50 FTE and approximately \$20,500 general fund and \$10,500 state special revenue each year of the 2009 biennium for a supervisor of a 10-person prison hand crew from the Department of Correction's work release program. This request is contingent on passage of and approval of LC 221.

**Dept of Natural Resources & Conservation-5706  
Forestry/Trust Lands-35**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$436,974	\$152,103
FY 2009	\$454,395	\$163,624

**PL- 3506 - Forestry Operating Adjustment -**

The Executive recommends \$436,974 in FY 2008 and \$454,395 in FY 2009 all funds for increased rent and janitorial costs and increased transfer authority to the air operations proprietary account for salaries, rent, and aircraft insurance to cover air operations fixed costs. The budget includes increases for maintenance and training needs associated with federal assist fire and for development costs for wildland engines contingent passage and approval of LC 221.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$99,478	\$65,655
FY 2009	\$103,478	\$68,295

**PL- 3507 - Interagency Fire Support -**

The Executive recommends \$133,950 general fund and \$69,006 state special revenue to support interagency fire costs within the Northern Rockies region. The department funds contracted fire protection services on state and private lands within the Flathead Indian Reservation. The department has been requested to contribute to an increase in shared support costs associated with the Northern Rockies Coordinating Group (NRCG) for which DNRC is a partner. These costs would be used to support interagency dispatch operations, regional incident management teams, and an interagency fire contractor position for which DNRC benefits.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$30,600	\$30,600
FY 2009	\$12,500	\$12,500

**PL- 3508 - Forestry Equipment Replacement IT OTO -**

This budget request is for one-time-only general fund of \$30,600 in FY 2008 and \$12,500 in FY 2009 for replacement of a phone system and network server in the Missoula Forestry office.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$122,000	\$0
FY 2009	\$122,000	\$0

**PL- 3531 - Land Bank Reauthorization BIEN -**

The Executive recommends this biennial state special revenue request of \$244,000 to defray the costs of associated with preparing the sale of state land pursuant to land banking. This request is contingent passage and approval of LC 218.

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

**PL- 3534 - Access Acquisition BIEN -**

The Executive recommends this biennial state special revenue of \$200,000 for purchasing access to forested state trust lands. Access to isolated trust lands has become a priority and also increases the value of the land. Access is needed for timber harvest, forest improvement activities, land exchanges, recreational use by the public, and fire hazard reduction and suppression.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$69,207	\$0
FY 2009	\$75,701	\$0

**PL- 3536 - Trust Land Management Operating Adjustment -**

This budget request includes 1.00 FTE and state special revenue of \$69,207 in FY 2008 and @75,701 in FY 2009 for increased rent costs in Helena, Bozeman, Conrad, Dillon, Lewistown, Glasgow and Havre offices. The additional FTE is to be located at the Northwest, Southwest, and Central Land Offices for a seasonal aggregate FTE for increased forest improvement workload including burning and tree planting.

**Dept of Natural Resources & Conservation-5706  
Forestry/Trust Lands-35**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$25,000	\$0
FY 2009	\$25,000	\$0

**PL- 3537 - Weed Management Projects -**

The budget includes \$25,000 state special revenue for both FY 2008 and FY 2009 to fund contracted services for weed control, purchase herbicides, fund cooperative grant projects, and support bio-control efforts.

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

**PL- 3538 - Real Estate Management Plan -**

This budget increase of \$50,000 state special revenue each year of the 2009 biennium is for infrastructure development for commercial and industrial uses on state trust lands to increase income to the trusts consistent with community input and trust responsibilities.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$31,750	\$0
FY 2009	\$0	\$0

**PL- 3544 - Phone Systems-Field Offices-OTO/BIEN -**

The budget includes one-time-only biennial state special revenue of \$31,750 for FY 2008 for two new phone systems; one at the Northeastern Land Office at Lewistown and one at the Southwestern Land Office at the Clearwater Unit.

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

**PL- 3545 - Historic Rights-of-Way Addition -**

The Executive recommends this \$15,000 state special increase each year of the 2009 biennium for contracted services associated with processing the Historic Rights-of-Way applications.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,000	\$0
FY 2009	\$16,000	\$0

**PL- 3546 - Handheld Field Computer Equipment-OTO -**

The budget includes state special revenue of \$50,000 in FY 2008 and \$16,000 in FY 2009 for the purchase of handheld field computer units for mobile GIS and field data collection activities. The current process is time consuming and introduces potential errors while usage of the handheld computers in the field would result in time savings and reduce data errors.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$58,342	\$0
FY 2009	\$56,031	\$0

**PL- 3547 - Navigable River Management -**

This request is for 1.00 FTE and state special revenue of \$58,342 in FY 2008 and \$56,031 in FY 2009 to manage the Navigable Rivers Program. A recent District Court ruling established that state river beds are part of school trust lands and that utilities have failed to pay any compensation for their use. The TLMD will be required to inventory all navigable waterways and initiate leases for utilities formerly authorized by the federal permit.

**Dept of Natural Resources & Conservation-5706  
Forestry/Trust Lands-35**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$390,000	\$257,400
FY 2009	\$390,000	\$257,400

**NP- 3501 - Radio Communications IT RST -**

The Executive recommends \$257,400 general fund and \$132,600 state special revenue each year of the biennium for the conversion to P-25 compliant communications equipment to achieve inter operability between emergency responders. Complete conversion will span the next 5 biennium, at a projected cost of \$390,000 each year. This request is contingent on passage and approval of LC 221.

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

**NP- 3502 - Urban Forestry Funding Change -**

This request is to authorize a funding switch to replace \$100,000 federal special revenue with state special revenue that funds 2.00 FTE and operating costs for the Urban and Forestry program. Montana's allocation of federal funding would be utilized for Urban and Forestry grant opportunities to cities and towns.

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

**NP- 3503 - Fire Fighting Equipment - Rst/Bien/OTO -**

The Executive recommends a \$1 million one-time-only general fund appropriation for the Forestry Division to purchase fire fighting equipment. The appropriation will be used to purchase fire fighting equipment for state use and/or local fire cooperatives. The request is also restricted and biennial.

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

**PL- 3504 – On-Going General Fund Support for Fire Fighting**

The Executive recommends a \$5 million annual appropriation to help support the cost of wildfire suppression in Montana. A bill draft, LC 545, endorsed by the Legislative Finance Committee will create a state special revenue fund for wildfire suppression. This \$5 million general fund annually would be deposited in the state special revenue fund. Over time, that fund will grow and be used to fund fire fighting costs in Montana. In addition, the Governor will propose legislation to increase the emergency statutory appropriation found in 10-3-312, MCA, from \$16 million to \$25 million per biennium to address fires and other emergencies that may occur each biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$55,137	\$0
FY 2009	\$52,996	\$0

**NP- 3530 - NELO Land Use Specialist -**

This budget request for 1.00 FTE and state special revenue of \$55,137 for FY 2008 and \$52,996 for FY 2009 is for coordination and review of oil and gas lease sale nominations for any needed pre-leasing stipulations, issuance of seismic permits for exploration, analysis and review of oil and gas development, resolution of conflicts between surface and subsurface state land uses, and continued monitoring of oil and gas lease compliance.

**Dept of Natural Resources & Conservation-5706  
Forestry/Trust Lands-35**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$120,000	\$0
FY 2009	\$105,000	\$0

**NP- 3533 - Habitat Conservation Plan (HCP) Implementation & Monitoring -**

This budget request is for \$120,000 in FY 2008 and \$105,000 in FY 2009 of state special revenue for contracted services, operating expenses, and develop training workshops to implement and meet annual and five-year monitoring commitments for the Forest Management Habitat Conservation Plan (HCP). The purpose of the HCP is to develop a negotiated set of conservation strategies that provide longer-term management flexibility and regulatory assurances under the Endangered Species Act. DNRC is required to show adequate funding to meet implementation and monitoring commitments contained in the HCP.

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

**NP- 3535 - Land Exchange Reimbursement -**

This budget request for \$300,000 state special revenue each year of the 2009 biennium will enable DNRC to collect anticipated land exchange costs from the applicant, hire and pay the contractors (surveyors, appraisers, etc.), and reimburse the applicant for any unspent monies. Currently land exchange applicants pay these costs directly to contractors.

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

**NP- 3542 - Reliance Refinery Remediation-BIE/OTO -**

The Executive recommends a \$1,000,000 biennial state special revenue appropriation to help meet the state's share of anticipated site remediation costs at the Reliance Refinery superfund site located in Kalispell, Montana.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,000	\$250,000
FY 2009	\$250,000	\$250,000

**NP- 3549 - Woody Biomass Utilization Program - OTO -**

The Executive recommends one-time-only general fund of \$250,000 per year to continue and enhance the Woody Biomass Utilization Program. Also, referred to as Fuels for Schools, the program facilitates and promotes the beneficial use of woody biomass "waste" created by forest management treatments. Improved use of forest biomass has many benefits: it can improve air quality by reducing slash pile burning, lower land management costs, improve forest health and resilience, economically assist in protecting communities and watersheds from wildfire, provide low cost, locally sourced heating fuel, reduce fossil fuel consumption, and create rural jobs.

**Language Recommendations -** "The department is authorized to decrease state special revenue in the Trust Land Administration Division and increase general fund by a like amount when the amount of the administration costs of the Montana State University-Morrill Grant becomes known."

## Department Of Agriculture-6201

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

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

**Statutory Authority** - Article XII, Section 1, Montana Constitution; Title 80, Chapters 1-20, MCA

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 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	112.54	2.50	2.50	117.54	3.50	2.50	118.54
Personal Services	4,232,051	1,152,701	121,499	5,506,251	1,223,916	121,745	5,577,712
Operating Expenses	2,847,908	738,304	55,216	3,641,428	554,176	55,336	3,457,420
Equipment	224,525	351,500	50,000	626,025	2,500	0	227,025
Grants	4,184,119	85,000	0	4,269,119	807,962	0	4,992,081
Transfers	0	0	5,000,000	5,000,000	0	0	0
Debt Service	2,282	0	0	2,282	0	0	2,282
<b>Total Costs</b>	<b>\$11,490,885</b>	<b>\$2,327,505</b>	<b>\$5,226,715</b>	<b>\$19,045,105</b>	<b>\$2,588,554</b>	<b>\$177,081</b>	<b>\$14,256,520</b>
General Fund	578,626	75,839	5,226,715	5,881,180	41,183	177,081	796,890
State/Other Special	8,683,632	1,751,754	0	10,435,386	1,760,126	0	10,443,758
Federal Special	1,911,040	262,008	0	2,173,048	636,174	0	2,547,214
Proprietary	317,587	237,904	0	555,491	151,071	0	468,658
<b>Total Funds</b>	<b>\$11,490,885</b>	<b>\$2,327,505</b>	<b>\$5,226,715</b>	<b>\$19,045,105</b>	<b>\$2,588,554</b>	<b>\$177,081</b>	<b>\$14,256,520</b>

## Department Of Agriculture-6201 Centralized Services Division-15

**Program Description** - The Central Services Division (CSD) performs technical, fiscal, and administrative support functions for the department's internal operations and related programs. Responsibilities include accounting, budgeting, payroll, human resources, purchasing, property control, data processing, systems analysis and computer programming, equal opportunity administration, public information, and legal support to all programs within the department. Included in this division is the Director's Office, which provides overall policy development for the department.

**Program Indicators -**

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Regional/National Projects/Meetings	353	414	572	458	460	460
International Projects/Meetings	52	79	98	78	80	80

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	14.00	1.00	0.00	15.00	1.00	0.00	15.00
Personal Services	658,647	169,689	0	828,336	172,444	0	831,091
Operating Expenses	250,602	99,779	0	350,381	(14,638)	0	235,964
Equipment	0	18,000	0	18,000	0	0	0
<b>Total Costs</b>	<b>\$909,249</b>	<b>\$287,468</b>	<b>\$0</b>	<b>\$1,196,717</b>	<b>\$157,806</b>	<b>\$0</b>	<b>\$1,067,055</b>
General Fund	144,463	46,364	0	190,827	10,079	0	154,542
State/Other Special	612,439	193,287	0	805,726	105,660	0	718,099
Federal Special	89,998	23,002	0	113,000	5,002	0	95,000
Proprietary	62,349	24,815	0	87,164	37,065	0	99,414
<b>Total Funds</b>	<b>\$909,249</b>	<b>\$287,468</b>	<b>\$0</b>	<b>\$1,196,717</b>	<b>\$157,806</b>	<b>\$0</b>	<b>\$1,067,055</b>

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

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

**PL- 1501 - Program 15 Base Budget Adjustments -**

This Executive recommends this increase of \$5,000 federal special funding each year of the biennium. The additional federal special funds will be used for two foreign agricultural trips within the Director's Office and staff development and training.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$157,894	\$51,894
FY 2009	\$62,250	\$49,250

**PL- 1502 - E-Government IT-OTO -**

This request is for information technology services totaling \$220,144 in general, state special, and proprietary funds over the 2009 biennium and 1.00 FTE to coordinate network services. Services will be provided in accordance with the Montana Information Technology Act, the Montana State Strategic Information Technology Plan, and the approved agency information technology plan to promote internet data delivery and e-government services for on-line registration of pesticide, fertilizer and feed products, event registration, hail insurance forms, and business support.

## Department Of Agriculture-6201 Agricultural Sciences Division-30

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

**Program Description** - The Agricultural Sciences Division (ASD) administers, manages, coordinates, and evaluates the major activities of: 1) pesticide and pest management; 2) analytical laboratory services; 3) noxious weed management; 4) agricultural chemical groundwater program; 5) feed and fertilizer program; 6) organic certification; and 7) commodity programs. Duties also include administering agricultural programs related to the production, manufacturing, and marketing of commodities exported from or distributed in the state. The program provides support to the Montana Noxious Weed Management Advisory Council, Noxious Weed Seed Forage Advisory Council, Montana Noxious Weed Summit Advisory Council, Montana Organic Commodity Advisory Committee, Montana Mint Committee, and the Cooperative Agricultural Pest Survey Advisory Council.

### Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Noxious Weed Seed Free Forage (Acres Inspected)	1,944	1,542	1,900	2,200	2,600	2,650
Licenses, Registrations & Certifications Issued	34,942	38,633	39,528	39,867	40,258	40,893
Inspections & Investigations Conducted	5,991	6,461	6,636	6,753	6,795	6,843
Samples Collected	28,610	34,964	31,460	58,515	36,189	36,691
Regulatory Actions	107	122	149	155	161	161
Compliance Assistance and Education	5,312	3,816	4,302	4,449	4,645	4,670

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	60.17	1.50	2.50	64.17	2.50	2.50	65.17
Personal Services	2,469,589	540,241	121,499	3,131,329	603,875	121,745	3,195,209
Operating Expenses	1,049,480	362,760	55,216	1,467,456	393,951	55,336	1,498,767
Equipment	163,434	333,500	50,000	546,934	2,500	0	165,934
Grants	3,158,848	60,000	0	3,218,848	782,962	0	3,941,810
Transfers	0	0	5,000,000	5,000,000	0	0	0
Debt Service	2,282	0	0	2,282	0	0	2,282
<b>Total Costs</b>	<b>\$6,843,633</b>	<b>\$1,296,501</b>	<b>\$5,226,715</b>	<b>\$13,366,849</b>	<b>\$1,783,288</b>	<b>\$177,081</b>	<b>\$8,804,002</b>
General Fund	101,341	0	5,226,715	5,328,056	0	177,081	278,422
State/Other Special	4,927,387	1,076,358	0	6,003,745	1,170,979	0	6,098,366
Federal Special	1,814,905	220,143	0	2,035,048	612,309	0	2,427,214
Proprietary	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$6,843,633</b>	<b>\$1,296,501</b>	<b>\$5,226,715</b>	<b>\$13,366,849</b>	<b>\$1,783,288</b>	<b>\$177,081</b>	<b>\$8,804,002</b>

**Department Of Agriculture-6201  
Agricultural Sciences Division-30**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$399,551	\$0
FY 2009	\$757,075	\$0

**PL- 3001 - Program 30 Base Budget Adjustments -**

The Executive recommends this request of \$1,160,526 to restore base budgets in the state special and federal special funds for programs within the Agricultural Sciences Division (ASD). Due to a timing change for the pesticide disposal contract, annual costs were not included in the base. The budget request includes a biennial increase of \$510,000 to the base for grants to control noxious weeds. ASD anticipates replacing up to seven vehicles and estimates an increase to maintenance and contracts in the laboratory.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$38,819	\$0
FY 2009	\$38,850	\$0

**PL- 3004 - Commodity Bureau -**

This request is for \$77,669 in state special authority in the 2009 biennium and 0.50 FTE for part-time seasonal inspectors to cover cherry inspections requested by cherry growers.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$58,540	\$0
FY 2009	\$60,309	\$0

**PL- 3005 - Pesticide Program -**

This request is for \$118,849 in state special authority and 1.00 FTE in the 2009 biennium. This will enable the pesticide program to provide ongoing assistance to private pesticide applicators.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$409,136	\$0

**PL- 3010 - Noxious Weed Trust Fund Grants Increase -**

This request increases state special authority by \$409,136 with the addition of 1.00 FTE in fiscal year 2009 to assist in managing and monitoring an expected increase in the number of grant projects and the anticipated increase in program costs due to the one-time-only general fund transfer in HB XXX.

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

**PL- 3011 - Bozeman Lab Equipment OTO/Biennial -**

The Executive recommends this one-time-only biennial state special authority of \$300,000 to allow the Bozeman Analytical Laboratory to purchase an automated Triple Stage Quadruple Spectrometer System (LC/MS/MS).

**Department Of Agriculture-6201  
Agricultural Sciences Division-30**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$226,715	\$226,715
FY 2009	\$177,081	\$177,081

**NP- 3002 - Bovine Spongiform Encephalopathy (BSE) -**

This request is recommended by the Executive to fund 2.50 FTE in FY 2008 and FY 2009 and related operating expenditures totaling \$226,715 in FY 2008 and \$177,081 in FY 2009 of general fund. The additional positions will allow for ongoing inspections and testing of livestock feeds and to meet the additional workload demands of the surveillance and analyses activities.

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

**NP- 3003 - Noxious Weed Trust Fund OTO -**

This Executive recommends a one-time-only \$5 million general fund transfer in FY 2008 to the Noxious Weed Trust Fund (NWTF). The transfer will increase the NWTF principle to nearly \$10 million as permitted by 80-7-811, MCA, and allow the department to increase funding for development and implementation of weed management programs in Montana.

## Department Of Agriculture-6201 Agricultural Development Division-50

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

**Program Description** - The Agricultural Development Division (ADD) administers programs to promote Montana agriculture through market development and enhancement. Assistance is given toward commercialization of traditional as well as innovative agricultural products and processes. The program provides support to the Alfalfa Seed Committee, the Montana Wheat and Barley Committee, the Montana Agricultural Development Council, and the Board of Hail Insurance. The division is comprised of the following bureaus: Rural Development, Wheat and Barley, Agriculture Marketing & Business Development and the State Grain Laboratory. The State Grain Laboratory provides grades, protein determinations, malting barley germination, and falling number tests for contract settlement prices between buyers and sellers of grain crops in Montana.

### Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Wheat & Barley Foreign Trade Delegations	50	44	60	40	50	50
State Grain Lab Test Samples	18,500	17,720	19,761	22,000	22,000	23,000
Hail Insurance Policies	2,395	2,440	2,107	2,500	2,550	2,600
Ag Finance Loans	170	149	154	167	177	187
Growth Through Agriculture Awards	35	26	41	41	41	41

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	38.37	0.00	0.00	38.37	0.00	0.00	38.37
Personal Services	1,103,815	442,771	0	1,546,586	447,597	0	1,551,412
Operating Expenses	1,547,826	275,765	0	1,823,591	174,863	0	1,722,689
Equipment	61,091	0	0	61,091	0	0	61,091
Grants	1,025,271	25,000	0	1,050,271	25,000	0	1,050,271
<b>Total Costs</b>	<b>\$3,738,003</b>	<b>\$743,536</b>	<b>\$0</b>	<b>\$4,481,539</b>	<b>\$647,460</b>	<b>\$0</b>	<b>\$4,385,463</b>
General Fund	332,822	29,475	0	362,297	31,104	0	363,926
State/Other Special	3,143,806	482,109	0	3,625,915	483,487	0	3,627,293
Federal Special	6,137	18,863	0	25,000	18,863	0	25,000
Proprietary	255,238	213,089	0	468,327	114,006	0	369,244
<b>Total Funds</b>	<b>\$3,738,003</b>	<b>\$743,536</b>	<b>\$0</b>	<b>\$4,481,539</b>	<b>\$647,460</b>	<b>\$0</b>	<b>\$4,385,463</b>

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

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

#### PL- 5004 - Montana State Hail Insurance Database IT/OTO/BIE -

This request is for information technology services totaling \$100,000 in the Hail Insurance proprietary fund for FY 2008 to contract for the application development, rewrite, and upgrade of the Montana State Hail Insurance Program Oracle database in FY 2008. Services will be provided in accordance with the Montana Information Technology Act, the Montana State Strategic Information Technology Plan, and the approved agency information technology plan.

## Department Of Agriculture-6201 Agricultural Development Division-50

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,985	\$0
FY 2009	\$3,985	\$0

**PL- 5005 - Agriculture In Montana Schools -**

This budget request is to restore the Agriculture in Montana Schools state special revenue authority for the 2009 biennium to \$10,500 per year. This funding is jointly used by educators and representatives of agricultural organizations for developing and presenting educational programs which give Montana students a better understanding of the crucial role of agriculture in all aspects of society and of how Montana agriculture relates to the rest of the world.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$15,175	\$0
FY 2009	\$15,175	\$0

**PL- 5006 - Alfalfa Seed Committee -**

This budget request for \$31,050 state special revenue in the 2009 biennium restores \$175 for Alfalfa Seed Committee per diem and establishes \$15,000 for research grants.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,018	\$0
FY 2009	\$1,018	\$0

**PL- 5007 - Montana Agricultural Statistics Services Bulletin -**

The Executive recommends this increase of \$2,036 state special authority for the 2009 biennium. This will allow the Montana Agricultural Statistics Service to spend money received from the sale of their bulletins for printing costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$25,000	\$0
FY 2009	\$25,000	\$0

**PL- 5008 - Federal Marketing Appropriation Authority -**

This request of \$25,000 federal revenue authority each year is for grants to develop agriculture markets, marketing projects, and related operating costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$133,426	\$0
FY 2009	\$131,085	\$0

**PL- 5014 - Montana Growth Through Agriculture Act CST -**

This request is for \$133,426 in FY 2008 and \$131,805 in FY 2009 for additional authority for loan appropriations from the coal severance tax shared state special revenue fund for the Montana Growth Through Agriculture Act.

## Department Of Commerce-6501

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

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

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	42.66	5.50	4.00	52.16	6.00	4.00	52.66
Personal Services	2,159,785	475,911	191,305	2,827,001	502,169	191,532	2,853,486
Operating Expenses	2,373,103	2,971,002	1,614,215	9,958,320	2,765,992	1,610,797	6,749,892
Grants	16,806,107	22,928,071	2,000,000	41,734,178	4,838,461	0	21,644,568
Transfers	0	0	3,000,000	3,000,000	0	0	0
<b>Total Costs</b>	<b>\$21,338,995</b>	<b>\$26,374,984</b>	<b>\$6,805,520</b>	<b>\$54,519,499</b>	<b>\$8,106,622</b>	<b>\$1,802,329</b>	<b>\$31,247,946</b>
General Fund	1,960,812	5,498,577	5,305,520	12,764,909	5,277,138	302,329	7,540,279
State/Other Special	1,892,461	4,448,371	1,500,000	7,840,832	2,500,553	1,500,000	5,893,014
Federal Special	17,485,722	16,428,036	0	33,913,758	328,931	0	17,814,653
<b>Total Funds</b>	<b>\$21,338,995</b>	<b>\$26,374,984</b>	<b>\$6,805,520</b>	<b>\$54,519,499</b>	<b>\$8,106,622</b>	<b>\$1,802,329</b>	<b>\$31,247,946</b>

## Department Of Commerce-6501 Business Resources Division-51

**Program Description** - The Business Resources Division is comprised of a variety of programs aimed at improving, enhancing, and diversifying Montana's economic and business climate. Working closely with the private sector, the Governor's Office, the Legislature, economic and community development partners, other department divisions, state agencies, and federal and private programs; the division strives to enhance the economic base of Montana through business creation, expansion, and retention efforts.

Business Resources Division responsibilities are mandated primarily in Title 30, Chapter 16; Title 17, Chapter 6; and Title 90, Chapter 1 and 10, MCA.

Program Proposed Budget	Base Budget	PL Base	New	Total	PL Base	New	Total
Budget Item	Fiscal 2006	Adjustment	Proposals	Exec. Budget	Adjustment	Proposals	Exec. Budget
		Fiscal 2008	Fiscal 2008	Fiscal 2008	Fiscal 2009	Fiscal 2009	Fiscal 2009
FTE	24.16	5.50	1.00	30.66	6.00	1.00	31.16
Personal Services	1,222,526	427,771	40,188	1,690,485	450,631	40,226	1,713,383
Operating Expenses	1,268,663	2,578,311	45,469	3,892,443	2,403,965	45,526	3,718,154
Grants	4,124,259	6,690,906	2,000,000	12,815,165	4,676,121	0	8,800,380
<b>Total Costs</b>	<b>\$6,615,448</b>	<b>\$9,696,988</b>	<b>\$2,085,657</b>	<b>\$18,398,093</b>	<b>\$7,530,717</b>	<b>\$85,752</b>	<b>\$14,231,917</b>
General Fund	1,736,790	5,470,373	2,085,657	9,292,820	5,250,877	85,752	7,073,419
State/Other Special	138,229	2,176,463	0	2,314,692	2,248,389	0	2,386,618
Federal Special	4,740,429	2,050,152	0	6,790,581	31,451	0	4,771,880
<b>Total Funds</b>	<b>\$6,615,448</b>	<b>\$9,696,988</b>	<b>\$2,085,657</b>	<b>\$18,398,093</b>	<b>\$7,530,717</b>	<b>\$85,752</b>	<b>\$14,231,917</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,997,361	\$3,997,361
FY 2009	\$3,997,450	\$3,997,450

**PL- 5101 - BRD New Worker Training HB0002- OTO -**

The New Worker Training provides funding for companies in Montana to apply for workforce training grants from the Department of Commerce. A seven-member Grant Review Committee, consisting of both public and private members, makes the grant award decisions and adopts the administrative rules to implement the workforce training grant program. In the 2007 biennium, there was \$1.3 (\$100k administration) million available annually. The request for the 2009 biennium is approximately \$3,997,000 general fund each year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$123,496	\$123,496
FY 2009	\$123,548	\$123,548

**PL- 5103 - BRD Main Street HB0002- OTO -**

Funding to implement the Montana Main Street Program will be used to help communities rejuvenate their downtown and historic districts. The executive requests general fund in the amount of \$123,496 in FY 2008 and \$123,548 in FY 2009 as a one-time-only appropriation.

**Department Of Commerce-6501  
Business Resources Division-51**

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

**PL- 5104 - BRD Made In Montana HB0002- OTO -**

The Made In Montana initiative was designated as a one time only appropriation for the 2007 biennium. For the 2009 biennium, the executive requests \$100,000 of general fund each year to provide further support for the development of the aerospace and bioscience clusters in Montana.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$798,496	\$798,496
FY 2009	\$798,548	\$798,548

**PL- 5105 - BRD Tribal Economic Development HB0002- OTO**

The administration requests a one-time-only general fund appropriation of approximately \$798,000 each year of the biennium to support tribal business development projects, workforce training projects, entrepreneurial training, feasibility studies, and other types of Tribal economic development activities and projects. Each tribal government is eligible to apply.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$296,936	\$296,936
FY 2009	\$146,419	\$73,210

**PL- 5106 - BRD Montana Capital Investment Board HB0002- OTO**

This request provides funding for the State Capital Investment Board. The board was created by the 2005 Legislature, but was not funded. The board was given authority to provide contingent, deferred tax credits to enable a fund of funds manager to promote equity capital investments in Montana companies. The one-time-only appropriation of \$296,936 in FY 2008 and \$146,419 in FY 2009 will not only fund the program, it will cover the anticipated costs involved in participating in a Supreme Court test case to determine if the Act is constitutional.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,014,785	\$0
FY 2009	\$0	\$0

**PL- 5108 - BRD Federal Grants Adjustment HB0002- OTO**

The Executive requests \$2,014,785 in FY 2008 of one-time-only federal authority for grants received by the Business Resources Division.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,166,735	\$71,547
FY 2009	\$2,167,737	\$72,448

**PL- 5109 - BRD Administrative Costs Adjustments HB0002 -**

The Executive recommends operating adjustments for the Economic Development Advisory Council. Additional operating cost adjustments include: travel, communications, rent, training costs, indirect costs, and software for reporting to the federal government in the SBDC program. In addition, the request includes \$2 million state special revenue each year to record loans to certified Microbusiness Development Corporations on the state accounting system. The total amount of the request is \$2,166,735 in FY 2008 and \$2,167,737 in FY 2009.

**Department Of Commerce-6501  
Business Resources Division-51**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,000,000	\$2,000,000
FY 2009	\$0	\$0

**NP- 5112 – Biomedical Research Grant – Bien/OTO**

The Executive recommends a one-time-only biennial general fund appropriation of \$2 million for a grant to support innovative biomedical research in Montana. The grant may be used to expand, renovate, and purchase equipment for biomedical research. It may also be used to expand infrastructure that will enhance the scientific collaborations between independent non-profit researchers and researchers at Montana State University and the University of Montana. Funds may be used by the grantee to leverage additional private or federal funds.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$85,657	\$85,657
FY 2009	\$85,752	\$85,752

**NP- 5111 - Tribal Economic Development Commission - HB0002 -**

This decision package transfers the State Tribal Economic Development Commission, which is administratively attached to the Governor's Office, to the Department of Commerce. The budget includes a \$171,409 appropriation of general fund for the biennium to support the commission's activities including personal services for the commission's administrative support and operating expenses for the commission's 10 members.

## Department Of Commerce-6501 Montana Promotion Division-52

**Program Description** - The Montana Promotion Division strives to strengthen Montana's economy through increased visitor travel, visitor expenditures, and film production, in the state. The division works to project a positive image of the state through consumer advertising, electronic marketing, publicity, international and domestic group travel marketing, printing and distribution of literature, assisting in the development of tourism infrastructure and marketing to motion picture and television production companies. The division provides training and assistance to the Montana tourism industry, administers, and distributes infrastructure grants and oversees expenditures of six regional non-profit corporations and the eleven qualified convention and visitors bureaus.

The Montana Promotion Division is primarily funded by the statutorily appropriated lodging facility use tax.

Montana Promotion Division responsibilities are mandated primarily in Title 15, Chapter 65, and Title 2, Chapter 15, 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	491,824	277,771	0	769,595	258,176	0	750,000
<b>Total Costs</b>	<b>\$491,824</b>	<b>\$277,771</b>	<b>\$0</b>	<b>\$769,595</b>	<b>\$258,176</b>	<b>\$0</b>	<b>\$750,000</b>
State/Other Special	491,824	277,771	0	769,595	258,176	0	750,000
<b>Total Funds</b>	<b>\$491,824</b>	<b>\$277,771</b>	<b>\$0</b>	<b>\$769,595</b>	<b>\$258,176</b>	<b>\$0</b>	<b>\$750,000</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$259,240	\$0
FY 2009	\$259,240	\$0

**PL- 5201 - MPD Private Funds & Audit Adjustments HB0002 -**

The executive requests funding for the Montana Promotions division HB 2 private funds in the amount of \$259,240 each year for advertising.

## Department Of Commerce-6501 Community Development Division-60

**Program Description** - The Community Development Division works with federal, state, and local governments, private non-profit organizations, and private citizens, in regard to community planning and needs identification, planning and financing for the construction of public facilities, housing development for low and moderate income families, neighborhood revitalization, and coal and hard rock mining mitigation, as well as management of projects funded through division programs.

There are two major programs directly administered by the division:

- The Community Development Block Grant Program (CDBG), and
- The Treasure State Endowment Program (TSEP).

The Montana Coal Board and the Montana Hard Rock Mining Impact Board are also attached to the Community Development Division for administrative purposes. The Division provides office facilities and necessary staff and administrative support for the boards.

These four programs provide both financial and technical assistance to Montana communities, local elected officials and staff, nonprofit organizations, private sector developers and consultants, state and federally-recognized Indian Tribes, and private citizens. Other assisted entities include local planning boards and zoning commissions, community development corporations, human resource development councils, water and sewer districts, fire departments, and housing authorities.

- The Community Development Block Grant (CDBG) program is primarily funded with federal funds allocated through the U.S. Department of Housing and Urban Development (HUD) although the general fund provides a required match for a portion of the administrative costs of the program equal to three percent of the annual CDBG allocation.
- The Coal Board is funded from the oil, gas, and coal natural resource account established by the 2005 Legislature through HB 758.
- The Hard-Rock Mining Impact Board is funded by a 2.5 percent allocation of the Metalliferous Mines License Tax.
- The Treasure State Endowment Program is funded by interest earnings from the treasure state endowment fund, a sub-fund within the coal tax trust fund. Fifty percent of the coal severance taxes that go into the coal tax trust fund are to be transferred to the treasure state endowment fund for a 23-year period, which began in 1993.

The Community Development Division's responsibilities are primarily mandated in Title 90, Chapter 1 and Chapter 6, MCA; and federal authorizations 24 CFR 570, subpart 1; and 42 USC 5301.

### Program Indicators -

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
<b>Coal Board</b>						
Applications	24	24	30	25	25	25
Grants	9	10	15	10	15	15
<b>TSEP</b>						
Construction Applications Received and Reviewed	47	0	57	0	60	0
Construction Awards	0	40	0	35	0	37
Active Construction Projects	74	96	74	76	65	60
Preliminary Engineering Awards	32	0	43	0	40	0
Emergency Awards	3	1	0	3	3	3

## Department Of Commerce-6501 Community Development Division-60

CDBG / Applications Reviewed							
Public Facilities	10	14	11	17	15	17	
Housing	6	9	4	8	8	8	
Planning	33	33	22	25	25	25	
Grants Awarded							
Public Facilities	7	8	7	8	8	8	
Housing	3	6	3	4	4	4	
Planning	14	23	21	20	20	20	

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	2.00	15.00	0.00	2.00	15.00
Personal Services	671,499	36,697	108,646	816,842	38,756	108,790	819,045
Operating Expenses	440,619	110,525	57,380	608,524	103,926	57,380	601,925
Grants	6,615,355	10,702,227	0	17,317,582	(137,660)	0	6,477,695
<b>Total Costs</b>	<b>\$7,727,473</b>	<b>\$10,849,449</b>	<b>\$166,026</b>	<b>\$18,742,948</b>	<b>\$5,022</b>	<b>\$166,170</b>	<b>\$7,898,665</b>
General Fund	224,022	28,204	166,026	418,252	26,261	166,170	416,453
State/Other Special	1,262,408	1,994,137	0	3,256,545	(6,012)	0	1,256,396
Federal Special	6,241,043	8,827,108	0	15,068,151	(15,227)	0	6,225,816
<b>Total Funds</b>	<b>\$7,727,473</b>	<b>\$10,849,449</b>	<b>\$166,026</b>	<b>\$18,742,948</b>	<b>\$5,022</b>	<b>\$166,170</b>	<b>\$7,898,665</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,839,887	\$0
FY 2009	\$0	\$0

#### PL- 6002 - CDD CDBG Federal Grants Adjustment HB0002 -

This decision package adjusts federal grants received by the Community Development Division for the Community Development Block Grant (CDBG) program of one-time-only federal authority in the amount of \$8,839,887 in FY 2008.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,972,058	\$1,412
FY 2009	(\$28,116)	\$1,351

#### PL- 6004 - CDD Administrative Costs Adjustments HB0002 -

This adjustment includes per diem for the Hard Rock Mining Impact Board and the maintenance of a reserve account that is set forth in statute. Additional costs of the decision package include a rent adjustment, local impact grants for the Coal Board, and authority to disperse funds to the counties from the hard-rock mining impact trust account.

**Department Of Commerce-6501  
Community Development Division-60**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$166,026	\$166,026
FY 2009	\$166,170	\$166,170

**NP- 6001 - CDD Community Technical Assistance Program HB0002 -**

The Executive requests funding for 1.00 FTE attorney and 1.00 FTE senior planner to provide technical assistance to help local governments effectively plan and handle the exploding workload that some jurisdictions are experiencing in the subdivision review process. The total amount of this request is \$166,026 in FY 2008 and \$166,170 in FY 2009 of general fund.

## Department Of Commerce-6501 Housing Division-74

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

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

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

### Program Indicators –

Indicator	Actual FY2005	Actual FY2006*	Estimated FY2007	Requested FY2008	Requested FY2009
<b>Applications Reviewed (\$)</b>					
Single-Family Pilot Program	-	1,987,454	2,129,194	2,193,070	2,258,862
Homebuyer Assistance	2,290,100	466,115	553,590	570,198	587,304
Homeowner Rehabilitation	275,500	-	106,460	109,654	112,943
New Construction - Rental	1,326,878	1,000,000	1,469,144	1,513,218	1,558,616
New Construction - Single Family	-	320,126	511,007	526,337	542,127
Acquisition Rehabilitation - Rental	2,185,990	-	1,192,349	1,228,120	1,264,963
Tenant Based Rental Assistance	366,060	-	170,336	175,446	180,709
<b>Totals:</b>	<b>\$ 6,444,528</b>	<b>\$ 3,773,695</b>	<b>\$ 6,132,080</b>	<b>\$ 6,316,043</b>	<b>\$ 6,505,524</b>
<b>Grants Awarded (\$)</b>					
Single-Family Pilot Program	-	1,987,454	2,129,194	2,193,070	2,258,862
Homebuyer Assistance	1,547,323	466,115	85,168	87,722	90,355
Homeowner Rehabilitation	183,667	-	-	-	-
New Construction - Rental	500,000	717,296	851,678	877,228	903,545
New Construction - Single Family	-	320,126	681,341	701,783	722,836
Acquisition Rehabilitation - Rental	1,397,320	-	383,255	394,753	406,595
Tenant Based Rental Assistance	297,552	-	127,752	131,584	135,531
<b>Totals:</b>	<b>\$ 3,925,862</b>	<b>\$ 3,490,991</b>	<b>\$ 4,258,388</b>	<b>\$ 4,386,140</b>	<b>\$ 4,517,724</b>

\*As of July 2006. An additional \$483,917 in remaining CHDO set-aside is available in the second 2006 application round (deadline: August 1).

**Department Of Commerce-6501  
Housing Division-74**

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	1.00	6.50	0.00	1.00	6.50
Personal Services	265,760	11,443	42,471	319,674	12,782	42,516	321,058
Operating Expenses	171,997	4,395	1,511,366	1,687,758	(75)	1,507,891	1,679,813
Grants	5,440,847	5,434,938	0	10,875,785	200,000	0	5,640,847
Transfers	0	0	3,000,000	3,000,000	0	0	0
<b>Total Costs</b>	<b>\$5,878,604</b>	<b>\$5,450,776</b>	<b>\$4,553,837</b>	<b>\$15,883,217</b>	<b>\$212,707</b>	<b>\$1,550,407</b>	<b>\$7,641,718</b>
General Fund	0	0	3,053,837	3,053,837	0	50,407	50,407
State/Other Special	0	0	1,500,000	1,500,000	0	1,500,000	1,500,000
Federal Special	5,878,604	5,450,776	0	11,329,380	212,707	0	6,091,311
<b>Total Funds</b>	<b>\$5,878,604</b>	<b>\$5,450,776</b>	<b>\$4,553,837</b>	<b>\$15,883,217</b>	<b>\$212,707</b>	<b>\$1,550,407</b>	<b>\$7,641,718</b>

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,434,938	\$0
FY 2009	\$200,000	\$0

**PL- 7401 - HD Federal Grants Adjustment HB0002-OTO -**

This decision package adjusts federal grants received by the Housing Division and comes in two parts: Part 1) Adjusts normal ongoing federal appropriations for grants received by the Housing Division to match available federal funds for the 2009 biennium from federal entities of \$200,000 in each year for the HUD Comprehensive Home Buyer Counseling program. Part 2 requests a separate one-time-only appropriation in the amount of \$5,234,938 for prior years grant awards currently outstanding in the Housing Division.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,770	\$0
FY 2009	\$2,774	\$0

**PL- 7409 - HD Administrative Costs Adjustments HB0002 -**

The executive requests a 2% annual lease adjustment in the Housing Division for approximately \$2,770 each year.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,053,837	\$3,053,837
FY 2009	\$50,407	\$50,407

**NP- 7411 - HD Manufactured Home Renovation Program - OTO -**

The goal of the Manufactured Home Renovation Program is to provide safe, decent, energy efficient, and affordable replacement housing and decommission pre-HUD Code (1976) owner occupied manufactured housing. The program will finance the replacement and decommissioning of individual pre-HUD Code manufactured homes with terms and conditions that assure affordability. The housing division will have the discretion to establish an interest rate down to zero dependent upon applicant's circumstances and financial situation. The funding would consist of a one-time-only general fund appropriation of \$3,000,000 that would be transferred to a state special revenue fund. That fund, called the Manufactured Home Renovation Fund, would be loaned out to qualifying households. An ongoing general fund appropriation to fund the 1.00 FTE to administer the program is estimated to cost \$53,837 in FY 2008 and \$50,407 in FY 2009.

**Department Of Commerce-6501  
Housing Division-74**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,500,000	\$0
FY 2009	\$1,500,000	\$0

**NP- 7412 - HD Manufactured Home Renovation Program SSR Approp - Bien -**

This request includes \$3 million state special revenue for the biennium to record loans for the Manufactured Home Renovation Program on the state accounting system. NP 7411 requests a \$3 million general fund transfer into the fund, this request allows the program to make loans to Montanans for the program. The request is for a biennial appropriation.

## Department Of Commerce-6501 Director/management Services-81

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

**Program Description** - The Director's Office/Management Services Division consists of three programs:

**The Director's Office** - The Director's Office is the central management unit of the Department of Commerce. The office sets policy and offers problem-solving guidance to all divisions and programs. The office provides general supervision and acts in a public relations and informational capacity when dealing with the public, Governor's Office, Legislature, and other agencies, ensuring credibility and positive image of the Department. The Director's Office works closely with economic and community development organizations, businesses, communities, governmental entities, elected officials and the public to diversify and expand the state's economic base through business creation, expansion, retention, and improvement of infrastructure.

**Management Services** - The Management Services Division provides internal support to all agency divisions, bureaus, and programs. Services provided by the Management Services Division include accounting, budgeting, fiscal management, contracting, purchasing, information technology, human resources, payroll, benefits, and training.

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

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

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

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	625,646	100,000	0	725,646	100,000	0	725,646
<b>Total Costs</b>	<b>\$625,646</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$725,646</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$725,646</b>
Federal Special	625,646	100,000	0	725,646	100,000	0	725,646
<b>Total Funds</b>	<b>\$625,646</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$725,646</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$725,646</b>

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

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

**PL- 8105 - MSD MCDD Federal Grants Adjustment HB0002 -**

This decision package adjusts federal grants received by the Montana Council on Developmental Disabilities program. Both FY 2008 and FY 2009 are estimated at \$100,000 each year.