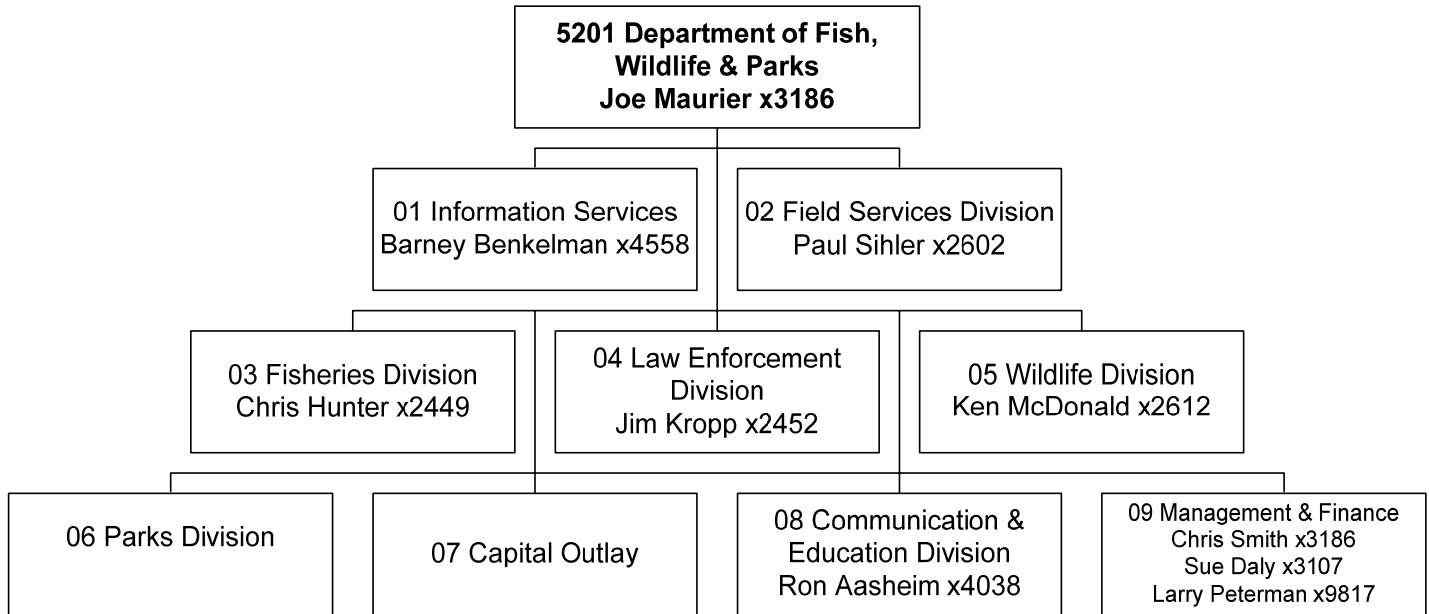


DEPT OF FISH, WILDLIFE & PARKS-5201

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

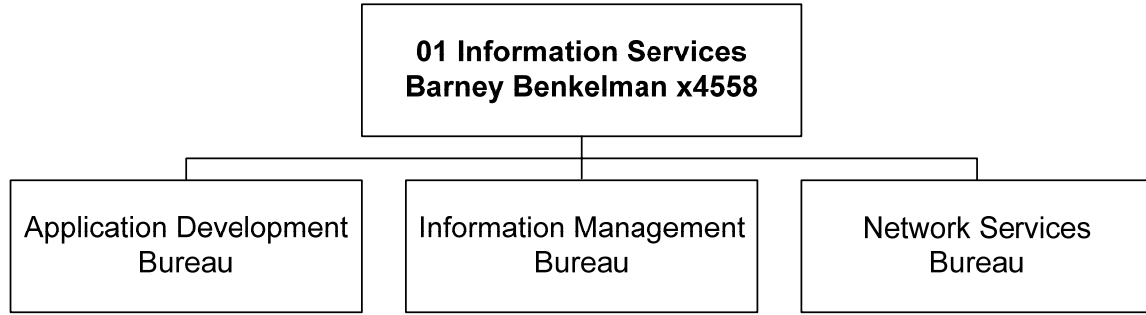


Mission Statement - Montana Fish, Wildlife & Parks, through its employees and citizen commission, provides for the stewardship of the fish, wildlife, parks, and recreational resources of Montana while contributing to the quality of life for present and future generations.

Statutory Authority - Title 87 and 23, MCA.

| Agency Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 678.60 | 9.73 | 3.75 | 692.08 | 9.73 | 3.75 | 692.08 |
| Personal Services | 35,172,548 | 4,436,892 | 174,800 | 39,784,240 | 4,574,442 | 174,891 | 39,921,881 |
| Operating Expenses | 27,384,975 | 2,839,514 | 739,032 | 30,963,521 | 2,895,957 | 735,516 | 31,016,448 |
| Equipment & Intangible Assets | 1,060,192 | (144,980) | 0 | 915,212 | (144,980) | 0 | 915,212 |
| Capital Outlay | 166,889 | 0 | 55,000 | 221,889 | 0 | 55,000 | 221,889 |
| Grants | 1,032,521 | (47,000) | 0 | 985,521 | (47,000) | 0 | 985,521 |
| Benefits & Claims | 4,850 | 0 | 0 | 4,850 | 0 | 0 | 4,850 |
| Transfers | 24,374 | 75,278 | 0 | 99,652 | 75,278 | 0 | 99,652 |
| Total Costs | \$64,846,349 | \$7,159,704 | \$968,832 | \$72,974,885 | \$7,353,697 | \$965,407 | \$73,165,453 |
| General Fund | 0 | 0 | 500,000 | 500,000 | 0 | 500,000 | 500,000 |
| State/Other Special | 50,860,770 | 5,967,807 | 91,370 | 56,919,947 | 6,093,378 | 88,718 | 57,042,866 |
| Federal Special | 13,985,579 | 1,191,897 | 377,462 | 15,554,938 | 1,260,319 | 376,689 | 15,622,587 |
| Total Funds | \$64,846,349 | \$7,159,704 | \$968,832 | \$72,974,885 | \$7,353,697 | \$965,407 | \$73,165,453 |

**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 Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 35.00 | 4.50 | 0.00 | 39.50 | 4.50 | 0.00 | 39.50 |
| Personal Services | 2,254,989 | 428,872 | 0 | 2,683,861 | 438,066 | 0 | 2,693,055 |
| Operating Expenses | 1,694,064 | 247,924 | 0 | 1,941,988 | 244,661 | 0 | 1,938,725 |
| Equipment & Intangible Assets | 28,172 | 25,000 | 0 | 53,172 | 25,000 | 0 | 53,172 |
| Grants | 69,389 | 0 | 0 | 69,389 | 0 | 0 | 69,389 |
| Total Costs | \$4,046,614 | \$701,796 | \$0 | \$4,748,410 | \$707,727 | \$0 | \$4,754,341 |
| State/Other Special | 3,922,115 | 695,165 | 0 | 4,617,280 | 700,138 | 0 | 4,622,253 |
| Federal Special | 124,499 | 6,631 | 0 | 131,130 | 7,589 | 0 | 132,088 |
| Total Funds | \$4,046,614 | \$701,796 | \$0 | \$4,748,410 | \$707,727 | \$0 | \$4,754,341 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 101 - Information Services, Contracted Services to FTE -

The executive recommends redirecting operations funds currently utilized for contracted services to create 3.00 FTE. Over the last couple biennia, technology use has continued to grow, requiring contracted staff as augmentation simply to get day-to-day development and support work accomplished. This request is not for additional funding but is to convert costly contract costs into more effective internal positions.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 102 - Information Services, Modified FTE -

This request is for 1.50 FTE to make permanent current modified positions. Over the past couple of biennia, workload necessitated creation of modified positions simply to get the work accomplished. Since the needs continue, this request would make the positions permanent.

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

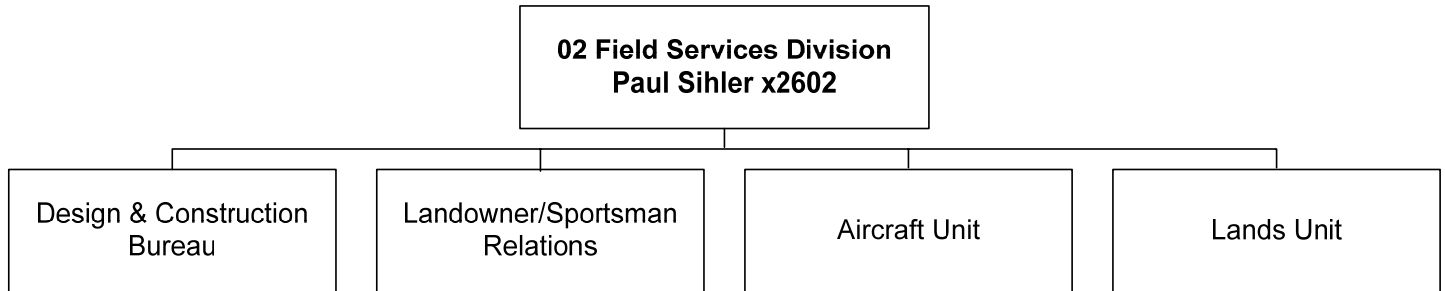
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$53,700 | \$0 |
| FY 2011 | \$50,000 | \$0 |

PL- 103 - Core Technology Replacement -

This proposal is for \$103,700 of state special funds across the biennium to replace aging core Information Technology Infrastructure in FWP facilities. As more demands have been placed on technology to accomplish agency business, expansion and replacement of data processing infrastructure has become critical. This base adjustment would allow the Information Services Division to engage in proactive replacement of technology in accordance with the schedule recommended in the Enterprise Policy.

DEPT OF FISH, WILDLIFE & PARKS-5201 FIELD SERVICES DIVISION-02

Please note that this program also contains proprietary funding (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 Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 46.05 | 0.00 | 0.00 | 46.05 | 0.00 | 0.00 | 46.05 |
| Personal Services | 2,194,034 | 256,148 | 0 | 2,450,182 | 266,630 | 0 | 2,460,664 |
| Operating Expenses | 7,356,717 | 1,033,712 | 0 | 8,390,429 | 1,100,404 | 0 | 8,457,121 |
| Equipment & Intangible Assets | 35,476 | 0 | 0 | 35,476 | 0 | 0 | 35,476 |
| Grants | 30,682 | 0 | 0 | 30,682 | 0 | 0 | 30,682 |
| Benefits & Claims | 4,850 | 0 | 0 | 4,850 | 0 | 0 | 4,850 |
| Total Costs | \$9,621,759 | \$1,289,860 | \$0 | \$10,911,619 | \$1,367,034 | \$0 | \$10,988,793 |
| State/Other Special | 9,159,392 | 1,260,112 | 0 | 10,419,504 | 1,325,670 | 0 | 10,485,062 |
| Federal Special | 462,367 | 29,748 | 0 | 492,115 | 41,364 | 0 | 503,731 |
| Total Funds | \$9,621,759 | \$1,289,860 | \$0 | \$10,911,619 | \$1,367,034 | \$0 | \$10,988,793 |

**DEPT OF FISH, WILDLIFE & PARKS-5201
FIELD SERVICES DIVISION-02**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$850,000 | \$0 |
| FY 2011 | \$850,000 | \$0 |

PL- 201 - Block Management -

This request would increase spending authority for the Hunting Access Enhancement Program by \$850,000 of state special revenue in both FY 2010 and FY 2011. Under 87-1-268, MCA, the FWP Commission annually sets the price for the outfitter-sponsored non-resident big game combination license (B-10) and non-resident deer combination licenses (B-11). These license prices are set at a market rate intended to sell as close to but not more than an average of 5,500 B-10 licenses and 2,300 B-11 licenses each year, calculated over a 5 year period. Because the price of the B-10 and B-11 licenses has continued to increase, additional funding is now available for the Hunter Access Enhancement Program.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$94,991 | \$0 |
| FY 2011 | \$149,291 | \$0 |

PL- 202 - Taxes and Leases -

The executive recommends approval of budget authority to cover tax liabilities for department lands which were approved by the previous legislature and to continue adjustments for other lands based upon the current rate of increase in tax payments for FY 2010 and FY 2011. These increases amount to \$94,991 in FY 2010 and \$149,291 in FY 2011 of state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$23,000 | \$0 |
| FY 2011 | \$23,000 | \$0 |

PL- 203 - Game Damage Herders -

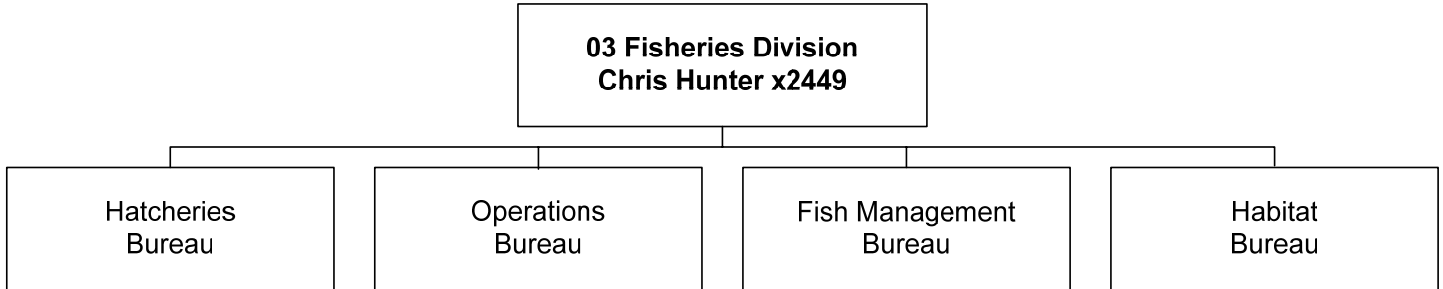
This request will restore \$23,000 of state special revenue in each year of the biennium in operations to the game damage program. Funds are used to hire local area ranch hands as short term workers under a modified level FTE to herd game animals away from crops and stored hay/grain as a means to mitigate game damage on private property in certain locations. Because of the way personal services are funded for these types of short-term workers, the expenditures were not carried forward in the base budget and need to be restored.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$6,299 | \$0 |
| FY 2011 | \$11,496 | \$0 |

PL- 204 - Aircraft Rate Adjustment -

This state special revenue request is to adjust aircraft use costs due to inflationary and rate increases for FWP's internal fleet of aircraft. Due to rising fuel and maintenance costs, additional revenue of \$6,299 in FY 2010 and \$11,496 in FY 2011 is needed to safely operate the fleet.

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



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

- operates a hatchery program to stock lakes and reservoirs where natural reproduction is limited;
- regulates angler harvests;
- monitors fish populations; and
- provides and maintains adequate public access.

| Program Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------------|---------------------|--------------------|------------------|---------------------|--------------------|------------------|---------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 145.44 | 0.00 | 1.75 | 147.19 | 0.00 | 1.75 | 147.19 |
| Personal Services | 7,430,128 | 878,054 | 90,763 | 8,398,945 | 901,387 | 90,807 | 8,422,322 |
| Operating Expenses | 4,894,962 | 170,930 | 270,000 | 5,335,892 | 201,140 | 270,000 | 5,366,102 |
| Equipment & Intangible Assets | 336,001 | 0 | 0 | 336,001 | 0 | 0 | 336,001 |
| Capital Outlay | 0 | 0 | 55,000 | 55,000 | 0 | 55,000 | 55,000 |
| Grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Costs | \$12,661,091 | \$1,048,984 | \$415,763 | \$14,125,838 | \$1,102,527 | \$415,807 | \$14,179,425 |
| General Fund | 0 | 0 | 250,000 | 250,000 | 0 | 250,000 | 250,000 |
| State/Other Special | 4,855,689 | 485,873 | 71,278 | 5,412,840 | 508,259 | 71,297 | 5,435,245 |
| Federal Special | 7,805,402 | 563,111 | 94,485 | 8,462,998 | 594,268 | 94,510 | 8,494,180 |
| Total Funds | \$12,661,091 | \$1,048,984 | \$415,763 | \$14,125,838 | \$1,102,527 | \$415,807 | \$14,179,425 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$25,000 | \$0 |
| FY 2011 | \$25,000 | \$0 |

PL- 302 - Private Lands Fishing Access -

The Private Land Fishing Access program was created by the 2001 Legislature as a means of reimbursing landowners for costs associated with allowing public access for fishing. Current funding for this program is \$25,000 per year and this request would increase the state special funding to \$50,000 for each year of the biennium. The potential for more participation exists but is currently limited to the dollars available.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,897 | \$0 |
| FY 2011 | \$19,888 | \$0 |

PL- 304 - Aircraft Rate Adjustment -

This state special and federal special revenue request is to adjust aircraft use costs due to inflationary and rate increases for FWP's internal fleet of aircraft. Due to rising fuel and maintenance costs, additional revenue of \$10,897 in FY 2010 and \$19,888 in FY 2011 is needed to safely operate the fleet.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$165,763 | \$0 |
| FY 2011 | \$165,807 | \$0 |

NP- 301 - Invasive Species Program -

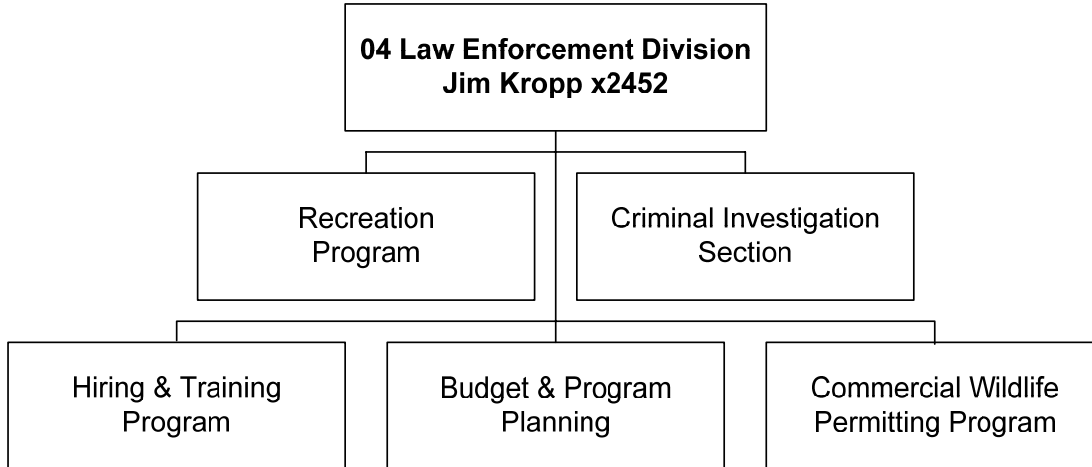
This request is part of the Governor's Weed/Invasive Species initiative and will continue FWP's current Aquatic Nuisance Species Program and Weed Management Program. The current Aquatic Nuisance Species (ANS) program is funded with a grant from the U.S. Fish and Wildlife Service (USFWS) and with additional financial support from the Pacific States Marine Fisheries Commission (PSMFC). USFWS funding is expected to continue to decline and PSMFC funding will end in FY 2009. This request will provide base funding for both programs to support 1.75 FTE currently allocated as modified FTE and will cost \$165,763 in FY 2010 and \$165,807 in FY 2011 of state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$250,000 | \$250,000 |
| FY 2011 | \$250,000 | \$250,000 |

NP- 303 - State Wildlife Grants, Fisheries - BIEN/OTO -

This one-time-only budget request is for \$500,000 general fund across the biennium to implement the Montana Comprehensive Fish and Wildlife Conservation Strategy as initially funded in the 2007 Legislature. Congress has provided annual federal funding through the State Wildlife Grants (SWG) program to implement the comprehensive plan, but that funding requires a 1:1 non-federal match. Funds will be used to restore and/or protect fish and aquatic habitats identified in the strategic plan.

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 113.43 | 0.00 | 0.00 | 113.43 | 0.00 | 0.00 | 113.43 |
| Personal Services | 6,547,287 | 749,929 | 0 | 7,297,216 | 779,925 | 0 | 7,327,212 |
| Operating Expenses | 1,919,610 | 110,408 | 0 | 2,030,018 | 122,362 | 0 | 2,041,972 |
| Equipment & Intangible Assets | 96,785 | 0 | 0 | 96,785 | 0 | 0 | 96,785 |
| Grants | 15,600 | 0 | 0 | 15,600 | 0 | 0 | 15,600 |
| Total Costs | \$8,579,282 | \$860,337 | \$0 | \$9,439,619 | \$902,287 | \$0 | \$9,481,569 |
| State/Other Special | 8,215,647 | 866,908 | 0 | 9,082,555 | 909,205 | 0 | 9,124,852 |
| Federal Special | 363,635 | (6,571) | 0 | 357,064 | (6,918) | 0 | 356,717 |
| Total Funds | \$8,579,282 | \$860,337 | \$0 | \$9,439,619 | \$902,287 | \$0 | \$9,481,569 |

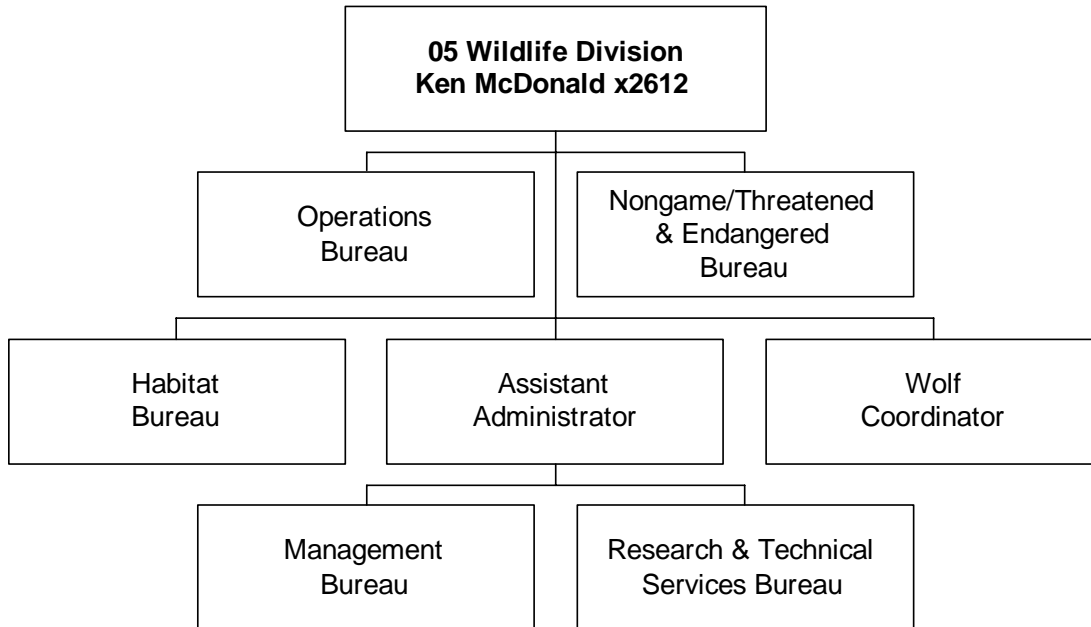
-----Present Law Adjustments-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$200,000 | \$0 |
| FY 2011 | \$200,000 | \$0 |

PL- 401 - Warden Overtime -

This budget request is recommended to restore state and federal special revenue of \$200,000 each year of the 2011 biennium for overtime compensation for the Law Enforcement Division. The request is necessary because overtime is zero-based in the budgeting process. This proposal is an important management tool in providing flexible and essential enforcement services during holidays and peak work periods to address priority work issues.

**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, nongame wildlife, game birds, furbearers, and threatened and endangered species.

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 103.56 | 0.00 | 2.00 | 105.56 | 0.00 | 2.00 | 105.56 |
| Personal Services | 5,379,203 | 878,558 | 84,037 | 6,341,798 | 902,070 | 84,084 | 6,365,357 |
| Operating Expenses | 3,120,839 | 282,543 | 442,938 | 3,846,320 | 340,942 | 442,891 | 3,904,672 |
| Equipment & Intangible Assets | 46,090 | 0 | 0 | 46,090 | 0 | 0 | 46,090 |
| Capital Outlay | 166,889 | 0 | 0 | 166,889 | 0 | 0 | 166,889 |
| Grants | 110,000 | 0 | 0 | 110,000 | 0 | 0 | 110,000 |
| Total Costs | \$8,823,021 | \$1,161,101 | \$526,975 | \$10,511,097 | \$1,243,012 | \$526,975 | \$10,593,008 |
| General Fund | 0 | 0 | 250,000 | 250,000 | 0 | 250,000 | 250,000 |
| State/Other Special | 4,635,546 | 656,443 | 0 | 5,291,989 | 698,275 | 0 | 5,333,821 |
| Federal Special | 4,187,475 | 504,658 | 276,975 | 4,969,108 | 544,737 | 276,975 | 5,009,187 |
| Total Funds | \$8,823,021 | \$1,161,101 | \$526,975 | \$10,511,097 | \$1,243,012 | \$526,975 | \$10,593,008 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$91,000 | \$0 |
| FY 2011 | \$91,000 | \$0 |

PL- 502 - Auction Accounts -

This request is for a restoration of base state special revenue funding of \$91,000 per year. Bighorn sheep funds will be used for animal transplant, herd health assessment, and enhanced survey and inventory efforts; mountain goat funds for animal transplant and herd health assessment; and elk funds for herd health assessment.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$25,000 | \$0 |
| FY 2011 | \$25,000 | \$0 |

PL- 503 - Nongame Wildlife Funding -

Montana residents voluntarily donate funds for use in conserving the state's nongame wildlife and to implement the nongame program. This state special revenue increase of \$25,000 per year is needed to maintain consistent levels of survey and inventory and research that have been impacted by inflation.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$40,000 | \$0 |
| FY 2011 | \$40,000 | \$0 |

PL- 504 - Migratory Bird Funding -

This budget request of \$40,000 state special revenue for both FY 2010 and FY 2011 is for the increased costs to maintain and restore habitat during the implementation of the migratory bird habitat program.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$60,151 | \$0 |
| FY 2011 | \$109,776 | \$0 |

PL- 505 - Aircraft Rate Adjustment -

This state special and federal special revenue request is to adjust aircraft use costs due to inflationary and rate increases for FWP's internal fleet of aircraft. Due to rising fuel and maintenance costs, additional revenue of \$60,151 in FY 2010 and \$109,776 in FY 2011 is needed to safely operate the fleet.

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

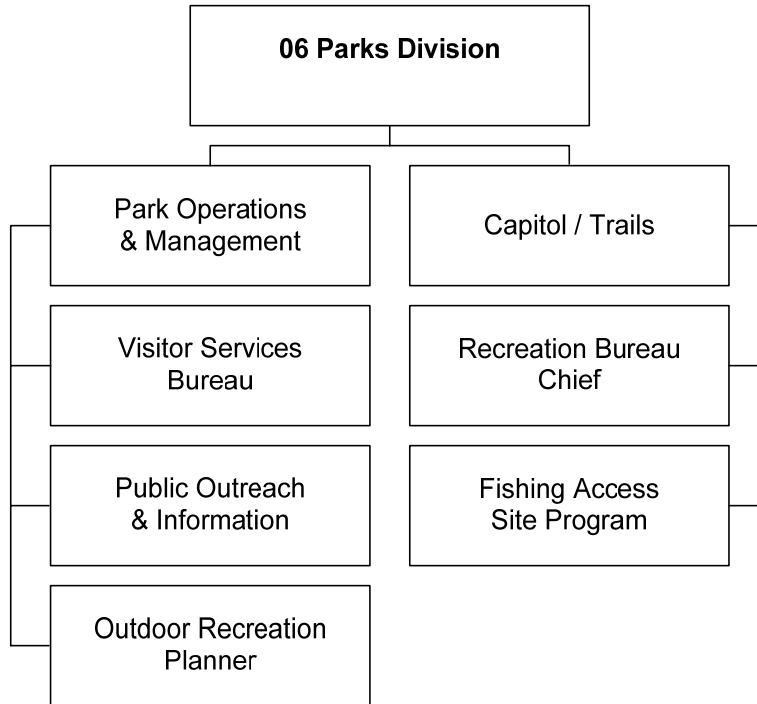
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$526,975 | \$250,000 |
| FY 2011 | \$526,975 | \$250,000 |

NP- 501 - State Wildlife Grants, Wildlife - BIEN -

This budget request is for \$500,000 general fund for the 2011 biennium, for restoration of \$276,975 federal special revenue per year, and to make permanent 2.00 modified FTE which will enable the implementation of Montana's Comprehensive Fish & Wildlife Management Strategy. Congress has provided annual federal funding through the State Wildlife Grants (SWG) program to implement the comprehensive plan; but that funding requires a 1:1 non-federal match. Funds will be used for conservation of wildlife and habitats identified in the strategic plan. The general fund portion of the request is proposed as one-time-only funding - the federal special revenue is requested as ongoing.

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

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



Program Description - The Parks Division is responsible for conserving the scenic, historic, archaeological, scientific, and recreational resources of the state, and for providing for their use and enjoyment. The program includes 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 Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 110.33 | 5.23 | 0.00 | 115.56 | 5.23 | 0.00 | 115.56 |
| Personal Services | 4,599,225 | 777,326 | 0 | 5,376,551 | 795,953 | 0 | 5,395,178 |
| Operating Expenses | 2,661,863 | 302,487 | 0 | 2,964,350 | 309,559 | 0 | 2,971,422 |
| Equipment & Intangible Assets | 479,632 | (169,980) | 0 | 309,652 | (169,980) | 0 | 309,652 |
| Grants | 492,317 | (47,000) | 0 | 445,317 | (47,000) | 0 | 445,317 |
| Total Costs | \$8,233,037 | \$862,833 | \$0 | \$9,095,870 | \$888,532 | \$0 | \$9,121,569 |
| State/Other Special | 8,013,966 | 793,370 | 0 | 8,807,336 | 818,034 | 0 | 8,832,000 |
| Federal Special | 219,071 | 69,463 | 0 | 288,534 | 70,498 | 0 | 289,569 |
| Total Funds | \$8,233,037 | \$862,833 | \$0 | \$9,095,870 | \$888,532 | \$0 | \$9,121,569 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$99,925 | \$0 |
| FY 2011 | \$99,968 | \$0 |

PL- 601 - Parks Maintenance and Operations Staff -

This state special revenue request is for the establishment of 2.08 FTE and \$99,925 for FY 2010 and \$99,968 for FY 2011. This base adjustment will fund summer employees as well as managers to help the Parks Division complete park maintenance tasks such as latrine upkeep, vandalism control and repair, weed control, and visitor assistance. These field staff would be located statewide near Billings, Bozeman, Whitefish, Great Falls, and Missoula.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$99,318 | \$0 |
| FY 2011 | \$99,442 | \$0 |

PL- 602 - FAS Management and Maintenance Staff -

This state special revenue request is for the establishment of 3.15 FTE and \$99,318 for FY 2010 and \$99,442 for FY 2011. This base adjustment will fund basic maintenance and management staff for existing fishing access sites (FAS) around the state. The duties these summer field employees will perform include latrine cleaning, weed control, fencing, vandalism repair, and overall site management.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$175,000 | \$0 |
| FY 2011 | \$175,000 | \$0 |

PL- 604 - FAS Capital O&M from HB 5 to HB 2 -

This request is for the Capital Fishing Access Site (FAS) operations & maintenance allocation, historically made during the legislative session in HB 5, to now be requested in HB 2. This is not a request for additional authority but rather to properly align the allocation of monies from one appropriation bill to another to improve clarity and simplicity of program management. The state special allocation of \$175,000 annually would still be utilized by the Parks Division in the FAS program for day-to-day operations, maintenance, and weed control for the region FASs. This request is recommended by the Long-Range Planning Working Group of the Legislative Finance Committee.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$44,230 | \$0 |
| FY 2011 | \$44,230 | \$0 |

PL- 605 - Restore Parks Base Operations -

This budget request restores the Parks base operations budget for the 2011 biennium. State Special funds totaling \$15,230 from FY 2008 were left unspent in the base year due to conservative budget management. The \$29,000 in federal funds corrects a budgeting error from FY 2006 and restores historic authority levels. This requested restoration decision package is calculated off fiscal year end actuals.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$27,000 | \$0 |
| FY 2011 | \$27,000 | \$0 |

PL- 606 - Restore FAS Base Operations -

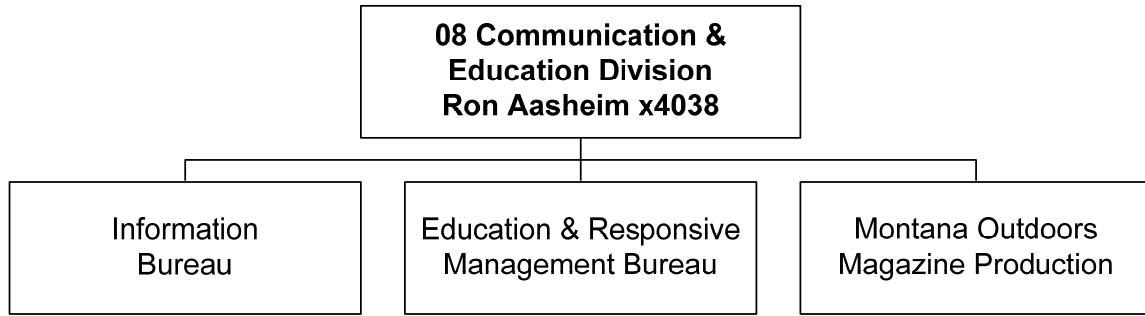
This budget request restores the FAS base operations budget for the 2011 biennium. State special funds totaling \$10,000 from FY 2008 were left unspent in the base year due to conservative budget management. The \$17,000 in federal funds corrects a budgeting error from FY 2006 and restores historic authority levels. This requested restoration decision packages is calculated off fiscal year end actuals.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$216,980) | \$0 |
| FY 2011 | (\$216,980) | \$0 |

PL- 607 - Parks Snowmobile Equipment - BIEN -

This is a request for an adjustment to the snowmobile program to reduce expenses as a means of addressing revenue shortfalls from both snowmobile fuel taxes and decal fees. This request seeks to: 1) Reduce grants to local clubs by \$47,000 annually; 2) reduce the biennial equipment budget from \$370,000 in the 2009 biennium to \$300,000 in the 2011 biennium; and 3) change the appropriation to biennial to streamline purchasing of equipment for snowmobile clubs.

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



Program Description - The Communication & Education Division, through its Helena office and seven regional information and education managers, coordinates the department's information and education programs 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 Proposed Budget | | | | | | | |
|-------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 28.55 | 0.00 | 0.00 | 28.55 | 0.00 | 0.00 | 28.55 |
| Personal Services | 1,717,312 | 115,135 | 0 | 1,832,447 | 120,306 | 0 | 1,837,618 |
| Operating Expenses | 1,441,196 | 91,117 | 0 | 1,532,313 | 94,391 | 0 | 1,535,587 |
| Grants | 314,533 | 0 | 0 | 314,533 | 0 | 0 | 314,533 |
| Total Costs | \$3,473,041 | \$206,252 | \$0 | \$3,679,293 | \$214,697 | \$0 | \$3,687,738 |
| State/Other Special | 2,757,055 | 193,195 | 0 | 2,950,250 | 201,101 | 0 | 2,958,156 |
| Federal Special | 715,986 | 13,057 | 0 | 729,043 | 13,596 | 0 | 729,582 |
| Total Funds | \$3,473,041 | \$206,252 | \$0 | \$3,679,293 | \$214,697 | \$0 | \$3,687,738 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,000 | \$0 |
| FY 2011 | \$50,000 | \$0 |

PL- 801 - Regulation Production -

This budget request is for \$50,000 of state special revenue for each year of the biennium to address past and future increases in printing and distribution costs associated with hunting, fishing, and trapping regulations that are produced annually by FWP.

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

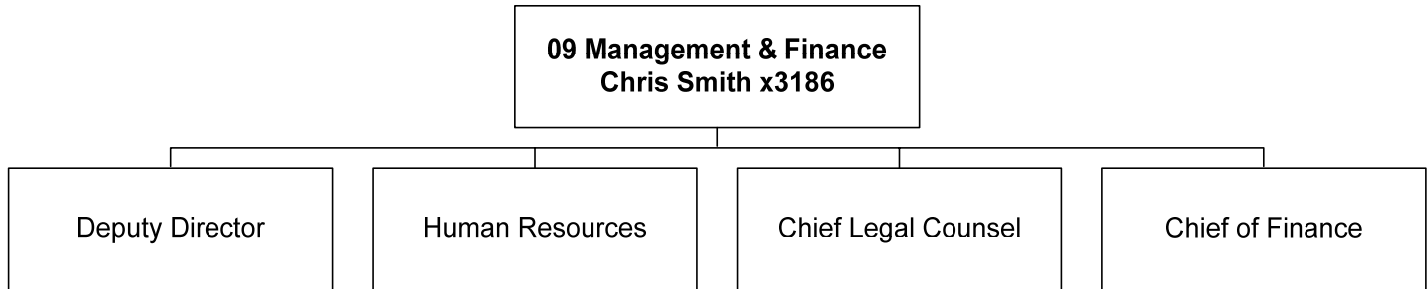
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$30,000 | \$0 |
| FY 2011 | \$30,000 | \$0 |

PL- 802 - Restore Communication and Education Ops Budget -

This state special revenue budget request will restore \$30,000 per year to the Communications and Education Division for operations. Funds were utilized during the base year to hire a Comprehensive Fish and Wildlife Plan Information and Outreach Program Coordinator and thus these funds were not captured in the base budget.

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

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



Program Description - The 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; and 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 Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 96.24 | 0.00 | 0.00 | 96.24 | 0.00 | 0.00 | 96.24 |
| Personal Services | 5,050,370 | 352,870 | 0 | 5,403,240 | 370,105 | 0 | 5,420,475 |
| Operating Expenses | 4,295,724 | 600,393 | 26,094 | 4,922,211 | 482,498 | 22,625 | 4,800,847 |
| Equipment & Intangible Assets | 38,036 | 0 | 0 | 38,036 | 0 | 0 | 38,036 |
| Transfers | 24,374 | 75,278 | 0 | 99,652 | 75,278 | 0 | 99,652 |
| Total Costs | \$9,408,504 | \$1,028,541 | \$26,094 | \$10,463,139 | \$927,881 | \$22,625 | \$10,359,010 |
| State/Other Special | 9,301,360 | 1,016,741 | 20,092 | 10,338,193 | 932,696 | 17,421 | 10,251,477 |
| Federal Special | 107,144 | 11,800 | 6,002 | 124,946 | (4,815) | 5,204 | 107,533 |
| Total Funds | \$9,408,504 | \$1,028,541 | \$26,094 | \$10,463,139 | \$927,881 | \$22,625 | \$10,359,010 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$75,278 | \$0 |
| FY 2011 | \$75,278 | \$0 |

PL- 902 - Restore Search & Rescue Base -

This state special revenue budget request will restore \$75,278 per year for the 2011 biennium. This appropriation transfers cash to the Department of Military Affairs for the FWP share of costs incurred by search and rescue clubs when searching for hunters, anglers, or trappers.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$16,000 | \$0 |
| FY 2011 | \$16,000 | \$0 |

PL- 903 - Commission Expense Adjustment -

FWP Commissioners are compensated for their travel at a standard per diem rate and are provided an honorarium of \$50 per day for participation in meetings or conducting other commission business. Per diem and honoraria paid to FWP Commissioners are zero-based in the budget and an adjustment of \$16,000 of state special revenue per year is needed to restore this funding.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$62,322 | \$0 |
| FY 2011 | \$63,479 | \$0 |

PL- 904 - Attorney General FTE -

This proposal is to request funding to support an additional .50 FTE in the Prosecution Services Bureau (PSB) of the Department of Justice. State special revenue of \$62,322 in FY 2010 and \$63,479 in FY 2011 is required for an attorney to assist in prosecutions of major fish and wildlife violations. This will assist in implementing 44-4-115 MCA, which provides for a program in PSB for the investigation and prosecution of criminal cases, which fall within Title 87. This proposal is for the funding only; and this funding will subsequently be transferred to the Department of Justice.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$100,000 | \$0 |
| FY 2011 | \$100,000 | \$0 |

PL- 905 - Energy Development Proposal -

This state special revenue budget request is for \$100,000 per year for the 2011 biennium to develop a comprehensive oil and gas stipulations and recommendation package for fish and wildlife associated with Montana's sagebrush and grasslands. These stipulations would be science based, utilizing existing peer reviewed research throughout the west as well as Montana specific biological data, and a collaborative approach to develop the recommendations.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$25,000 | \$0 |
| FY 2011 | \$25,000 | \$0 |

PL- 906 - Area Office Rent Increases -

FWP has area offices in Dillon, Butte, Choteau, and Havre that provide its constituents with access to FWP staff and local customer service. Negotiations are currently underway for new leases; the increase is estimated to be \$25,000 annually funded by state special revenue. This adjustment will allow FWP to cover this increased cost and continue to provide quality service to hunters, anglers, and recreationists around the state.

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

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

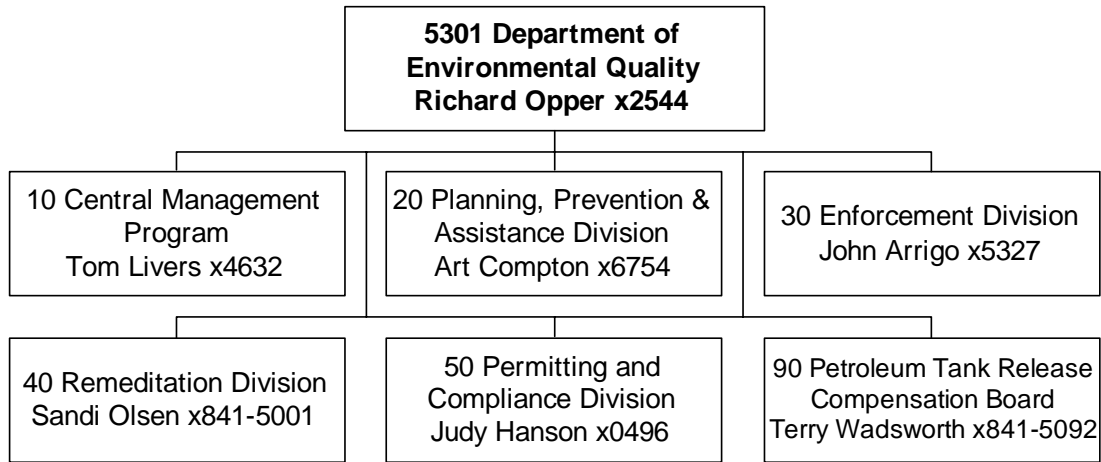
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$26,094 | \$0 |
| FY 2011 | \$22,625 | \$0 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management Program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. The budget includes \$26,094 in FY 2010 and \$22,625 in FY 2011 from state and federal special revenue funds for the FWP's allocation of the fixed cost.

DEPT. OF ENVIRONMENTAL QUALITY-5301

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



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

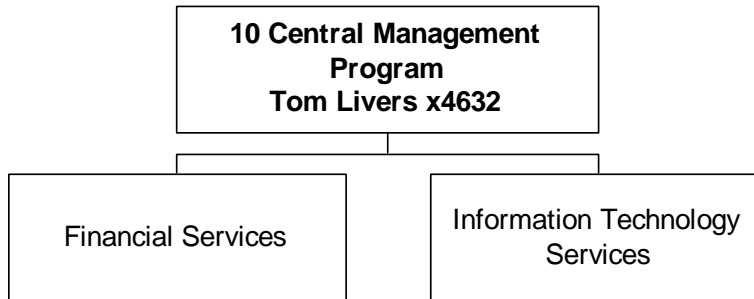
Statutory Authority - Titles 2, 7, 37, 50, 69, 75, 76, 80, 82 and 90, MCA; USC 24, 30, 33 and 42; PL No. 92-500, 95-87, 91, 95-224 and 99-519.

Language - "The department 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 when federal funds and bond proceeds will be used for other program purposes."

| Agency Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 376.29 | 13.00 | 1.00 | 390.29 | 13.00 | 1.00 | 390.29 |
| Personal Services | 21,024,452 | 5,641,126 | 64,055 | 26,729,633 | 5,724,514 | 65,988 | 26,814,954 |
| Operating Expenses | 19,642,858 | 12,430,295 | 5,450,041 | 37,523,194 | 11,516,511 | 5,258,580 | 36,417,949 |
| Equipment & Intangible Assets | 107,827 | 43,734 | 0 | 151,561 | 42,700 | 0 | 150,527 |
| Capital Outlay | 441,304 | (300,000) | 0 | 141,304 | (300,000) | 0 | 141,304 |
| Grants | 1,870,416 | 163,000 | 0 | 2,033,416 | 163,000 | 0 | 2,033,416 |
| Total Costs | \$43,086,857 | \$17,978,155 | \$5,514,096 | \$66,579,108 | \$17,146,725 | \$5,324,568 | \$65,558,150 |
| General Fund | 4,785,174 | 1,577,306 | 75,000 | 6,437,480 | 1,593,209 | 75,000 | 6,453,383 |
| State/Other Special | 18,943,357 | 12,352,391 | 5,418,768 | 36,714,516 | 11,470,399 | 5,226,040 | 35,639,796 |
| Federal Special | 19,358,326 | 4,048,458 | 20,328 | 23,427,112 | 4,083,117 | 23,528 | 23,464,971 |
| Total Funds | \$43,086,857 | \$17,978,155 | \$5,514,096 | \$66,579,108 | \$17,146,725 | \$5,324,568 | \$65,558,150 |

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

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------|----------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 10.00 | 0.00 | 0.00 | 10.00 | 0.00 | 0.00 | 10.00 |
| Personal Services | 733,384 | 143,888 | 0 | 877,272 | 146,518 | 0 | 879,902 |
| Operating Expenses | 1,182,701 | 400,481 | 0 | 1,583,182 | 409,156 | 0 | 1,591,857 |
| Total Costs | \$1,916,085 | \$544,369 | \$0 | \$2,460,454 | \$555,674 | \$0 | \$2,471,759 |
| General Fund | 373,992 | 62,476 | 0 | 436,468 | 64,708 | 0 | 438,700 |
| State/Other Special | 1,202,096 | 315,736 | 0 | 1,517,832 | 320,913 | 0 | 1,523,009 |
| Federal Special | 339,997 | 166,157 | 0 | 506,154 | 170,053 | 0 | 510,050 |
| Total Funds | \$1,916,085 | \$544,369 | \$0 | \$2,460,454 | \$555,674 | \$0 | \$2,471,759 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$399,787 | \$17,047 |
| FY 2011 | \$408,182 | \$18,566 |

PL- 1001 - Non Proprietary Operations Adjustments -

This operations adjustment request is for \$399,787 in FY 2010 and \$408,182 in FY 2011 in general, state special, and federal special revenue. The operating adjustments requested are required to restore the Environmental Rehabilitation and Response Account (ERRA), fund adjustments to the agency indirect cost rates, and replace personal computers in accordance with standard replacement schedules over the course of the biennium. Additionally, this request includes the restoration of contracts, communications, travel, and training budgets due to vacancies.

**DEPT. OF ENVIRONMENTAL QUALITY-5301
PLAN.PREVENT. & ASSIST.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 community water infrastructure planners; 2) finances energy saving retrofits of public buildings and renewable energy systems for homeowners and small businesses; 3) provides technical assistance and education to builders, homeowners, and businesses on energy efficiency and renewable energy, indoor air quality, radon, recycling, and solid waste reduction; 4) assists small businesses in reducing emissions and complying with environmental regulations; 5) monitors water quality conditions, assesses potential pollution problems, and aids industry to achieve cost effective compliance; 6) assists communities in planning for energy, watershed, air shed, and solid and hazardous waste management; 7) develops water quality restoration plans (Total Maximum Daily Loads or TMDLs); 8) proposes rules and policy and develops environmental protection criteria; and 9) provides analysis to assess the cost effectiveness of environmental programs. The division consists of three bureaus: Technical and Financial Assistance, Water Quality Planning, and Energy and Pollution Prevention, along with a Financial Management and Budgeting Unit.

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 83.50 | 0.00 | 1.00 | 84.50 | 0.00 | 1.00 | 84.50 |
| Personal Services | 4,852,495 | 985,798 | 64,055 | 5,902,348 | 1,008,457 | 65,988 | 5,926,940 |
| Operating Expenses | 5,193,729 | 1,463,845 | 843,684 | 7,501,258 | 1,485,021 | 648,011 | 7,326,761 |
| Equipment & Intangible Assets | 9,970 | 41,034 | 0 | 51,004 | 40,000 | 0 | 49,970 |
| Total Costs | \$10,056,194 | \$2,490,677 | \$907,739 | \$13,454,610 | \$2,533,478 | \$713,999 | \$13,303,671 |
| General Fund | 2,873,851 | 145,319 | 0 | 3,019,170 | 150,756 | 0 | 3,024,607 |
| State/Other Special | 1,131,114 | 264,195 | 907,739 | 2,303,048 | 281,981 | 713,999 | 2,127,094 |
| Federal Special | 6,051,229 | 2,081,163 | 0 | 8,132,392 | 2,100,741 | 0 | 8,151,970 |
| Total Funds | \$10,056,194 | \$2,490,677 | \$907,739 | \$13,454,610 | \$2,533,478 | \$713,999 | \$13,303,671 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,492,896 | (\$37,119) |
| FY 2011 | \$1,511,683 | (\$35,801) |

PL- 2005 - Planning Division Operations Adjustments -

This operations adjustment is for \$1,492,896 in FY 2010 and \$1,511,683 in FY 2011 in general, state special, and federal special revenue. The operating adjustment is requested because some expenditures were not captured within the base year. Reasons for this are because increased efforts on energy efficiency in state government resulted in fewer expenditures in other initiatives, timing of receipt of federal grants has caused the related expenditures to be after the base year, and related vacancy savings costs, such as unspent travel, lab analysis work, supplies, and indirect costs were not captured.

**DEPT. OF ENVIRONMENTAL QUALITY-5301
PLAN.PREVENT. & ASSIST.DIV.-20**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$98,897 | \$0 |
| FY 2011 | \$101,250 | \$0 |

NP- 2004 - Technical Assistance for Waste Water Treatment Sys -

This request is for 1.00 FTE and \$98,897 in FY 2010 and \$101,250 in FY 2011 of state special revenue. The FTE would provide on-site technical assistance and classroom training to help individuals, communities, subdivisions, and other small systems come into compliance with permits and help to reduce the load of pollutants to state waters. This can help reduce the cost to the state by addressing problems through means other than enforcement.

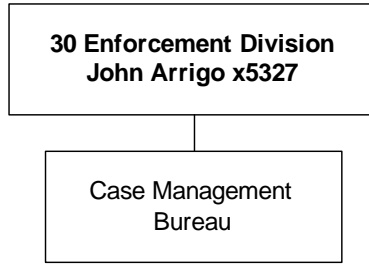
-----**Other Legislation Required to Implement HB2**-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$808,842 | \$0 |
| FY 2011 | \$612,749 | \$0 |

NP- 2051 - State Buildings Energy Conservation Program - BIEN -

The department requests \$808,842 for FY 2010 and \$612,749 for FY 2011 in state special revenue to operate the State Buildings Energy Conservation Program. Contracts will be issued to engineering firms to analyze energy efficiency in state facilities. Projects will be implemented to reduce energy and water use based on engineering analyses conducted in FY 2009 as well as FY 2010 and FY 2011. Information on state government facility energy use will be tracked to show results of improvements. This decision package is contingent on passage of legislation proposed by the executive that establishes a revolving loan account and appropriates funds to that account as a long-term funding mechanism for the state buildings energy conservation program. Appropriation to operate the state building energy conservation program will be made by each legislature from funds in the revolving fund once it has been established.

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



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

| Program Proposed Budget Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
|--|----------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|
| FTE | 15.00 | 0.00 | 0.00 | 15.00 | 0.00 | 0.00 | 15.00 |
| Personal Services | 873,315 | 159,332 | 0 | 1,032,647 | 161,976 | 0 | 1,035,291 |
| Operating Expenses | 309,306 | 99,444 | 0 | 408,750 | 109,182 | 0 | 418,488 |
| Total Costs | \$1,182,621 | \$258,776 | \$0 | \$1,441,397 | \$271,158 | \$0 | \$1,453,779 |
| General Fund | 520,386 | 99,125 | 0 | 619,511 | 104,450 | 0 | 624,836 |
| State/Other Special | 348,850 | 149,731 | 0 | 498,581 | 154,011 | 0 | 502,861 |
| Federal Special | 313,385 | 9,920 | 0 | 323,305 | 12,697 | 0 | 326,082 |
| Total Funds | \$1,182,621 | \$258,776 | \$0 | \$1,441,397 | \$271,158 | \$0 | \$1,453,779 |

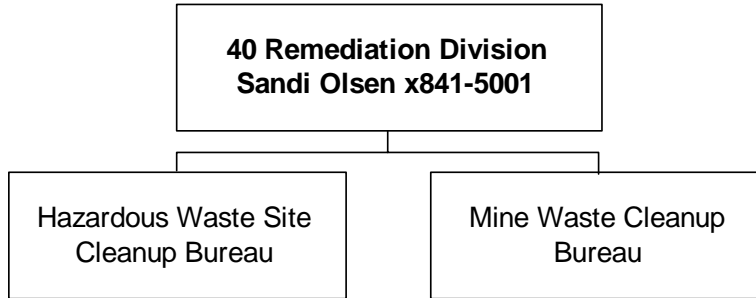
-----Present Law Adjustments-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$96,385 | \$41,425 |
| FY 2011 | \$105,795 | \$45,469 |

PL- 3002 - Enforcement Operations Adjustments -

This operations adjustment request is for \$96,385 in FY 2010 and \$105,795 in FY 2011 in general fund, state, and federal special revenue. Adjustments are requested to restore FY 2008 authorized amounts for contracted services (lab analysis, paper service, temp services, publications & graphics), central stores, field equipment, postage & mailing, in-state travel, education & training, and indirect charges.

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 62.76 | 0.00 | 0.00 | 62.76 | 0.00 | 0.00 | 62.76 |
| Personal Services | 3,339,092 | 825,727 | 0 | 4,164,819 | 838,709 | 0 | 4,177,801 |
| Operating Expenses | 5,579,929 | 6,309,736 | 4,514,814 | 16,404,479 | 5,338,062 | 4,517,507 | 15,435,498 |
| Equipment & Intangible Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 441,304 | (300,000) | 0 | 141,304 | (300,000) | 0 | 141,304 |
| Total Costs | \$9,360,325 | \$6,835,463 | \$4,514,814 | \$20,710,602 | \$5,876,771 | \$4,517,507 | \$19,754,603 |
| State/Other Special | 2,473,360 | 6,171,899 | 4,500,000 | 13,145,259 | 5,182,032 | 4,500,000 | 12,155,392 |
| Federal Special | 6,886,965 | 663,564 | 14,814 | 7,565,343 | 694,739 | 17,507 | 7,599,211 |
| Total Funds | \$9,360,325 | \$6,835,463 | \$4,514,814 | \$20,710,602 | \$5,876,771 | \$4,517,507 | \$19,754,603 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$446,803 | \$0 |
| FY 2011 | \$483,714 | \$0 |

PL- 4002 - Remediation Operations Adjustments -

This operations adjustment request is for \$446,803 in FY 2010 and \$483,714 in FY 2011 in state and federal special revenue. Adjustments are requested due to changes in travel and training expenditures due to vacancies, communications expenditures, use of student interns, personal services and operating indirect costs, and contracted services funding decreases.

**DEPT. OF ENVIRONMENTAL QUALITY-5301
REMEDATION DIVISION-40**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$750,000 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 4005 - Basin Creek Mine Closure Plan BIEN - OTO -

The executive recommends \$750,000 in one-time-only state special revenue biennial spending authority to complete the closure plan at Basin Creek Mine. DEQ acquired this property in the Pegasus bankruptcy and is using a combination of existing reclamation bond monies forfeited by Pegasus and General Obligation (GO) bond monies to complete closure. These activities will then qualify as match activities for EPA cleanup work under Federal Superfund Law at the Basin/Upper Tenmile National Priorities List (NPL) site.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$260,000 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 4006 - Beal Mountain Mine Closure BIEN – OTO -

The executive recommends \$260,000 in one-time-only state special revenue biennial spending authority to implement the Beal Mountain Mine closure plan. These activities will be completed using reclamation bond monies remaining in the site account as well as the monies generated from the auction of equipment at the site during FY 2009.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,200,000 | \$0 |
| FY 2011 | \$1,200,000 | \$0 |

PL- 4009 - KRY Remediation Oversight - BIEN - RST - OTO -

In order to implement remedial actions goals at Kalispell Pole & Timber, Reliance Refinery, and Yale Oil state superfund sites, this one-time-only budget request is for an additional \$1.2 million per year in state special revenue spending authority. Funds will be used for contracted services to prepare and review engineering plans and overseeing construction for the multitude of activities associated with cleaning up the site. Under the Comprehensive Environmental Cleanup Responsibility Act (CECRA), the expenditures at these sites are cost recoverable.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$364,000 | \$0 |
| FY 2011 | \$364,000 | \$0 |

PL- 4011 - Accelerated Remediation CECRA Sites BIEN/RST/OTO -

This state special revenue request is for \$728,000 in one-time-only biennial authority in order to implement remedial action goals at the Upper Blackfoot Mining Complex CECRA (Comprehensive Environmental Cleanup Responsibility Act) site. Funding would be used for contracted services to complete baseline human health and ecological risk assessments and a feasibility study to identify the appropriate methods to clean up contaminants at the site. Under CECRA, the expenditures at these sites will be cost recovered when the payout for unsecured claims under the Asarco Bankruptcy occurs.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,000,000 | \$0 |
| FY 2011 | \$3,000,000 | \$0 |

PL- 4012 - CECRA Accelerated Remediation Base Adjustment -

This budget request is for \$3 million per year in state special revenue spending authority for operating expenses in order to continue successful implementation of remedial action goals at state superfund CECRA (Comprehensive Environmental Cleanup Responsibility Act) sites. This request reflects the budget amendments that were necessary during FY 2008 that are not captured in the program base. Funding would be spent conducting the remedial actions to address contaminants affecting human health and the environment using contracted services. Under CECRA, the expenditures at these sites are cost recoverable.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$14,814 | \$0 |
| FY 2011 | \$17,507 | \$0 |

NP- 4016 - Remediation New Leased Vehicles -

This budget request is for \$14,814 in FY 2010 and \$17,507 in FY 2011 in federal special revenue for additional motor pool leases of one hybrid sedan and one hybrid small utility vehicle. These vehicles will be utilized by the Abandoned Mine Lands (AML) program in the Remediation Division. This program is expanding due to increased federal awards from the U.S. Office of Surface Mining (OSM). Hybrid vehicles are requested to conform with the Governor's 20x10 initiative.

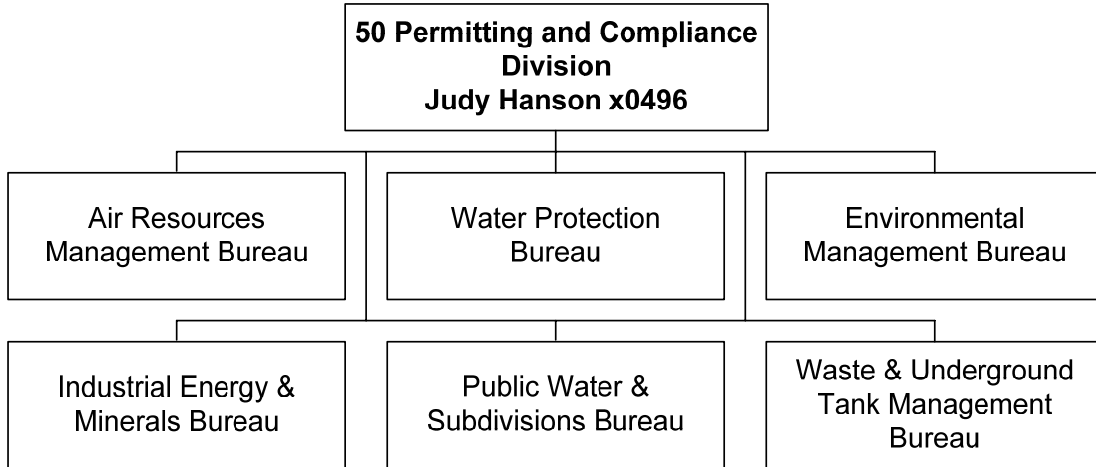
-----**Other Legislation Required to Implement HB2**-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$4,500,000 | \$0 |
| FY 2011 | \$4,500,000 | \$0 |

NP- 4015 - Joint DEQ-DNRC Reliance Refinery - BIEN-OTO-RST -

The executive recommends \$9 million of one-time-only, biennial state special revenue authority transfer from the Orphan Share Fund to the Environmental Quality Protection Fund for the purposes of cleanup of the state's Reliance Refinery property, which has been contaminated by refinery wastes and wood treating contaminants. This request is contingent on passage and approval of LC 294.

**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 17 state regulatory and 5 related federal authorities. The division: 1) reviews and assesses environmental permit applications (coordinating with other state, local, and federal agencies) to determine control measures needed to ensure compliance with the law and to prevent land, water, and air conditions detrimental to public health welfare, safety, and the environment; 2) prepares supporting environmental documents under the Montana Environmental Policy Act and provides training and technical assistance when needed; 3) inspects to determine compliance with permit conditions, laws, and rules; and 4) when compliance problems are discovered, provides assistance to resolve the facility's compliance issues, and when necessary recommends formal enforcement actions to the Enforcement Division. Activities are organized in the Air Resources Management Bureau (air); Industrial and Energy Minerals Bureau (coal, uranium, opencut); Environmental Management Bureau (hard rock, facility siting); Public Water and Subdivision Bureau (public water supply, subdivision, and operator certification); Water Protection Bureau (water discharge); and Waste and Underground Tank Management Bureau (solid waste, junk vehicles, septage pumpers, hazardous waste, asbestos, underground storage tanks, and meth standards).

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 199.03 | 13.00 | 0.00 | 212.03 | 13.00 | 0.00 | 212.03 |
| Personal Services | 10,897,631 | 3,496,731 | 0 | 14,394,362 | 3,538,369 | 0 | 14,436,000 |
| Operating Expenses | 7,163,107 | 3,988,458 | 66,543 | 11,218,108 | 4,003,343 | 68,062 | 11,234,512 |
| Equipment & Intangible Assets | 97,857 | 2,700 | 0 | 100,557 | 2,700 | 0 | 100,557 |
| Grants | 1,870,416 | 163,000 | 0 | 2,033,416 | 163,000 | 0 | 2,033,416 |
| Total Costs | \$20,029,011 | \$7,650,889 | \$66,543 | \$27,746,443 | \$7,707,412 | \$68,062 | \$27,804,485 |
| General Fund | 1,016,945 | 1,270,386 | 50,000 | 2,337,331 | 1,273,295 | 50,000 | 2,340,240 |
| State/Other Special | 13,245,316 | 5,252,849 | 11,029 | 18,509,194 | 5,329,230 | 12,041 | 18,586,587 |
| Federal Special | 5,766,750 | 1,127,654 | 5,514 | 6,899,918 | 1,104,887 | 6,021 | 6,877,658 |
| Total Funds | \$20,029,011 | \$7,650,889 | \$66,543 | \$27,746,443 | \$7,707,412 | \$68,062 | \$27,804,485 |

**DEPT. OF ENVIRONMENTAL QUALITY-5301
PERMITTING & COMPLIANCE DIV.-50**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$75,000 | \$0 |
| FY 2011 | \$75,000 | \$0 |

PL- 5002 - Air Online Permit & Compliance Reporting BIEN/OTO -

This biennial one-time-only request for \$150,000 of state special revenue is to contract for services to enhance the CEDARS (Consolidated Environmental Database and Retrieval System) database. This enhancement will allow regulated facilities to submit required reports and information online.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$250,000 | \$0 |
| FY 2011 | \$250,000 | \$0 |

PL- 5003 - Air Regulatory Assistance BIEN -

This \$500,000 biennial appropriation using state special revenue is to contract for consulting services for regulatory assistance in the Air Quality Program. Contract consultant assistance is necessary because rapidly increasing development activity in the energy sector coupled with limited staff resources could adversely affect air quality and potentially undermine economic development in the state.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$130,820 | \$0 |
| FY 2011 | \$129,895 | \$0 |

PL- 5004 - Area Source MACT Registration -

This state special revenue request is for 1.00 FTE and \$130,820 in FY 2010 and \$129,895 in FY 2011 to start up and administer a registration system and to provide regulatory assistance to area sources. As part of the federal program delegation for the Title V Air Quality Operating Permit Program, Montana has the responsibility to enforce Maximum Achievable Control Technology (MACT) regulations that are applicable to sources in Montana. While many sources that are subject to MACT regulations are also subject to permit requirements, some sources are not and they are generally described as "area sources."

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$94,946 | \$0 |
| FY 2011 | \$94,946 | \$0 |

PL- 5006 - ARMB Student Intern Funding -

This request is for \$94,946 per year in state special revenue in order to hire student interns in the Air Resources Management Bureau (ARMB). These funds are for up to four student interns who will provide assistance with air quality permitting and compliance activities. Student interns increase the long-term program efficiency and address ARMB's recruitment challenges through supporting Montana's college students and training potential future DEQ employees. Assigning appropriate technical work to the interns that would otherwise need to be completed by the full time employees of the ARMB will increase program efficiency.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,583,073 | \$110,169 |
| FY 2011 | \$1,594,512 | \$110,083 |

PL- 5018 - Permitting & Compliance Operations Adjustments -

The executive requests a base operating adjustment of \$1,583,073 in FY 2010 and \$1,594,512 in FY 2011 of general, state special, and federal special revenue. Base expenditures were low in junk vehicle grants to counties, reimbursements for abandoned vehicles, contracts not put into place due to vacancies, and underground storage tank funding.

**DEPT. OF ENVIRONMENTAL QUALITY-5301
PERMITTING & COMPLIANCE DIV.-50**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,750,000 | \$0 |
| FY 2011 | \$1,750,000 | \$0 |

PL- 5019 - Hard Rock-Major Facility Siting Act Projects-BIEN-RST -

This restricted biennial request is for \$3.5 million in state and federal special revenue for Hard Rock and Major Facility Siting Act (MFSA) projects. Project spending authority will be used for reclamation of mine sites and will be funded by various bond forfeitures or settlement agreements. The authority for hard rock debt service is requested to allow the department to spend funds on reclamation of mine sites raised through the sale of general obligation bonds authorized by 82-4-314, MCA. The authority for MFSA projects is based on past projects and the potential for future projects.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,000,000 | \$1,000,000 |
| FY 2011 | \$1,000,000 | \$1,000,000 |

PL- 5021 - Public Water Supply Staff -

The executive recommends making permanent 12.00 FTE at a cost of \$1,000,000 in FY 2010 and \$1,000,000 in FY 2011 using general funds. A 2007 EPA Primacy Report on the status of Montana's Public Water Supply Program found that the program had insufficient resources to adequately implement the required elements of the continued EPA roll-out of federal regulations and protect public health. These positions are now modified positions and were added during FY 2009 to respond to a significant public health risk in the DEQ Public Water Supply program.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$16,543 | \$0 |
| FY 2011 | \$18,062 | \$0 |

NP- 5008 - Air Program - Field Office Vehicles -

This request is for \$16,543 in FY 2010 and \$18,062 in FY 2011 of state and federal special revenue for two vehicles for air program field offices. Additional staff has been hired in the Billings and Butte field offices and with no motor pool vehicles available, these field vehicles are critical for accomplishment of daily functions of the staff. Hybrid sedans are requested in keeping with the Governor's 20x10 initiative.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,000 | \$50,000 |
| FY 2011 | \$50,000 | \$50,000 |

NP- 5010 - Swift Gulch Treatment System Operating Expenses -

This general fund request is for \$50,000 per year in the 2011 biennium for operating expenses at the Zortman-Landusky mine site. The 2007 Legislature approved DP-5029 Swift Gulch Drainage System for a semi-passive treatment system; however, long term operating costs were not included.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$25,000 | \$25,000 |
| FY 2011 | \$25,000 | \$25,000 |

NP- 5011 - Whitefish Lake Monitoring - BIEN/OTO -

This request includes \$50,000 general fund for the 2011 biennium, requested as a biennial one-time-only appropriation, to support a peer reviewed long-term sampling program for Whitefish Lake, an urban interface lake listed as impaired and that also serves as the city's drinking water source. The sampling program will analyze tributary and atmospheric loading on the lake and its internal dynamics.

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

| |
|---|
| 90 Petroleum Tank Release Compensation Board Terry Wadsworth x841-5092 |
|---|

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

| Program Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------|------------------|------------------|-------------|------------------|------------------|-------------|------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 6.00 | 0.00 | 0.00 | 6.00 | 0.00 | 0.00 | 6.00 |
| Personal Services | 328,535 | 29,650 | 0 | 358,185 | 30,485 | 0 | 359,020 |
| Operating Expenses | 214,086 | 168,331 | 0 | 382,417 | 171,747 | 0 | 385,833 |
| Total Costs | \$542,621 | \$197,981 | \$0 | \$740,602 | \$202,232 | \$0 | \$744,853 |
| State/Other Special | 542,621 | 197,981 | 0 | 740,602 | 202,232 | 0 | 744,853 |
| Total Funds | \$542,621 | \$197,981 | \$0 | \$740,602 | \$202,232 | \$0 | \$744,853 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$178,280 | \$0 |
| FY 2011 | \$181,677 | \$0 |

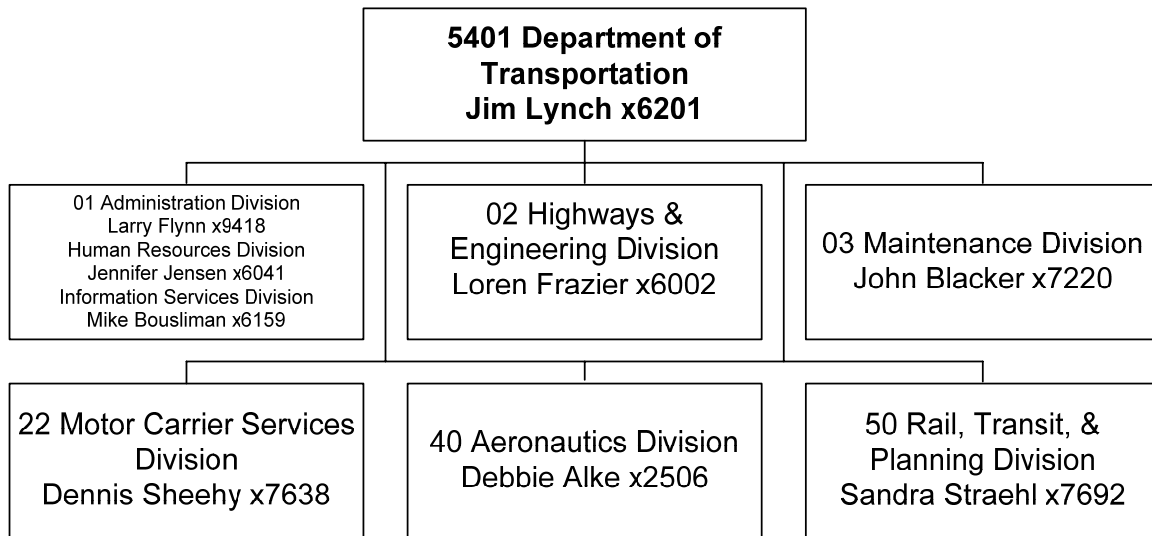
PL- 9001 - Petroleum Board Subrogation Operation Adjustments -

This request is to restore base expenditures for the Petroleum Tank Release Compensation Board. The cost is \$178,280 for FY 2010 and \$181,677 for FY 2011 in state special revenue. The board's subrogation effort was reduced during the base year to await a Supreme Court summary judgment. With the recent summary judgment, ramp-up of subrogation cost recovery activity is required for many pending cases.

Language Recommendations – “The department is appropriated up to \$500,000 of the funds recovered under the petroleum tank compensation board subrogation program in the 2011 biennium for the purpose of paying contract expenses related to the recovery of funds.”

DEPARTMENT OF TRANSPORTATION-5401

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



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

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

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

"All federal special revenue appropriations in the department are biennial."

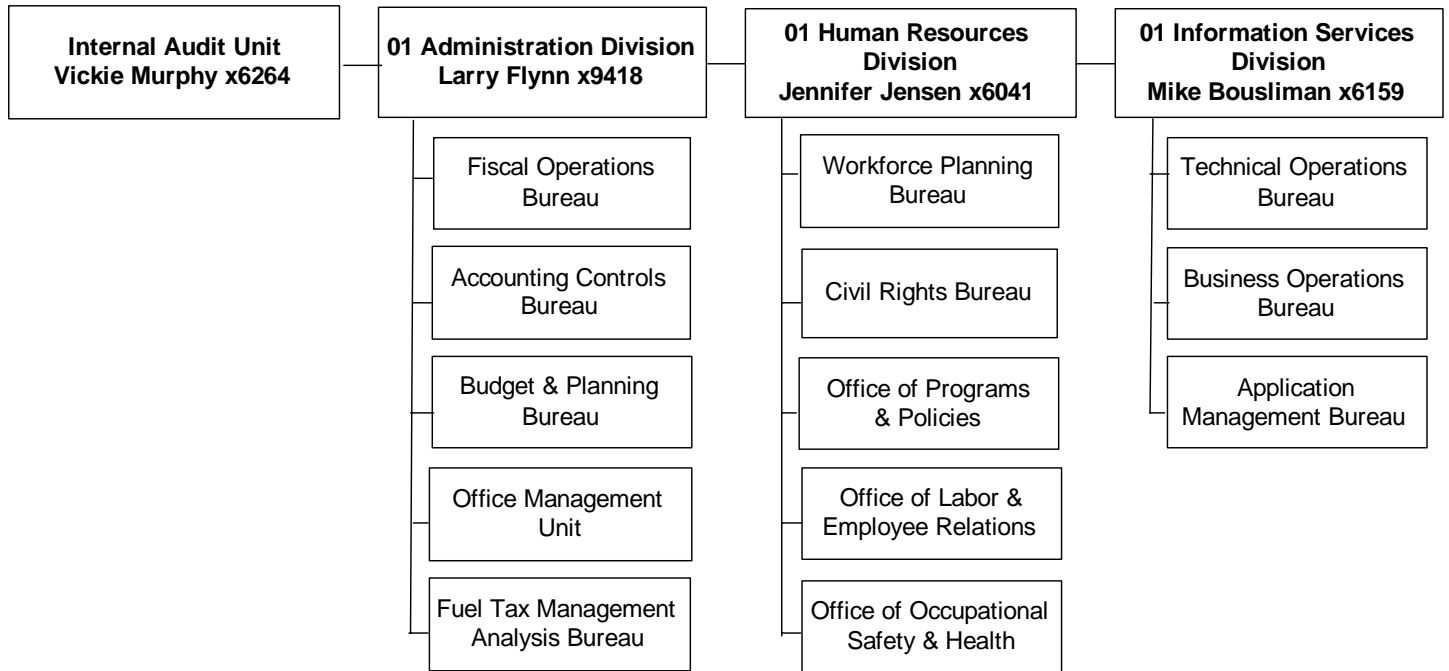
"All appropriations in the general operations, construction, maintenance, and transportation planning programs are biennial."

"All remaining federal pass-through grant appropriations for highway traffic safety, including reversions for the 2009 biennium, are authorized to continue and are appropriated in fiscal year 2010 and fiscal year 2011."

DEPARTMENT OF TRANSPORTATION-5401

| Agency Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 2,134.96 | 1.00 | 10.00 | 2,145.96 | 1.00 | 10.00 | 2,145.96 |
| Personal Services | 129,928,240 | 9,986,902 | 1,064,966 | 140,980,108 | 10,520,586 | 1,085,812 | 141,534,638 |
| Operating Expenses | 349,392,502 | 24,668,566 | 2,020,252 | 376,081,320 | 32,720,361 | 1,709,346 | 383,822,209 |
| Equipment & Intangible Assets | 1,902,440 | 978,535 | 152,000 | 3,032,975 | 32,000 | 152,000 | 2,086,440 |
| Capital Outlay | 15,979,768 | 0 | 0 | 15,979,768 | 0 | 0 | 15,979,768 |
| Local Assistance | 447,116 | 0 | 0 | 447,116 | 0 | 0 | 447,116 |
| Grants | 14,494,485 | 2,024,511 | 558,144 | 17,077,140 | 174,511 | 558,144 | 15,227,140 |
| Transfers | 13,701 | 0 | 0 | 13,701 | 0 | 0 | 13,701 |
| Total Costs | \$512,158,252 | \$37,658,514 | \$3,795,362 | \$553,612,128 | \$43,447,458 | \$3,505,302 | \$559,111,012 |
| State/Other Special | 210,536,687 | 21,306,724 | 1,217,686 | 233,061,097 | 19,682,360 | 1,223,707 | 231,442,754 |
| Federal Special | 301,621,565 | 16,351,790 | 2,577,676 | 320,551,031 | 23,765,098 | 2,281,595 | 327,668,258 |
| Total Funds | \$512,158,252 | \$37,658,514 | \$3,795,362 | \$553,612,128 | \$43,447,458 | \$3,505,302 | \$559,111,012 |

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 187.37 | 1.00 | 0.00 | 188.37 | 1.00 | 0.00 | 188.37 |
| Personal Services | 11,519,695 | 1,506,961 | 0 | 13,026,656 | 1,554,418 | 0 | 13,074,113 |
| Operating Expenses | 10,902,842 | 1,720,790 | 68,507 | 12,692,139 | 1,561,448 | 59,399 | 12,523,689 |
| Equipment & Intangible Assets | 31,859 | 0 | 0 | 31,859 | 0 | 0 | 31,859 |
| Grants | 297,177 | 0 | 0 | 297,177 | 0 | 0 | 297,177 |
| Total Costs | \$22,751,573 | \$3,227,751 | \$68,507 | \$26,047,831 | \$3,115,866 | \$59,399 | \$25,926,838 |
| State/Other Special | 21,045,984 | 3,367,772 | 68,507 | 24,482,263 | 3,255,257 | 59,399 | 24,360,640 |
| Federal Special | 1,705,589 | (140,021) | 0 | 1,565,568 | (139,391) | 0 | 1,566,198 |
| Total Funds | \$22,751,573 | \$3,227,751 | \$68,507 | \$26,047,831 | \$3,115,866 | \$59,399 | \$25,926,838 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,065 | \$0 |
| FY 2011 | \$2,311 | \$0 |

PL- 1001 - Equipment Rental -

This request is for \$3,065 in FY 2010 and \$2,311 in FY 2011 of state special revenue. This adjustment ensures adequate revenue in the equipment program.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,083 | \$0 |
| FY 2011 | \$50,083 | \$0 |

PL- 1002 - Overtime/Differential -

This request restores zero-based overtime and differential pay with associated benefits for \$50,083 per year of state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$1,754) | \$0 |
| FY 2011 | (\$1,754) | \$0 |

PL- 1101 - Office Equipment Cost Reduction -

This request is for a reduction of \$1,754 per year of state special revenue. The Business Process Solutions Unit has a reduction due to the one-time purchase of equipment in the base year.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$8,600) | \$0 |
| FY 2011 | (\$8,600) | \$0 |

PL- 1301 - Training Reduction -

This request reduces training expenditures by \$8,600 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$45,000 | \$0 |
| FY 2011 | \$45,000 | \$0 |

PL- 1302 - District Health & Safety Specialists -

Occupational Health & Safety Specialists were assigned to each district office in May of the base year, thus travel costs associated with these positions are not recorded for the full year. This request is to annualize the travel costs using \$90,000 of highway state special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$52,590 | \$0 |
| FY 2011 | \$84,383 | \$0 |

PL- 1401 - Merchant Credit Card Fees -

The executive recommends an increase of \$52,590 in FY 2010 and \$84,383 in FY 2011 of highway state special revenue. This increase accounts for increased use of credit cards by customers to pay for permits, licenses, and other MDT services, coupled with increased fees for accepting credit cards.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$39,487 | \$0 |
| FY 2011 | \$39,905 | \$0 |

PL- 1402 - Tribal Refund FTE -

This request is for 1.00 FTE for a statutory administrative assistant position at a cost of \$79,392 in highway state special revenue for the biennium. The FTE position will resolve a Legislative Financial Compliance Audit recommendation that MDT charge costs of administering the motor fuels tax under tribal agreements to the tribal motor fuel administration account in accordance with state law.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,250 | \$0 |
| FY 2011 | \$10,250 | \$0 |

PL- 1404 - Fuel Tax Evasion Travel -

This request is for \$10,250 per year of state special revenue for staff to attend the Motor Fuel Basic and Advanced training. This training was offered in-state in the base year; however, the training will be held out of state and this amount will fund the increased cost to go out of state.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$202,357 | \$0 |
| FY 2011 | \$225,108 | \$0 |

PL- 1503 - Computer Services Contract -

The executive recommends an increase of \$202,357 in FY 2010 and \$225,108 in FY 2011 of state special revenue. This request is for a scheduled increase in the maintenance contract and for partial restoration of the base for continued enhancements to the various contract permitting, registration, and licensing systems.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$40,952 | \$0 |
| FY 2011 | \$40,952 | \$0 |

PL- 1506 - IT Maintenance Costs -

This budget request is for \$40,952 per year in state special revenue for the maintenance and repair of printers and the maintenance of computer software and hardware.

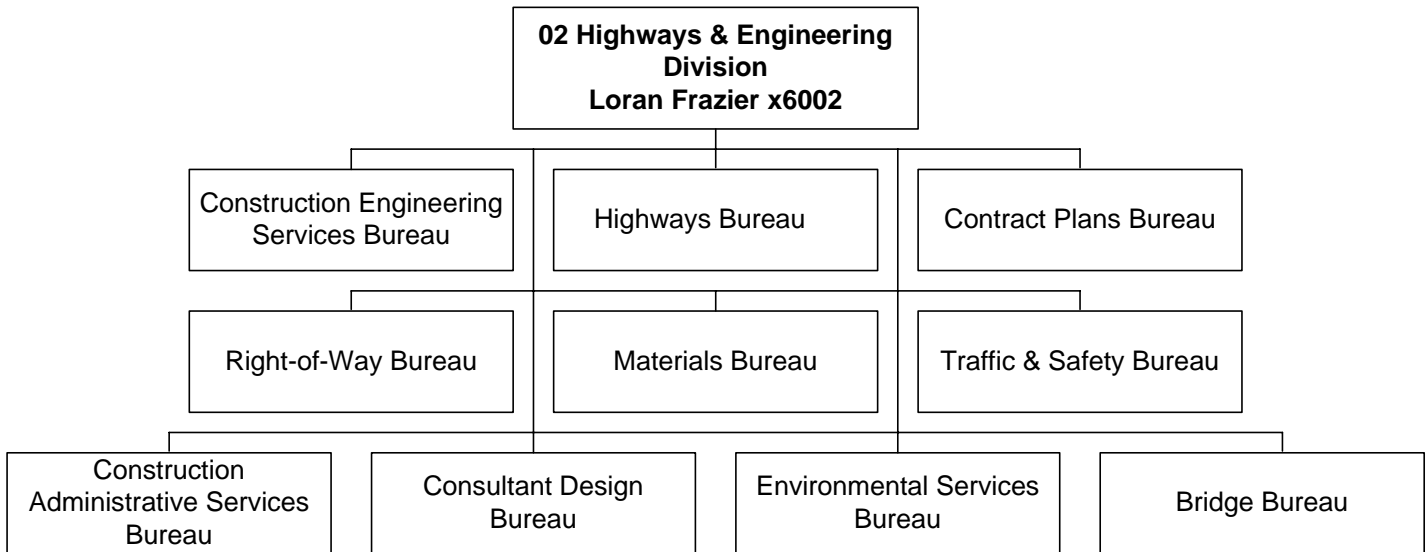
-----**New Proposals**-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$68,507 | \$0 |
| FY 2011 | \$59,399 | \$0 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. The allocation is based upon the average number of payroll warrants issued per pay period. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This request is for \$68,507 in FY 2010 and \$59,399 in FY 2011 from state special revenue funds.

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 974.32 | 0.00 | 0.00 | 974.32 | 0.00 | 0.00 | 974.32 |
| Personal Services | 63,449,027 | 3,110,617 | 0 | 66,559,644 | 3,331,050 | 0 | 66,780,077 |
| Operating Expenses | 274,800,392 | 6,462,814 | 0 | 281,263,206 | 15,450,186 | 0 | 290,250,578 |
| Equipment & Intangible Assets | 1,015,008 | 0 | 0 | 1,015,008 | 0 | 0 | 1,015,008 |
| Capital Outlay | 15,822,618 | 0 | 0 | 15,822,618 | 0 | 0 | 15,822,618 |
| Grants | 1,187,648 | 0 | 0 | 1,187,648 | 0 | 0 | 1,187,648 |
| Total Costs | \$356,274,693 | \$9,573,431 | \$0 | \$365,848,124 | \$18,781,236 | \$0 | \$375,055,929 |
| State/Other Special | 81,389,398 | (4,231,235) | 0 | 77,158,163 | (3,429,886) | 0 | 77,959,512 |
| Federal Special | 274,885,295 | 13,804,666 | 0 | 288,689,961 | 22,211,122 | 0 | 297,096,417 |
| Total Funds | \$356,274,693 | \$9,573,431 | \$0 | \$365,848,124 | \$18,781,236 | \$0 | \$375,055,929 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,438,628 | \$0 |
| FY 2011 | \$19,538,628 | \$0 |

PL- 210 - Contractor Payments/Federal Aid -

This request is for \$10,438,628 in FY 2010 and \$19,538,628 in FY 2011 of state and federal special revenue to achieve preliminary contractor payment levels of \$242,400,000 in FY 2010 and \$251,500,000 in FY 2011 based on the Tentative Construction Plan.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$3,826,896) | \$0 |
| FY 2011 | (\$3,826,896) | \$0 |

PL- 211 - Contractor Payments/State Funded Construction -

This request is for a reduction of \$3,826,896 per year in state special revenue to adjust for the transfer of the State Funded Construction Program to the Maintenance Division.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$430,762 | \$0 |
| FY 2011 | \$309,534 | \$0 |

PL- 214 - Equipment Rental -

The rate schedule required in the budgeting process as a means of providing adequate revenue for the Equipment Program computes an adjustment for the users of the equipment. The adjustment for the Construction Program is for \$430,762 in FY 2010 and \$309,534 in FY 2011 in state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,832,525 | \$0 |
| FY 2011 | \$2,832,525 | \$0 |

PL- 215 - OT/Differential -

This request is to re-establish zero-based overtime and differential pay with associated benefits. It requires \$2,832,525 in both years of the biennium in state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$119,924) | \$0 |
| FY 2011 | (\$119,924) | \$0 |

PL- 216 - Training Reduction -

This request reduces training expenditures by \$119,924 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,000 | \$0 |
| FY 2011 | \$10,000 | \$0 |

PL- 222 - Westlaw Internet License -

This request is for \$10,000 per year in state special revenue to purchase the licenses needed to access the Westlaw Internet Site. This site can be used to assist the legal unit with necessary legal research.

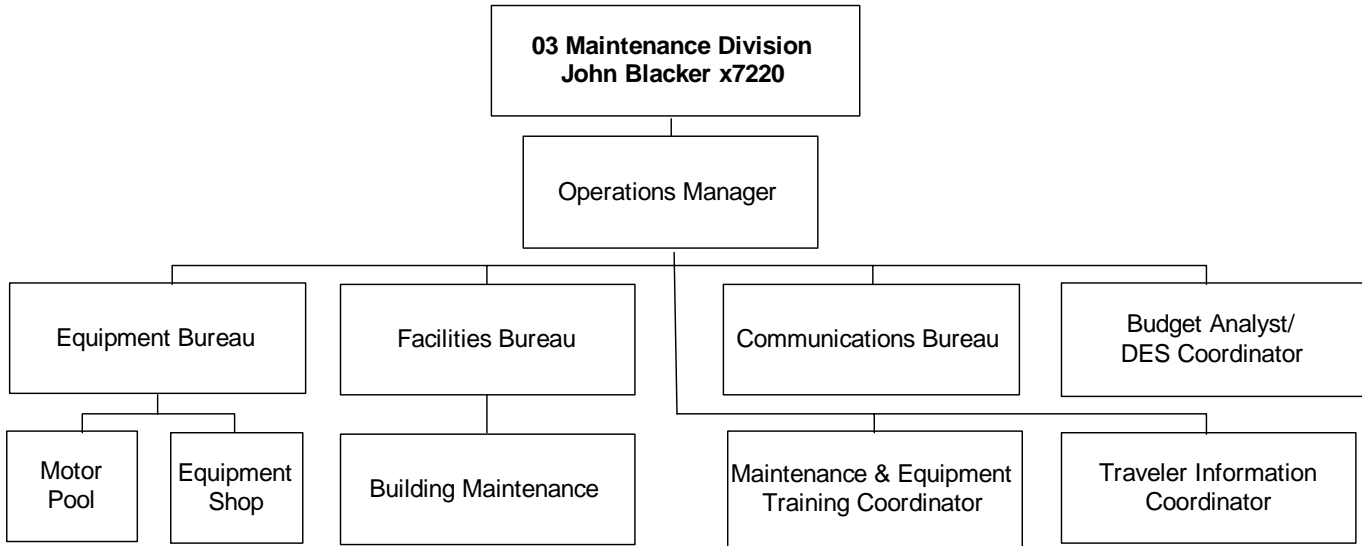
**DEPARTMENT OF TRANSPORTATION-5401
CONSTRUCTION PROGRAM-02**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$536,000) | \$0 |
| FY 2011 | (\$536,000) | \$0 |

PL- 223 - Program Reductions -

This request is to reduce state special revenue budget authority by \$1,072,000 in the next biennium. This reduction is associated with the completion of Site Manager and the fact that no major city-wide traffic signal upgrades are planned.

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



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

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 766.67 | 0.00 | 0.00 | 766.67 | 0.00 | 0.00 | 766.67 |
| Personal Services | 43,652,415 | 4,240,237 | 0 | 47,892,652 | 4,459,428 | 0 | 48,111,843 |
| Operating Expenses | 57,945,127 | 15,477,080 | 0 | 73,422,207 | 15,002,925 | 0 | 72,948,052 |
| Equipment & Intangible Assets | 795,278 | 978,535 | 0 | 1,773,813 | 32,000 | 0 | 827,278 |
| Capital Outlay | 157,150 | 0 | 0 | 157,150 | 0 | 0 | 157,150 |
| Total Costs | \$102,549,970 | \$20,695,852 | \$0 | \$123,245,822 | \$19,494,353 | \$0 | \$122,044,323 |
| State/Other Special | 96,436,870 | 18,874,413 | 0 | 115,311,283 | 18,432,158 | 0 | 114,869,028 |
| Federal Special | 6,113,100 | 1,821,439 | 0 | 7,934,539 | 1,062,195 | 0 | 7,175,295 |
| Total Funds | \$102,549,970 | \$20,695,852 | \$0 | \$123,245,822 | \$19,494,353 | \$0 | \$122,044,323 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,589,439 | \$0 |
| FY 2011 | \$2,589,439 | \$0 |

PL- 301 - OT/Differential -

This request is to re-establish zero-based overtime and differential pay with associated benefits in the amount of \$2,589,439 per year in state special revenue.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,095,978 | \$0 |
| FY 2011 | \$1,580,227 | \$0 |

PL- 302 - Equipment Rental -

The rate schedule required in the budgeting process as a means of providing adequate revenue for the Equipment Program computes an adjustment to the users of the equipment. The adjustment for the Maintenance Program is for \$2,095,978 in FY 2010 and \$1,580,227 in FY 2011 of state special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$30,628) | \$0 |
| FY 2011 | (\$30,628) | \$0 |

PL- 303 - Training Reduction -

This request reduces training expenditures by \$30,628 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$946,535 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 306 - Variable Message Signs -

This request is for five Variable Message Signs (VMS) and four support structures to address traveler notification needs at Lookout Pass and Rocker. The estimated cost is \$757,228 in federal special revenue and \$189,307 in state special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$167,221 | \$0 |
| FY 2011 | \$167,889 | \$0 |

PL- 307 - US 93 Ravalli-Ronan Changes -

This request is for the costs of additional deicer and utility and maintenance costs for an additional 371 luminaries and 7 traffic signals that will be needed to properly maintain the Ravalli-Ronan area. The estimated cost is \$335,110 of state special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$153,075 | \$0 |
| FY 2011 | \$168,061 | \$0 |

PL- 308 - Rest Areas - Maintenance & Supplies -

This request is for additional authority to address increased costs related to the maintenance of the Dena Mora, Emigrant, Reynolds Pass, Anaconda, and Gold Creek rest areas. The estimated cost is \$153,075 in FY 2010 and \$168,061 in FY 2011 in state special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$113,018 | \$0 |
| FY 2011 | \$113,558 | \$0 |

PL- 310 - City Contract Increases -

This budget request is for \$226,576 in state special revenue for the biennium for city maintenance contracts. MDT contracts with several cities for routine maintenance on MDT roadways and is deemed beneficial for both the cities and MDT.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$97,663 | \$0 |
| FY 2011 | \$97,663 | \$0 |

PL- 311 - Mobile & Portable Handheld Radios -

This request is for 25 mobile radios and 25 handheld radios for use with the Inter-operable Montana Radio System at a cost of \$97,663 per year in state special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$600,000 | \$0 |
| FY 2011 | \$600,000 | \$0 |

PL- 312 - Winter Maintenance - Increased Cost of Chemical -

Due to the increased cost of chemical deicer, this request is for additional authority of \$600,000 per year of state and federal special revenue. Chemical deicer is applied to Montana's roadways during the winter months for the traveling public's safety.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,894,091 | \$0 |
| FY 2011 | \$1,894,091 | \$0 |

PL- 314 - Pavement Marking Program -

This request is for \$1,894,091 per year of state and federal special revenue to re-establish base budget for the pavement markings program. Although projects were planned, not all projects were completed by the base fiscal year end due to weather delays.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$192,061 | \$0 |
| FY 2011 | \$192,061 | \$0 |

PL- 316 - Noxious Weed Program -

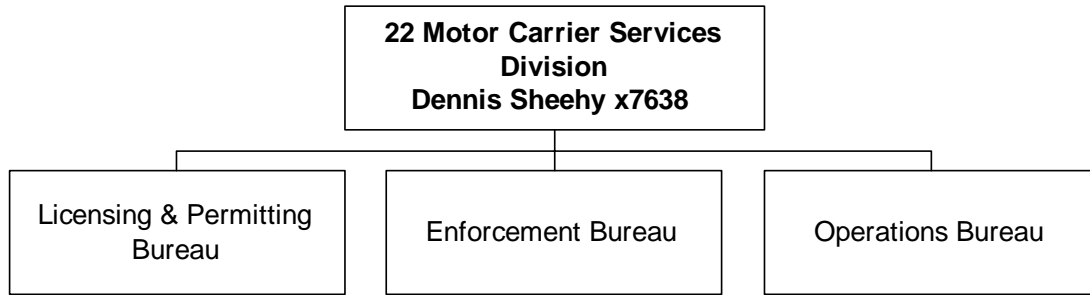
The executive recommends \$192,061 per year of state special revenue in order to restore the base budget for the noxious weed program. Spring weather events prohibited the program from applying herbicides as planned, therefore, not fully expending the budgeted amount.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,000,000 | \$0 |
| FY 2011 | \$10,000,000 | \$0 |

PL- 318 - State Funded Construction - Program Transfer -

The executive recommends a transfer of the State Funded Construction Program from the Construction Program to the Maintenance Program. This move will provide a more efficient way of doing business and streamline state fund usage. This \$20 million transfer includes a restoration of the base funding of the State Funded Construction Program and is not a request for additional funding.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIV.-22**



Program Description - The Motor Carrier Services Division (MCS) administers Montana's commercial motor carrier size, weight, safety, registration, and dyed fuel enforcement programs. The Licensing & Permitting Bureau registers interstate commercial vehicles, issues oversize/overweight permits, and collects and distributes fees and taxes. The Enforcement Bureau enforces state and federal commercial motor carrier laws and regulations and operates Montana's statewide network of weigh stations and mobile enforcement officers. The Operations Bureau manages the statewide Motor Carrier Safety Assistance Program (MCSAP) to assure commercial vehicles, drivers, and motor carriers are compliant with state safety laws and federal regulations by conducting vehicle and driver inspections and motor carrier compliance reviews and safety audits. The Motor Carrier Services program is mandated in Title 61, Chapter 10, MCA.

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 123.00 | 0.00 | 8.00 | 131.00 | 0.00 | 8.00 | 131.00 |
| Personal Services | 6,118,243 | 727,633 | 917,682 | 7,763,558 | 748,816 | 934,484 | 7,801,543 |
| Operating Expenses | 1,477,519 | 1,336,871 | 1,789,112 | 4,603,502 | 1,339,710 | 1,647,141 | 4,464,370 |
| Equipment & Intangible Assets | 14,102 | 0 | 152,000 | 166,102 | 0 | 152,000 | 166,102 |
| Total Costs | \$7,609,864 | \$2,064,504 | \$2,858,794 | \$12,533,162 | \$2,088,526 | \$2,733,625 | \$12,432,015 |
| State/Other Special | 6,050,642 | 2,351,491 | 885,184 | 9,287,317 | 2,340,363 | 901,959 | 9,292,964 |
| Federal Special | 1,559,222 | (286,987) | 1,973,610 | 3,245,845 | (251,837) | 1,831,666 | 3,139,051 |
| Total Funds | \$7,609,864 | \$2,064,504 | \$2,858,794 | \$12,533,162 | \$2,088,526 | \$2,733,625 | \$12,432,015 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$245,977 | \$0 |
| FY 2011 | \$245,977 | \$0 |

PL- 2202 - Montana-Wyoming Joint Port Project -

Montana and Wyoming are currently operating a "joint" port-of-entry weigh station facility located between Sheridan, Wyoming and the Montana border on Interstate 90. The new facility services northbound and southbound commercial vehicle traffic. The facility is currently staffed with Wyoming Officers who enforce Montana commercial vehicle laws on Montana's behalf. In return for enforcing Montana and federal commercial vehicle laws and safety regulations, MDT pays one half of the of the Wyoming officers' salaries who are assigned to the facility and indirect facility costs including utilities, communications, winter maintenance, etc. Base year costs do not reflect an entire year of operations and this request will annualize the cost to reflect the contractual obligations of the Wyoming/Montana agreement. This is a request for state special revenue of \$491,954 for the biennium.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIV.-22**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,027,574 | \$0 |
| FY 2011 | \$1,027,574 | \$0 |

PL- 2205 - Unified Carrier Registration (UCR) -

SAFETEA-LU (federal transportation law) eliminated the Single State Registration System (SSRS) effective January 01, 2007 and required participating states to implement the Uniform Carrier Registration (UCR) program. States receive UCR revenue equal to the revenue previously derived from SSRS, which must be used to fund commercial motor carrier safety activities administered through the state's Motor Carrier Safety Assistance Program (MCSAP). Motor Carrier Services (MCS) was approved for federal special revenue authority for FY 2009 funding but learned after the last legislative session the funds were considered to be state special revenue. This revenue will be used to match federal special revenue for MCSAP and Expanded Commercial Vehicle Information Systems and Networks (ECVISN) projects. The estimated cost is \$2,055,148 in highway state special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$32,371 | \$0 |
| FY 2011 | \$24,405 | \$0 |

PL- 2208 - Equipment Rental -

The rate schedule required in the budgeting process as a means of providing adequate revenue for the equipment program computes an adjustment to the users of the program. The adjustment for the Motor Carrier Services Program is for \$56,776 in highway state special revenue funds for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$177,744 | \$0 |
| FY 2011 | \$177,744 | \$0 |

PL- 2210 - OT/Differential -

This request is to re-establish zero-based overtime and differential pay with associated benefits in the amount of \$355,488 of state and federal special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$12,355) | \$0 |
| FY 2011 | (\$12,355) | \$0 |

PL- 2211 - Training Adjustment -

This request reduces training expenditures by \$12,355 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$16,798 | \$0 |
| FY 2011 | \$16,798 | \$0 |

PL- 2214 - Couatts Weight Station -

This request is for \$16,798 per year of state special revenue to meet contract costs with Alberta, Canada for shared use of the Couatts weigh station and inspection facility. The increases in value of the Canadian dollar and maintenance cost have risen since the contract was approved October 19, 2004. As per the contract with Alberta, Montana is billed annually and the statement is in Canadian dollars.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIV.-22**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$17,980 | \$0 |
| FY 2011 | \$17,980 | \$0 |

PL- 2215 - Motor Carrier Safety Assistance Program (MCSAP) -

The executive recommends \$17,980 per year of state and federal special revenue to adjust the budget for training and vehicle rental costs not reflected in the base budget for MCSAP. The increased cost is due to training new recruits coupled with in-state work related travel expenses.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$8,976 | \$0 |

PL- 2216 - Laptop Communication Aircard Maintenance -

This budget request is for maintenance to support aircard monthly charges not included in the base budget. This enables captains, lieutenants, and patrol officers to access state and federal databases from their patrol vehicles when checking for compliance issues with commercial motor vehicles. The adjustment of \$8,976 in state special revenue is needed for the second fiscal year of the biennium only. The first year of the biennium the air cards will be federally funded under the PRISM (Performance Registration Information Systems Management) program which expires at the end of FY 2010.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$453,376 | \$0 |
| FY 2011 | \$453,552 | \$0 |

NP- 2201 - Maximization Weigh Station I90 Corridor -

This request is to increase 16, 0.50 FTE to 16, 1.00 FTE positions. These positions are necessary to meet increased enforcement presence and allow for 24 hour/7 days a week coverage on the I-90 corridor, the most heavily traveled commercial vehicle route in Montana. The estimated cost is \$906,928 in highway state special revenue and federal special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$173,562 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 2206 - Performance Registration Information Systems Mgmt - OTO -

This request is for Performance Registration Information Systems Management (PRISM). This request is to continue the on-going PRISM program with funds available from the Federal Motor Carrier Safety Administration (FMCSA). The estimated cost is \$173,562 in federal special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,732,042 | \$0 |
| FY 2011 | \$1,763,633 | \$0 |

NP- 2207 - Border Enforcement Grant (BEG) -

This request is for federal special revenue to meet the requirements of the Federal Motor Carrier Safety Administration (FMCSA) Border Enforcement Grant (BEG) to monitor commercial vehicle safety on all international ports-of-entry along Montana's northern border with Canada. The estimated cost is \$3,495,675 for the biennium.

**DEPARTMENT OF TRANSPORTATION-5401
MOTOR CARRIER SERVICES DIV.-22**

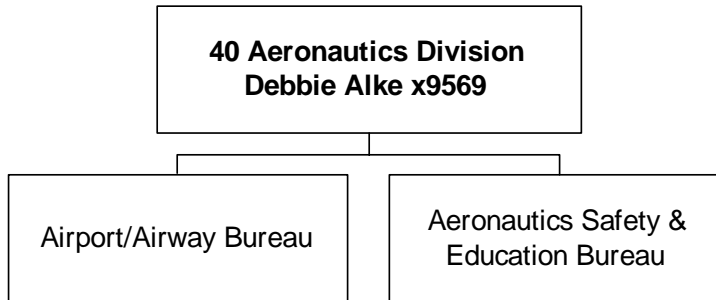
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$499,814 | \$0 |
| FY 2011 | \$516,440 | \$0 |

NP- 2212 - MCS Enforcement Bureau Realignment -

This request is associated with costs for reorganization and addressing a rank structure for the Motor Carrier Services (MCS) Enforcement Bureau as a result of a negotiated agreement. The plan will closely align the bureau with the existing structure of the rest of MDT, moving from three to five regions. This request is for \$499,814 in FY 2010 and \$516,440 in FY 2011 of state special revenue.

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

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



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

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

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 9.00 | 0.00 | 0.00 | 9.00 | 0.00 | 0.00 | 9.00 |
| Personal Services | 616,085 | (21,961) | 0 | 594,124 | (18,615) | 0 | 597,470 |
| Operating Expenses | 950,314 | (346,986) | 345 | 603,673 | (649,566) | 299 | 301,047 |
| Equipment & Intangible Assets | 10,104 | 0 | 0 | 10,104 | 0 | 0 | 10,104 |
| Grants | 880,588 | 973,412 | 0 | 1,854,000 | (876,588) | 0 | 4,000 |
| Transfers | 13,701 | 0 | 0 | 13,701 | 0 | 0 | 13,701 |
| Total Costs | \$2,470,792 | \$604,465 | \$345 | \$3,075,602 | (\$1,544,769) | \$299 | \$926,322 |
| State/Other Special | 1,889,421 | 901,047 | 345 | 2,790,813 | (963,148) | 299 | 926,572 |
| Federal Special | 581,371 | (296,582) | 0 | 284,789 | (581,621) | 0 | (250) |
| Total Funds | \$2,470,792 | \$604,465 | \$345 | \$3,075,602 | (\$1,544,769) | \$299 | \$926,322 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,950 | \$0 |
| FY 2011 | \$1,950 | \$0 |

PL- 4003 - OT/Differential -

This request is to re-establish zero-based per diem for the Aeronautics Board. This request requires \$3,900 of state special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$3,942) | \$0 |
| FY 2011 | (\$3,942) | \$0 |

PL- 4006 - Training Reduction -

This request reduces training expenditures by \$3,942 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$352,907 | \$0 |
| FY 2011 | (\$447,093) | \$0 |

PL- 4007 - Aeronautic Grants - BIEN -

Airport grants for safety and development are issued based upon application and available funds. Current state special revenue fund balances would allow the Aeronautics Board to approve up to \$800,000 in grants for the 2011 biennium. Communities often use these funds to leverage federal funds available for airport safety and development. State special revenue funds of \$352,907 in FY 2010 and a reduction of \$447,093 in FY 2011 will restore this biennial budget to the base year.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$454,207 | \$0 |
| FY 2011 | (\$345,495) | \$0 |

PL- 4008 - Aeronautic Loans - BIEN -

The Montana State Constitution requires that all monies leaving the state treasury be tied to a specific appropriation. The Aeronautics Loan Program within the Aeronautics Division historically had transactions coded directly to an account without hitting a specific appropriation. This request establishes authority for the Aeronautics Loan Program to fulfill Montana State Constitutional requirements. The biennial amount for this package is \$800,000 in aeronautic loan funds. State special revenue funds of \$454,207 in FY 2010 and a reduction of \$345,793 in FY 2011 will restore this biennial budget to the base year.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$166,000 | \$0 |
| FY 2011 | (\$84,000) | \$0 |

PL- 4009 - Pavement Preservation System - BIEN -

Pavement preservation grants are given to the seven large commercial service airports in the state for the purpose of preserving the runways. These funds are split among the seven airports and awarded by the Aeronautics Board. State special revenue funds of \$166,000 in FY 2010 and a reduction of \$84,000 in FY 2011 will restore this biennial budget to the base year.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$197,422 | \$0 |
| FY 2011 | (\$102,578) | \$0 |

PL- 4010 - State System Plan - BIEN -

The update of the system plan is a cooperative effort of the Aeronautics Division and the Federal Aviation Administration (FAA). This report is intended to identify the current resources and trends in the state's aviation system. This request covers the expected costs associated with the FAA grant and contract. This request has a biennial cost of \$4,742 of state special revenue and \$90,102 of federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$73,920) | \$0 |
| FY 2011 | (\$78,931) | \$0 |

PL- 4011 - Aeronautics Division Cost Reduction -

This request is to show an overall reduction of costs associated with the Aeronautics Division. This reduction is due to contract and multiple other minor costs that are reflected in the base but are not planned for the 2011 biennium. The reduction is for \$73,920 in FY 2010 and \$78,931 in FY 2011 of state and federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$518,584) | \$0 |
| FY 2011 | (\$518,584) | \$0 |

PL- 4015 - Aeronautics Division Airport Adjustment -

This request is to show an overall reduction of \$518,584 per year of federal and state revenue for Aeronautics Division Airports. The Aeronautics Division does not have any major projects planned for this biennium.

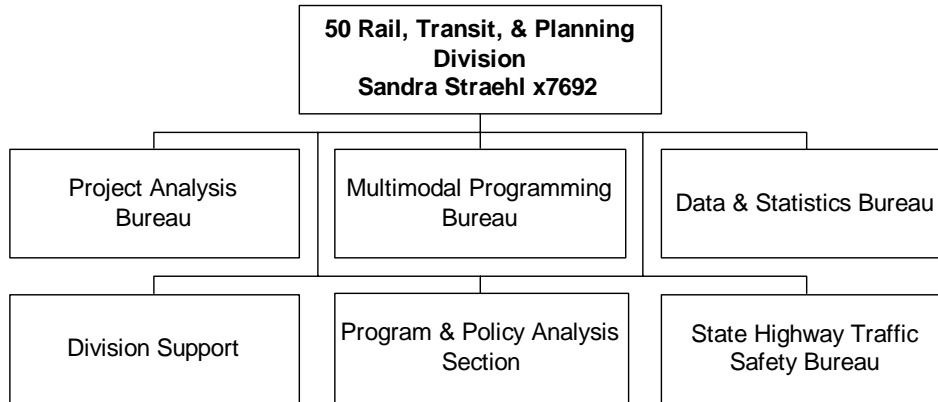
-----**New Proposals**-----

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$345 | \$0 |
| FY 2011 | \$299 | \$0 |

NP- 6101 - Fixed Cost Workers Comp Mgmt Program -

The Workers' Compensation Management Program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This request for the biennium is for \$644 of state special revenue.

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



Program Description - The Rail, Transit, & Transportation Planning Division provides: 1) a continuous statewide multimodal transportation planning process used to allocate highway program resources to ensure highway system performance goals are maintained and federal-aid highway and transit grant eligibility is maintained within the federal surface transportation programs; 2) an inventory of transportation infrastructure for the allocation of state fuel taxes to local governments; 3) support for the state's comprehensive statewide highway safety plan including technical analysis, performance tracking and coordination with multiple administrative agencies and jurisdictions; 4) the point of contact for MDT for major developers seeking access onto the state's highway system; 5) mapping functions to aid in the publication of the state tourist map and geo-spatial infrastructure inventories; 6) transportation planning and programming assistance to metropolitan and urban areas; 7) administration and implementation of safety programs that help reduce traffic deaths, injuries, and property losses resulting from traffic crashes; and 8) responses to legislative or regulatory actions necessitating representation before courts, congressional hearings, the US DOT, the Surface Transportation Board, and others. This planning results in a program of projects which includes street highway and bridge improvements, buses for transit systems, railroad track rehabilitation, safe routes to school awards, transportation enhancements for non-motorized use and beautification improvements. The division is authorized by Title 7, Chapter 14-102, Title 15, chapter 70-101, Title 60, Chapters 3 & 11, and Title 61, Chapter 2, part 1, MCA. Federal titles are Title 23 USC Sections 134, 135, and 148(a) (6); Title 49 USC Sections 5310, 5311, and 5307 and SAFETEA-LU Sections 1404, 3018, and 3019.

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 74.60 | 0.00 | 2.00 | 76.60 | 0.00 | 2.00 | 76.60 |
| Personal Services | 4,572,775 | 423,415 | 147,284 | 5,143,474 | 445,489 | 151,328 | 5,169,592 |
| Operating Expenses | 3,316,308 | 17,997 | 162,288 | 3,496,593 | 15,658 | 2,507 | 3,334,473 |
| Equipment & Intangible Assets | 36,089 | 0 | 0 | 36,089 | 0 | 0 | 36,089 |
| Local Assistance | 447,116 | 0 | 0 | 447,116 | 0 | 0 | 447,116 |
| Grants | 12,129,072 | 1,051,099 | 558,144 | 13,738,315 | 1,051,099 | 558,144 | 13,738,315 |
| Total Costs | \$20,501,360 | \$1,492,511 | \$867,716 | \$22,861,587 | \$1,512,246 | \$711,979 | \$22,725,585 |
| State/Other Special | 3,724,372 | 43,236 | 263,650 | 4,031,258 | 47,616 | 262,050 | 4,034,038 |
| Federal Special | 16,776,988 | 1,449,275 | 604,066 | 18,830,329 | 1,464,630 | 449,929 | 18,691,547 |
| Total Funds | \$20,501,360 | \$1,492,511 | \$867,716 | \$22,861,587 | \$1,512,246 | \$711,979 | \$22,725,585 |

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$540) | \$0 |
| FY 2011 | (\$540) | \$0 |

PL- 5001 - Training Reduction -

This request reduces training expenditures by \$540 per year in state special revenue in order to cap training costs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$14,746 | \$0 |
| FY 2011 | \$11,118 | \$0 |

PL- 5002 - Equipment Rental -

The rate schedule required in the budgeting process as a means of providing adequate revenue for the equipment program computes an adjustment to the users of the equipment. The adjustment for the Transportation Planning Program is for \$14,746 in highway state special revenue and \$11,118 in federal special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$29,089 | \$0 |
| FY 2011 | \$29,089 | \$0 |

PL- 5003 - OT/Differential -

This request is to re-establish zero-based overtime and differential pay with associated benefits in the amount of \$58,178 of state and federal special revenue for the biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,051,099 | \$0 |
| FY 2011 | \$1,051,099 | \$0 |

PL- 5004 - Bus Purchases (Federal) -

The executive recommends re-establishing the base for bus purchases using federal formula transit funds in the amount of \$1,051,099 per year. In order to accommodate significant increases in FTA capital grants the annual cycle was temporarily abandoned to ensure a successful ramp-up. The ramp-up is now complete and this base adjustment will return the program to an annual cycle.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$75,000 | \$0 |
| FY 2011 | \$75,000 | \$0 |

NP- 5005 - Rest Area Stipend -

This request will provide \$75,000 per year of state special revenue to city park rest area communities for minor or routine repairs on rest areas with the understanding that the rest areas are open 24/7 during summer months. There are 13 city park rest areas that all are beyond the original 10 years the communities had agreed to keep them open.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$531,575 | \$0 |
| FY 2011 | \$383,838 | \$0 |

NP- 5006 - Highway Traffic Safety Section 408 -

The Rail and Transit Planning Division in conjunction with the Information Services Division is requesting approval to make permanent an OTO from last legislative session for continuing efforts funded by the 408 Data Improvement Grant. This request is for 1.00 FTE and \$915,413 of federal special revenue across the biennium. The funding will support contracted IT architecture and project management oversight and team leadership for the federally funded 408 grant program and intra-agency coordinating committee supporting the implementation of Traffic Records Strategic Plan. This implementation is a critical section of the Montana Comprehensive Highway Safety Plan and specifically involves improvements to the timely and accurate collection of traffic safety data as well as the storage, processing, and ready accessibility to that data by multiple state and federal agencies.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$172,194 | \$0 |
| FY 2011 | \$172,194 | \$0 |

NP- 5008 - State Elderly & Disabled Transit Assistance -

The state law was changed governing the allocation of TransADE funding. TransADE provides operating funds or matching funds for operating grants for transportation services for persons 60 years of age or older and for persons with disabilities. More funding is available than previously anticipated. This adjustment of \$172,194 per year of state special revenue will ensure the base reflects actual revenue into this program.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$8,995 | \$0 |
| FY 2011 | \$995 | \$0 |

NP- 5009 - TRANSCAD Software -

This request is for \$9,990 of state and federal special revenue for the biennium. MDT TRANSCAD modeling support for urban transportation planning is an on-going function. TRANSCAD is a complex traffic modeling software used to predict traffic demand within urban areas. This request is to expand this function to reflect the increased demand for urban transportation modeling including the anticipation of two new urban areas after the next census (Columbia Falls and Polson). Both areas will require transportation planning to be in place in advance of the census. This adjustment will ensure that the new transportation planners hired after approval in the last session will all have licenses to support this on-going function.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$37,059 | \$0 |
| FY 2011 | \$37,059 | \$0 |

NP- 5010 - Traffic Data Collection Support -

This adjustment will restore base budget to hire contracted temporary employees to obtain statewide traffic data and pay for their travel and equipment costs. There were no qualified temporary employees to fill the positions in the base year. This request is for \$37,059 per year of state and federal special revenue. This adjustment will provide for continuation of statistically valid traffic count program.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 5011 - Tribal Safety Coordinator -

The executive recommends the addition of a 1.00 FTE tribal safety coordinator. Native Americans are over-represented in Montana's highway fatalities. To reverse this trend, several specialized programs are being deployed to tribal partners by MDT as part of its Comprehensive Highway Safety Plan. This FTE will coordinate resources going to these programs and the cost of the FTE is offset by a reduction in contract expenditures.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$29,560 | \$0 |
| FY 2011 | \$29,560 | \$0 |

NP- 5012 - Weigh-In-Motion (WIM) Support -

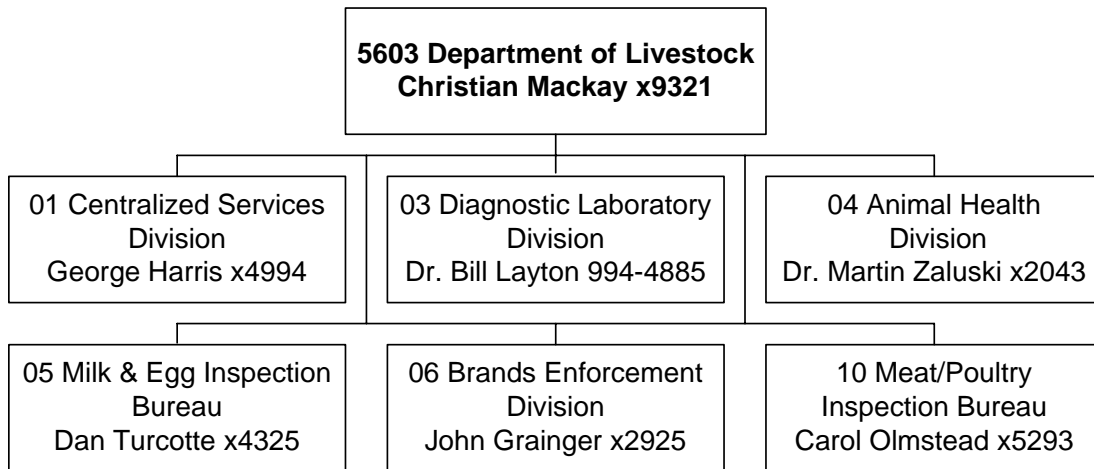
This request is for \$29,560 per year of state and federal special revenue. This adjustment will provide support for the additional WIM sites installed as a part of the Border Enforcement Grant (BEG) including support for the video monitoring components of these sites. The adjustment also includes support for strategic WIM installations that were delayed due to the BEG activities. Additionally, the adjustment provides for additional travel to the BEG sites which are remote and significantly further distances than established in base levels to existing sites.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$13,333 | \$0 |
| FY 2011 | \$13,333 | \$0 |

NP- 5013 - Accounting Adjustments -

This decision package for \$26,666 of state and federal special revenue for the biennium is due to a change in accounting treatment from contracted service to the grant category. Additionally, this package will rebuild the communications base that was inadvertently charged to a one-time-only subclass and is not within the base.

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 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 137.99 | 0.00 | 3.50 | 141.49 | 0.00 | 5.50 | 143.49 |
| Personal Services | 6,082,816 | 781,668 | 188,405 | 7,052,889 | 800,098 | 259,000 | 7,141,914 |
| Operating Expenses | 3,142,130 | 357,874 | 503,063 | 4,003,067 | 389,188 | 618,031 | 4,149,349 |
| Equipment & Intangible Assets | 70,052 | 152,976 | 0 | 223,028 | 139,726 | 0 | 209,778 |
| Total Costs | \$9,294,998 | \$1,292,518 | \$691,468 | \$11,278,984 | \$1,329,012 | \$877,031 | \$11,501,041 |
| General Fund | 1,065,499 | 75,233 | 494,680 | 1,635,412 | 84,280 | 378,105 | 1,527,884 |
| State/Other Special | 6,781,645 | 1,097,814 | 296,920 | 8,176,379 | 1,119,211 | 599,079 | 8,499,935 |
| Federal Special | 1,447,854 | 119,471 | (100,132) | 1,467,193 | 125,521 | (100,153) | 1,473,222 |
| Total Funds | \$9,294,998 | \$1,292,518 | \$691,468 | \$11,278,984 | \$1,329,012 | \$877,031 | \$11,501,041 |

DEPARTMENT OF LIVESTOCK-5603 CENTRALIZED SERVICES PROGRAM-01

**01 Centralized Services
Division**
George Harris x4994

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

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

| Program Proposed Budget | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
|-------------------------|-------------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| FTE | 20.78 | 0.00 | 0.00 | 20.78 | 0.00 | 0.00 | 20.78 |
| Personal Services | 936,040 | 174,157 | 0 | 1,110,197 | 176,706 | 0 | 1,112,746 |
| Operating Expenses | 1,027,685 | 65,147 | 11,735 | 1,104,567 | 13,224 | 11,111 | 1,052,020 |
| Total Costs | \$1,963,725 | \$239,304 | \$11,735 | \$2,214,764 | \$189,930 | \$11,111 | \$2,164,766 |
| General Fund | 54,181 | 18,494 | 1,080 | 73,755 | 18,405 | 936 | 73,522 |
| State/Other Special | 1,909,544 | 220,810 | 10,655 | 2,141,009 | 171,525 | 10,175 | 2,091,244 |
| Total Funds | \$1,963,725 | \$239,304 | \$11,735 | \$2,214,764 | \$189,930 | \$11,111 | \$2,164,766 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$9,177 | \$0 |
| FY 2011 | \$9,177 | \$0 |

PL- 101 - Department P.C. Replacements -

The budget includes an additional \$9,177 state special revenue funding each year of the biennium for personal computer replacements in accordance with state standard replacement schedules.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$11,500 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 102 - I.T. Staff Training - OTO

This one-time-only request is for \$11,500 in FY 2010 state special revenue funding for out of state IT staff training and related expenses.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,950 | \$0 |
| FY 2011 | \$3,950 | \$0 |

PL- 103 - Board of Livestock Per Diem -

This proposal restores \$3,950 state special revenue funding each year of the biennium for the Board of Livestock per diem. Per diem expenditures are zero based and must be restored each biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,021 | \$0 |
| FY 2011 | \$3,021 | \$0 |

PL- 104 - Out of State Travel Ex. Officer -

This request is for an additional \$3,021 state special revenue funding each year of the biennium for additional costs associated with out of state travel expenses incurred by the executive officer.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$900 | \$0 |
| FY 2011 | \$900 | \$0 |

PL- 105 - Board of Horse Racing Per Diem -

The budget includes \$900 state special revenue funding each year of the biennium to restore per diem expenses for the Board of Horse Racing. Per diem expenditures are zero based and must be restored each biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$700 | \$0 |
| FY 2011 | \$700 | \$0 |

PL- 106 - Milk Control Board Per Diem -

The budget includes \$700 state special revenue funding each year of the biennium to restore per diem expenses for the Milk Control Board. Per diem expenditures are zero based and must be restored each biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$22,650 | \$0 |
| FY 2011 | \$22,650 | \$0 |

PL- 107 - Milk Control Board Contract Attorney -

This request of \$22,650 state special revenue funding each year of the biennium is for additional legal costs related to pending litigation involving the Milk Control Board.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$7,369) | \$0 |
| FY 2011 | (\$7,369) | \$0 |

PL- 108 - Predator Control - Base Adjustment -

This proposal reduces state special revenue funding in the base by \$7,369 each year of the biennium. The Predator Control program experienced abnormally high helicopter repair expenses in FY 2008. The Board of Livestock has approved \$319,500 for this program. This request reduces \$7,369 from the base to reflect the Board of Livestock's direction.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$900 | \$900 |
| FY 2011 | \$900 | \$900 |

PL- 109 - Per Diem Livestock Loss Reduction Mitigation Board -

This proposal restores \$900 general fund each year of the biennium for the Livestock Loss Reduction Mitigation Board per diem. Per diem expenditures are zero based and must be restored each biennium.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$7,040 | \$0 |
| FY 2011 | \$7,040 | \$0 |

NP- 110 - Database Hosting -

This request of \$7,040 state special revenue funding each year of the biennium is for the Animal Health permit system and the Brand Lookup system database hosting housed by Department of Administration's Information Technology Services Division.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$4,695 | \$1,080 |
| FY 2011 | \$4,071 | \$936 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. The budget includes \$4,695 in FY 2010 and \$4,071 in FY 2011 general fund and state special revenue for the Department of Livestock's allocation of the fixed cost.

DEPARTMENT OF LIVESTOCK-5603 DIAGNOSTIC LABORATORY PROGRAM-03

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

Program Description - The Diagnostic Laboratory provides livestock laboratory diagnostic support for livestock producers and the Animal Health and Milk and Egg programs. 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 | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------------|--------------------|------------------|-----------------|--------------------|------------------|-----------------|--------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 20.50 | 0.00 | 1.50 | 22.00 | 0.00 | 1.50 | 22.00 |
| Personal Services | 1,025,686 | 81,923 | 72,951 | 1,180,560 | 83,988 | 72,986 | 1,182,660 |
| Operating Expenses | 632,443 | 164,818 | 17,500 | 814,761 | 250,078 | 0 | 882,521 |
| Equipment & Intangible Assets | 6,603 | 13,250 | 0 | 19,853 | 0 | 0 | 6,603 |
| Total Costs | \$1,664,732 | \$259,991 | \$90,451 | \$2,015,174 | \$334,066 | \$72,986 | \$2,071,784 |
| General Fund | 446,155 | 3,907 | 13,426 | 463,488 | 10,668 | 13,432 | 470,255 |
| State/Other Special | 1,208,526 | 256,090 | 77,025 | 1,541,641 | 323,405 | 59,554 | 1,591,485 |
| Federal Special | 10,051 | (6) | 0 | 10,045 | (7) | 0 | 10,044 |
| Total Funds | \$1,664,732 | \$259,991 | \$90,451 | \$2,015,174 | \$334,066 | \$72,986 | \$2,071,784 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,099 | \$2,099 |
| FY 2011 | \$8,896 | \$8,896 |

PL- 301 - Diagnostic Lab Increase GF -

This request for \$2,099 increased general fund in FY 2010 and \$8,896 in FY 2011 for the Diagnostic Lab is to address public health and funding issues. In FY 1988 45% of the Diagnostic Lab budget was general fund used to pay for public health testing. The level of general fund support for the lab fell to 6.5% from FY 2004 through FY 2007. The 2007 Legislature increased general fund support for the Diagnostic Lab by \$347,635 each year of the 2009 biennium making general fund support 27% of the lab budget.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$13,250 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 302 - Lab Novell Server- RST/OTO -

The executive recommends \$13,250 restricted one-time-only state special revenue funding in FY 2010 to replace the Novell server in the Diagnostic Lab.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$4,458 | \$0 |
| FY 2011 | \$8,298 | \$0 |

PL- 303 - Lab Recharges -

This proposal for \$4,458 in FY 2010 and \$8,298 in FY 2011 state special revenue funding is for lab recharges to Montana State University-Bozeman above what was expended in the base year.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$131,672 | \$0 |
| FY 2011 | \$214,734 | \$0 |

PL- 304 - Lab Supplies -

The executive recommends an additional \$131,672 in FY 2010 and \$214,734 in FY 2011 state special revenue funding for essential lab supplies for which costs have increased an average of 17% per year from FY 2006 to FY 2008.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$5,488 | \$0 |
| FY 2011 | \$8,488 | \$0 |

PL- 305 - Lab Maintenance Contract -

This proposal is for \$5,488 in FY 2010 and \$8,488 in FY 2011 state special revenue funding for additional maintenance costs for lab equipment procured in FY 2008.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,442 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 307 - Milk Lab Incubator-OTO -

Included in the budget is \$1,442 one-time-only state special revenue funding to purchase a new milk incubator in FY 2010. The milk lab's incubator is a key piece of equipment for milk testing for public health. The present incubator is over 15 years old and needs to be replaced.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,200 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 308 - Storage Container-OTO -

This proposal is for \$3,200 FY 2010 one-time-only state special revenue funding to purchase a storage container for storage of records, paper, mailers, and boxes.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$7,500 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 309 - Air conditioning - Lab Server-OTO -

This request of \$7,500 one-time-only state special revenue funding is to purchase a new air conditioner for the lab server room located in the Marsh Lab building. The current air conditioner is a previously used one from another lab room and is 20 to 25 years old. The air conditioner is operated 24 x 7 from late spring to late autumn.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,730 | \$0 |
| FY 2011 | \$1,730 | \$0 |

PL- 310 - Lab Overtime -

This request of \$1,730 state special revenue funding each year of the biennium is to restore zero based overtime to FY 2008 base levels.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$4,454 | \$0 |
| FY 2011 | \$4,454 | \$0 |

PL- 311 - Out of State Travel -Lab -

The lab administrator and professional staff are required to attend out of state meetings to represent the State of Montana and keep up on professional requirements. The Board of Livestock has approved five trips. The budget includes \$4,454 state special revenue funding each year of the biennium for increased out of state travel expenses.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 312 - Lab Funding Shortfall -

This request substitutes \$327,888 in FY 2010 and \$417,522 in FY 2011 of animal health fee state special revenue with livestock per capita fee state special revenue. This state special revenue funding switch is necessary to cover the shortfall between animal health revenue and lab operating expenditures.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$46,098 | \$0 |
| FY 2011 | \$46,121 | \$0 |

NP- 313 - Lab Molecular Technologist - FTE -

This proposal is to make the Lab Molecular Technologist position permanent. The 2007 Legislature approved this position as a one-time-only position. The incumbent was to develop, validate, incorporate, and perform polymerase chain reaction (PCR) testing for the laboratory. The department will use \$46,098 in FY 2010 and \$46,121 in FY 2011 state special revenue to fund this position.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$17,500 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 314 - Remodel PCR Area - OTO -

This request is for \$17,500 in FY 2010 one-time-only state special revenue funding to convert the lunch room at the Diagnostic Lab in Bozeman to a Polymerase Chain Reaction testing area. This funding will provide counters, shelving, storage space, and new paint.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$26,853 | \$13,426 |
| FY 2011 | \$26,865 | \$13,432 |

NP- 315 - Brucellosis Herd Plan -

The Executive recommends adding 0.50 FTE and \$26,853 in FY 2010 and \$26,865 in FY 2011 of general fund and state special revenue funding for an additional lab molecular technologist to assist with the influx of brucellosis blood testing required for the State of Montana to regain and maintain brucellosis Class Free status.

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

| |
|---|
| <p>04 Animal Health Division Dr. Marin Zaluski x2043</p> |
|---|

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

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 14.00 | 0.00 | 2.00 | 16.00 | 0.00 | 2.00 | 16.00 |
| Personal Services | 576,413 | 194,852 | 115,454 | 886,719 | 199,170 | 115,493 | 891,076 |
| Operating Expenses | 778,272 | 10,589 | 301,478 | 1,090,339 | 11,916 | 486,360 | 1,276,548 |
| Equipment & Intangible Assets | 21,175 | 26,000 | 0 | 47,175 | 26,000 | 0 | 47,175 |
| Total Costs | \$1,375,860 | \$231,441 | \$416,932 | \$2,024,233 | \$237,086 | \$601,853 | \$2,214,799 |
| General Fund | 0 | 0 | 307,824 | 307,824 | 0 | 352,637 | 352,637 |
| State/Other Special | 479,454 | 185,506 | 244,240 | 909,200 | 187,475 | 384,369 | 1,051,298 |
| Federal Special | 896,406 | 45,935 | (135,132) | 807,209 | 49,611 | (135,153) | 810,864 |
| Total Funds | \$1,375,860 | \$231,441 | \$416,932 | \$2,024,233 | \$237,086 | \$601,853 | \$2,214,799 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$26,000 | \$0 |
| FY 2011 | \$26,000 | \$0 |

PL- 403 - Animal Health - Vehicle Replacements - OTO -

The budget includes \$26,000 one-time-only state special revenue funding each year of the biennium for vehicle replacements. The Animal Health division will replace two 4x4 extended cab pickups with two 4x4 hybrid small SUVs to help meet the Governor's 20X10 energy efficiency initiative.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,874 | \$0 |
| FY 2011 | \$1,874 | \$0 |

PL- 405 - Animal Health - Out of State Travel -

The state veterinarian and professional staff are required to attend out of state meetings to represent the state and to keep up on professional requirements. The Board of Livestock has approved six trips. This proposal increases the base by \$1,874 each year of the biennium funded by per capita fee state special revenue.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,402 | \$0 |
| FY 2011 | \$1,402 | \$0 |

PL- 406 - Animal Health - Overtime -

This budget request is recommended to restore state special revenue funding of \$1,402 each year of the 2011 biennium for overtime in the Animal Health Division. Overtime is zero based and must be restored each biennium.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$135,132) | \$0 |
| FY 2011 | (\$135,153) | \$0 |

NP- 404 - Bison Federal Funds -

This proposal decreases federal special revenue funding by \$135,132 in FY 2010 and \$135,153 in FY 2011 for bison operations. The bison federal funds are based upon two cooperative agreements with USDA/APHIS. One agreement for bison operations is for \$600,000 that includes 6.00 FTE. The other agreement for the Greater Yellowstone Brucellosis Committee (GYIBC) is for \$191,280. This decision package adjusts the request to coincide with the latest agreements.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$98,100 | \$98,100 |
| FY 2011 | \$0 | \$0 |

NP- 407 - Animal Health System Development - OTO/Bien -

The executive recommends a \$98,100 one-time-only biennial general fund appropriation to replace the Animal Health Tracking and Permit system. The new system will make animal health permits available on the internet 24 hours a day 7days a week and will cut down on labor costs involved with a phone based application and permit system. The current system is 17 years old and has become obsolete.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$34,517 | \$0 |
| FY 2011 | \$31,732 | \$0 |

NP- 408 - Animal Health - Administrative Support -

The budget includes \$34,517 in FY 2010 and \$31,732 in FY 2011 state special revenue funding for 1.00 FTE to work in the import office. At current staffing levels, the import office cannot meet its statutory and customer service obligations, nor can the staff provide surge capacity for unanticipated disease events such as Montana's recent brucellosis cases. Customer service obligations include consistent coverage of the permitting phone line during business hours, timely responses to inquiries, and timely processing of licensure and import applications.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$419,447 | \$209,724 |
| FY 2011 | \$705,274 | \$352,637 |

NP- 409 - Brucellosis Herd Plan -

The executive recommends adding 2.00 FTE and \$419,447 in FY 2010 and \$705,274 in FY 2011 of general fund and state special revenue funding to regain Class Free brucellosis status for the State of Montana and to sustain enhanced brucellosis surveillance and risk mitigation in the Greater Yellowstone Area. In September of 2008, Montana's brucellosis status was downgraded to Class A from brucellosis Class Free status; a designation that Montana had held since 1985. This downgrade was the result of the diagnoses of brucellosis in livestock in May, 2007 and May, 2008. Through circumstantial evidence, both cases of brucellosis transmission were linked to brucellosis infected wild free ranging elk in the Greater Yellowstone Area. A 1.00 FTE veterinarian will conduct risk assessments and brucellosis blood testing while the other 1.00 FTE, an administrative support specialist, will compile, document, summarize, and monitor testing status. This request includes \$285,156 in FY 2010 and \$570,313 in FY 2011 for brucellosis blood testing of all eligible cattle located in the Greater Yellowstone Area with additional testing of cattle prior to movement from a high risk area to a low risk area or a change of ownership. In addition, this funding will provide adult brucellosis vaccination of livestock in the high risk area surrounding Yellowstone National Park. If the department is successful in obtaining federal funding for this purpose, it will be used to offset the general fund costs. This request is in addition to appropriations contained in HB 3 for the initial round of testing and vaccinations.

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

| |
|---|
| 05 Milk & Egg Inspection Bureau Dan Turcotte x4325 |
|---|

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

| Program Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------------|------------------|-----------------|-------------|------------------|-----------------|-------------|------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | Fiscal 2008 | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 5.00 | 0.00 | 0.00 | 5.00 | 0.00 | 0.00 | 5.00 |
| Personal Services | 242,554 | 39,661 | 0 | 282,215 | 40,383 | 0 | 282,937 |
| Operating Expenses | 46,962 | 5,809 | 0 | 52,771 | 10,175 | 0 | 57,137 |
| Equipment & Intangible Assets | 0 | 26,000 | 0 | 26,000 | 26,000 | 0 | 26,000 |
| Total Costs | \$289,516 | \$71,470 | \$0 | \$360,986 | \$76,558 | \$0 | \$366,074 |
| State/Other Special | 271,635 | 89,351 | (35,000) | 325,986 | 94,439 | (35,000) | 331,074 |
| Federal Special | 17,881 | (17,881) | 35,000 | 35,000 | (17,881) | 35,000 | 35,000 |
| Total Funds | \$289,516 | \$71,470 | \$0 | \$360,986 | \$76,558 | \$0 | \$366,074 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$26,000 | \$0 |
| FY 2011 | \$26,000 | \$0 |

PL- 501 - Milk & Egg Bureau Vehicle Replacement - OTO -

The budget includes \$26,000 one-time-only state special revenue funding each year of the biennium for vehicle replacements. The Milk and Egg division will replace two 4x4 extended cab pickups with two 4x4 hybrid small SUVs to help meet the Governor's 20X10 energy efficiency initiative.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,181 | \$0 |
| FY 2011 | \$5,941 | \$0 |

PL- 502 - Milk & Egg - Out of State Travel -

This proposal increases state special revenue funding by \$2,181 in FY 2010 and \$5,941 in FY 2011 for out of state travel. The Board of Livestock has approved out of state travel for the Milk and Egg Bureau for sanitarians to maintain required qualifications. Each year two sanitarians attend the Milk Rating Officer meetings. In 2011 only, the Board of Livestock approved plans for two sanitarians to attend the Interstate Milk Shippers meeting.

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

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 503 - Milk & Egg Funding Switch -

This request substitutes \$35,000 of state special revenue funding each year of the biennium with federal special revenue funding for inspecting dairies that are also involved in egg production. The federal government reimburses the bureau for their inspection of these egg operations in accordance with federal standards.

DEPARTMENT OF LIVESTOCK-5603 BRANDS ENFORCEMENT DIVISION-06

**06 Brands Enforcement
Division**
John Grainger x2925

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 livestock inspections.

| Program Proposed Budget | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
|-------------------------------|-------------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| FTE | 57.21 | 0.00 | 0.00 | 57.21 | 0.00 | 2.00 | 59.21 |
| Personal Services | 2,464,060 | 201,227 | 0 | 2,665,287 | 207,188 | 70,521 | 2,741,769 |
| Operating Expenses | 407,009 | 52,887 | 172,350 | 632,246 | 43,242 | 120,560 | 570,811 |
| Equipment & Intangible Assets | 42,274 | 87,726 | 0 | 130,000 | 87,726 | 0 | 130,000 |
| Total Costs | \$2,913,343 | \$341,840 | \$172,350 | \$3,427,533 | \$338,156 | \$191,081 | \$3,442,580 |
| General Fund | 3,057 | (1) | 172,350 | 175,406 | (1) | 11,100 | 14,156 |
| State/Other Special | 2,910,286 | 341,841 | 0 | 3,252,127 | 338,157 | 179,981 | 3,428,424 |
| Total Funds | \$2,913,343 | \$341,840 | \$172,350 | \$3,427,533 | \$338,156 | \$191,081 | \$3,442,580 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$87,726 | \$0 |
| FY 2011 | \$87,726 | \$0 |

PL- 602 - Brands - Vehicle Replacement - OTO -

The budget includes \$87,726 one-time-only state special revenue funding each year of the biennium to purchase replacement 4x4 extended cab pickups set up for law enforcement and towing. This proposal provides funding to purchase five vehicles per year at a cost of \$26,000 per vehicle. The Brands Enforcement division has \$42,274 in their base budget for this purpose. This proposal includes the purchase of one 4x4 hybrid small SUV to help meet the Governor's 20X10 energy efficiency initiative.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$15,000 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 603 - Brands - Firearm Replacement - OTO -

The executive recommends \$15,000 one-time-only state special revenue funding in FY 2010 for replacement firearms. The Brand Enforcement Division has not replaced handguns since 1992. The guns are old and many replacement parts are not available for the existing firearms.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$80,523 | \$0 |
| FY 2011 | \$80,523 | \$0 |

PL- 605 - Brands - Overtime -

The Brand Enforcement Division experiences significant overtime; especially during fall markets. This request restores the FY 2008 base overtime of \$80,523 state special revenue funding each year of the 2011 biennium.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$6,947 | \$0 |
| FY 2011 | \$6,947 | \$0 |

PL- 606 - Brands - Out of State Travel -

The budget includes \$6,947 state special revenue funding each year of the biennium for the Brands Enforcement Administrator and professional staff to attend out of state meetings to represent the state and to keep up on professional requirements. The Board of Livestock has approved five trips.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$179,981 | \$0 |

NP- 601 - Brands - Ten Year Rerecord - OTO -

The executive recommends \$179,981 one-time-only state special revenue funding in FY 2011 for personal services and operating costs associated with the ten year brand rerecord. The Brand Enforcement Division rerecords all brands every ten years. The next rerecord is in 2011. This large undertaking will require an additional 2.00 FTE to send out over 60,000 notices and gear up for the entire process.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$172,350 | \$172,350 |
| FY 2011 | \$11,100 | \$11,100 |

NP- 604 - Brands - System Upgrade – OTO/Bien -

The executive recommends \$172,350 in FY 2010 and \$11,100 in FY 2011 one-time-only biennial general fund appropriation to replace the Brand Enforcement Division recording and lookup system. The current system is 18 years old and has become obsolete.

DEPARTMENT OF LIVESTOCK-5603 MEAT/POULTRY INSPECTION-10

**10 Meat/Poultry Inspection
Bureau**
Carol Olmstead x5293

Program Description - The Meat and Poultry Inspection Program was established in 1987 by the Montana Meat and Poultry Inspection Act. It implements and enforces a meat and poultry inspection system equal to that maintained by the 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 | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
|-------------------------|-------------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Fiscal 2008 | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 20.50 | 0.00 | 0.00 | 20.50 | 0.00 | 0.00 | 20.50 |
| Personal Services | 838,063 | 89,848 | 0 | 927,911 | 92,663 | 0 | 930,726 |
| Operating Expenses | 249,759 | 58,624 | 0 | 308,383 | 60,553 | 0 | 310,312 |
| Total Costs | \$1,087,822 | \$148,472 | \$0 | \$1,236,294 | \$153,216 | \$0 | \$1,241,038 |
| General Fund | 562,106 | 52,833 | 0 | 614,939 | 55,208 | 0 | 617,314 |
| State/Other Special | 2,200 | 4,216 | 0 | 6,416 | 4,210 | 0 | 6,410 |
| Federal Special | 523,516 | 91,423 | 0 | 614,939 | 93,798 | 0 | 617,314 |
| Total Funds | \$1,087,822 | \$148,472 | \$0 | \$1,236,294 | \$153,216 | \$0 | \$1,241,038 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$17,500 | \$8,750 |
| FY 2011 | \$17,500 | \$8,750 |

PL- 1001 - Meat Inspection - Computers-OTO -

This request is for \$17,500 general fund and federal special revenue funding each year of the biennium for PHDCIS replacement computers. The federal government requires computers and software used by state meat inspectors to be equal in status to USDA FSIS. Funding for this program is fifty percent general fund and fifty percent federal special revenue.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$2,776 | \$1,388 |
| FY 2011 | \$2,776 | \$1,388 |

PL- 1002 - Meat Inspection - Lab Sampling -

New regulations and policies within USDA FSIS require additional microbiological sampling and testing of meat and poultry products. In order for the Montana Meat & Poultry Inspection program to remain equal to USDA, the department needs to implement additional sampling and testing of meat products. This proposal increases the base by \$2,776 general fund and federal special revenue funding each year of the biennium.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,147 | \$1,573 |
| FY 2011 | \$3,147 | \$1,573 |

PL- 1003 - Meat Inspection - Out of State Travel -

The budget includes \$3,147 general fund and state special revenue funding each year of the biennium for the meat inspection bureau chief and professional staff to attend out of state meetings to represent the state and to keep up on professional requirements. The Board of Livestock has approved three trips. Funding for this program is split between 50 percent general fund and 50 percent federal special revenue.

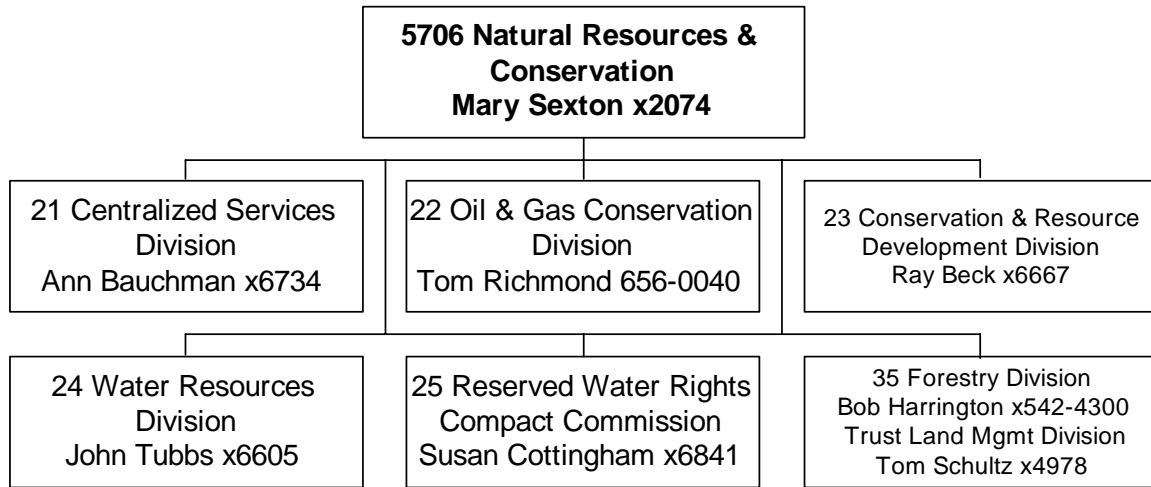
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$13,953 | \$6,977 |
| FY 2011 | \$13,953 | \$6,977 |

PL- 1004 - PHPCIS - Maintenance Contracts & Service -

The executive recommends \$13,953 general fund and federal special revenue each year of the biennium to provide computer hardware and software maintenance contracts for the Meat Inspection program. This program is funded 50 percent from general fund and 50 percent from federal special revenue.

DEPT NAT RESOURCE/CONSERVATION-5706

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

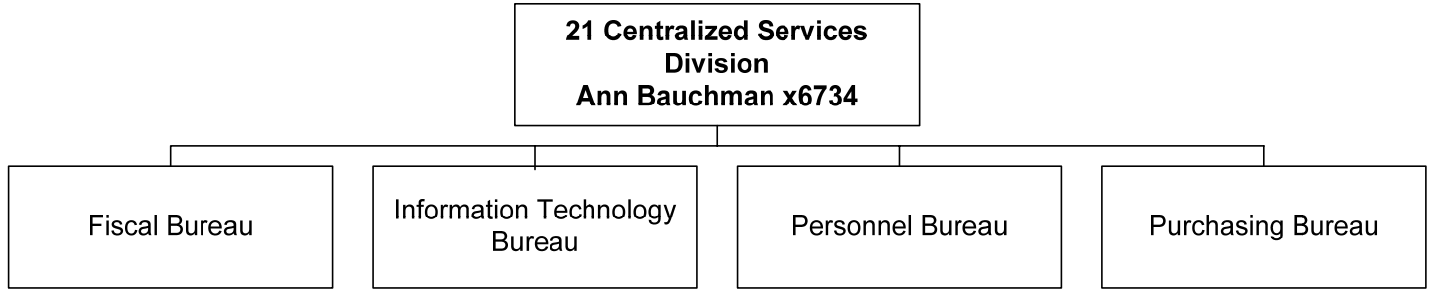


Mission Statement - To ensure Montana's land and water resources provide benefits for present and future generations.

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

| Agency Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|------------------------------|-----------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 544.37 | (2.50) | 11.82 | 553.69 | (2.50) | 11.82 | 553.69 |
| Personal Services | 29,564,814 | 2,660,964 | 466,557 | 32,692,335 | 2,759,984 | 466,859 | 32,791,657 |
| Operating Expenses | 13,078,619 | 1,823,330 | 737,096 | 15,639,045 | 1,961,874 | 651,197 | 15,691,690 |
| Equipment & Intangible Assets | 1,217,708 | 84,310 | 35,500 | 1,337,518 | 92,269 | 35,500 | 1,345,477 |
| Capital Outlay | 69,788 | 0 | 0 | 69,788 | 0 | 0 | 69,788 |
| Local Assistance | 0 | 200,000 | 0 | 200,000 | 200,000 | 0 | 200,000 |
| Grants | 1,410,342 | 200,000 | 0 | 1,610,342 | 200,000 | 0 | 1,610,342 |
| Transfers | 959,895 | 258,495 | 0 | 1,218,390 | 268,549 | 0 | 1,228,444 |
| Debt Service | 387,283 | 90,784 | 0 | 478,067 | 90,784 | 0 | 478,067 |
| Total Costs | \$46,688,449 | \$5,317,883 | \$1,239,153 | \$53,245,485 | \$5,573,460 | \$1,153,556 | \$53,415,465 |
| General Fund | 20,883,410 | 1,870,433 | 630,221 | 23,384,064 | 1,911,223 | 628,419 | 23,423,052 |
| State/Other Special | 24,052,836 | 3,231,983 | 468,990 | 27,753,809 | 3,462,097 | 385,195 | 27,900,128 |
| Federal Special | 1,752,203 | 215,467 | 139,942 | 2,107,612 | 200,140 | 139,942 | 2,092,285 |
| Total Funds | \$46,688,449 | \$5,317,883 | \$1,239,153 | \$53,245,485 | \$5,573,460 | \$1,153,556 | \$53,415,465 |

**DEPT NAT RESOURCE/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. The division also coordinates the state's Restoration Program.

| Program Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------------|--------------------|------------------|-----------------|--------------------|------------------|-----------------|--------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 41.50 | 0.00 | 0.00 | 41.50 | 0.00 | 0.00 | 41.50 |
| Personal Services | 2,421,039 | 276,327 | 0 | 2,697,366 | 285,383 | 0 | 2,706,422 |
| Operating Expenses | 767,779 | 281,401 | 11,636 | 1,060,816 | 180,778 | 11,418 | 959,975 |
| Equipment & Intangible Assets | 7,155 | 0 | 0 | 7,155 | 0 | 0 | 7,155 |
| Total Costs | \$3,195,973 | \$557,728 | \$11,636 | \$3,765,337 | \$466,161 | \$11,418 | \$3,673,552 |
| General Fund | 2,414,779 | 311,497 | 6,636 | 2,732,912 | 234,842 | 6,418 | 2,656,039 |
| State/Other Special | 681,199 | 161,709 | 0 | 842,908 | 164,478 | 0 | 845,677 |
| Federal Special | 99,995 | 84,522 | 5,000 | 189,517 | 66,841 | 5,000 | 171,836 |
| Total Funds | \$3,195,973 | \$557,728 | \$11,636 | \$3,765,337 | \$466,161 | \$11,418 | \$3,673,552 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$48,942 | \$9,176 |
| FY 2011 | \$70,685 | \$20,831 |

PL- 2101 - Centralized Services Operating Adjustment -

This request is for \$48,942 in FY 2010 and \$70,685 in FY 2011 of general, state special, and federal special funds. The funds are for increased rates for janitorial services, targeted server and computer replacement, and rent at one non-state building.

**DEPT NAT RESOURCE/CONSERVATION-5706
CENTRALIZED SERVICES-21**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,000 | \$5,000 |
| FY 2011 | \$10,000 | \$5,000 |

NP- 2151 - Centralized Services Legal Imaging - OTO -

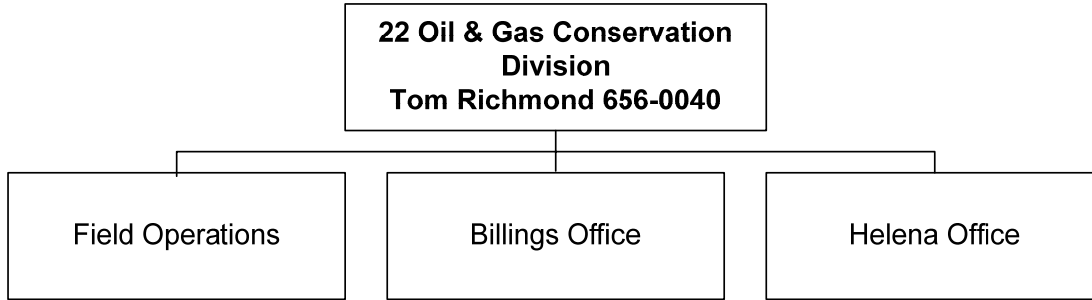
This one-time-only request is for general and federal special funds of \$10,000 per year to institute and maintain a searchable electronic database of the Department of Natural Resource and Conservation Legal Unit's case files using FileNet. The project is contracted through the Department of Administration-ITSD.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,636 | \$1,636 |
| FY 2011 | \$1,418 | \$1,418 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This request is for \$3,054 of general funds across the biennium.

**DEPT NAT RESOURCE/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 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 20.50 | 0.00 | 0.00 | 20.50 | 0.00 | 0.00 | 20.50 |
| Personal Services | 1,004,109 | 257,371 | 71,658 | 1,333,138 | 272,815 | 71,658 | 1,348,582 |
| Operating Expenses | 676,963 | 21,641 | 59,142 | 757,746 | 22,651 | 59,028 | 758,642 |
| Equipment & Intangible Assets | 47,672 | 50,000 | 12,500 | 110,172 | 50,000 | 12,500 | 110,172 |
| Grants | 3,000 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| Total Costs | \$1,731,744 | \$329,012 | \$143,300 | \$2,204,056 | \$345,466 | \$143,186 | \$2,220,396 |
| State/Other Special | 1,731,744 | 329,012 | 8,358 | 2,069,114 | 345,466 | 8,244 | 2,085,454 |
| Federal Special | 0 | 0 | 134,942 | 134,942 | 0 | 134,942 | 134,942 |
| Total Funds | \$1,731,744 | \$329,012 | \$143,300 | \$2,204,056 | \$345,466 | \$143,186 | \$2,220,396 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$18,246 | \$0 |
| FY 2011 | \$31,414 | \$0 |

PL- 2201 - Oil & Gas Operating Adjustment -

The executive recommends additional state special revenue of \$18,246 in FY 2010 and \$31,414 in FY 2011 for per diem, exempt staff pay, janitorial, and rent increases for non-state buildings within the Regulatory and Underground Injection Control Programs.

**DEPT NAT RESOURCE/CONSERVATION-5706
OIL & GAS CONSERVATION DIV.-22**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,000 | \$0 |
| FY 2011 | \$50,000 | \$0 |

PL- 2202 - Board of Oil & Gas Office Equipment-BIEN-OTO -

This one-time-only biennial budget request is for \$100,000 of state special revenue funds in order to procure four new office cubicles estimated at \$10,000 each and a high density compact mobile storage system for well files estimated at \$60,000 for the new building in Billings approved by the 60th Legislature. Those costs were not included in the building costs developed by Architecture and Engineering.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$7,500 | \$0 |
| FY 2011 | \$7,500 | \$0 |

NP- 2204 - North American Prospect Exhibition-OTO -

This one-time-only state special revenue budget request is for \$7,500 per year for staff and board members to attend and sponsor a booth at the annual North American Prospect Exhibition in Houston. Funding will provide travel, supplies, booth rental and registration fees.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$134,942 | \$0 |
| FY 2011 | \$134,942 | \$0 |

NP- 2206 - Underground Injection Control (UIC) Funding Change -

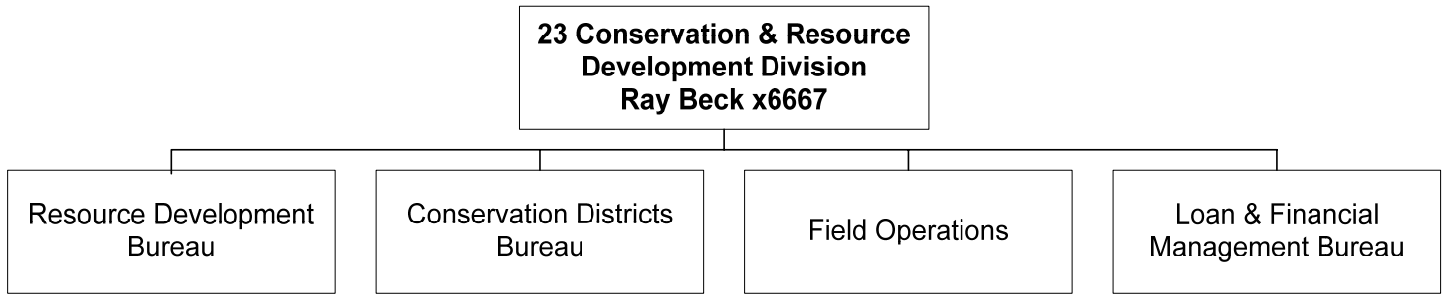
This request is to authorize a funding switch to federal special revenue of \$134,942 in FY 2010 and FY 2011 for the UIC program. The department historically has had language in HB 2 that allowed it to shift authority from state special revenue to federal funding when the grant amount was known for this program. That language was stricken last session and authority is needed for the annual Environmental Protection Agency (EPA) grant.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$858 | \$0 |
| FY 2011 | \$744 | \$0 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This decision package is for \$1,602 of state special revenue funds across the biennium.

**DEPT NAT RESOURCE/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 at the end of FY 2008 includes, \$358 million loaned to communities for water and waste water systems, coal severance tax loans to governmental entities totaling \$36.3 million, and private loans for \$18.1 million. Grant programs administered by the division include the Reclamation Development, Renewable Resource, and Conservation District grant programs.

| Program Proposed Budget | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
|-------------------------------|-------------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| FTE | 24.50 | 0.00 | 0.00 | 24.50 | 0.00 | 0.00 | 24.50 |
| Personal Services | 1,501,343 | 90,941 | 0 | 1,592,284 | 98,044 | 0 | 1,599,387 |
| Operating Expenses | 1,820,039 | 193,964 | 102,478 | 2,116,481 | 222,122 | 102,348 | 2,144,509 |
| Equipment & Intangible Assets | 45,141 | 0 | 0 | 45,141 | 0 | 0 | 45,141 |
| Local Assistance | 0 | 200,000 | 0 | 200,000 | 200,000 | 0 | 200,000 |
| Grants | 1,222,851 | 200,000 | 0 | 1,422,851 | 200,000 | 0 | 1,422,851 |
| Total Costs | \$4,589,374 | \$684,905 | \$102,478 | \$5,376,757 | \$720,166 | \$102,348 | \$5,411,888 |
| General Fund | 1,367,141 | 49,750 | 102,478 | 1,519,369 | 63,075 | 102,348 | 1,532,564 |
| State/Other Special | 2,956,284 | 605,155 | 0 | 3,561,439 | 627,091 | 0 | 3,583,375 |
| Federal Special | 265,949 | 30,000 | 0 | 295,949 | 30,000 | 0 | 295,949 |
| Total Funds | \$4,589,374 | \$684,905 | \$102,478 | \$5,376,757 | \$720,166 | \$102,348 | \$5,411,888 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$61,000 | \$8,340 |
| FY 2011 | \$88,700 | \$15,545 |

PL- 2301 - CARDD Operating Adjustment -

This budget request is for \$61,000 in FY 2010 and \$88,700 in FY 2011 of general, state special, federal special funds to restore the base budget due to increased rent, travel and supply costs, cleaning service fees, and increased contract workloads loan and grant programs.

**DEPT NAT RESOURCE/CONSERVATION-5706
CONSERVATION/RESOURCE DEV DIV-23**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$9,000 | \$0 |
| FY 2011 | \$9,000 | \$0 |

PL- 2302 - Montana Grass Conservation Commission (MGCC) -

This request is for \$18,000 of state special revenue across the biennium for items including MGCC contract executive director services, travel, supplies and materials, and other operating expenses of MGCC.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$48,000 | \$0 |
| FY 2011 | \$48,000 | \$0 |

PL- 2303 - Coal Bed Methane CD Administration -

This state special revenue request is for \$48,000 per year. These funds will allow conservation districts with coal bed methane development or impacts associated with such development to use these funds for expenses involved in operating the Coal Bed Methane Protection Program established under 76-15-90, MCA.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$200,000 | \$0 |
| FY 2011 | \$200,000 | \$0 |

PL- 2304 - Drinking Water Loan Assistance -

The executive recommends \$200,000 each year in state special revenue to mirror the federal program authority for the Safe Drinking Water Program. This will allow the state to give local assistance to borrowers of the program as described in the federal legislation.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$64,000 | \$0 |
| FY 2011 | \$64,000 | \$0 |

PL- 2305 - Regional Water Systems -

This budget request is for \$64,000 per year of state special revenue funds to increase base expenditures for the continued development of Dry Prairie, Dry Red Water, Central Montana, and the North Central Regional Water System. These systems will facilitate the construction of a Regional Water Systems for small communities.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$200,000 | \$0 |
| FY 2011 | \$200,000 | \$0 |

PL- 2307 - Conservation District Grants - OTO -

This one-time-only request includes \$200,000 state special revenue from the coal severance tax shared account for each year of the biennium. Funding is based upon available revenue within the fund which is statutorily designated only for libraries, conservation districts, and Growth Through Agriculture. Funds will be used for grants to local conservation districts.

**DEPT NAT RESOURCE/CONSERVATION-5706
CONSERVATION/RESOURCE DEV DIV-23**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$101,500 | \$101,500 |
| FY 2011 | \$101,500 | \$101,500 |

NP- 2306 - Montana Rural Water Systems (Bien/OTO) -

This budget includes \$203,000 one-time-only general fund for the biennium to support Montana Rural Water Systems (MRWS). MRWS provides assistance to small regional water systems to meet requirements of the Safe Drinking Water Act and the state non-degradation rule. The funding replaces lost federal funding and was also funded in the 2009 biennium.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 2308 - State Special Revenue Funding Switch -

This request includes a funding switch of approximately \$700,000 per year for the Conservation and Resource Development Division from the Natural Resources Operations Account to the Coal Severance Tax Shared Account. The request is required in order to balance available resources within each fund.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$978 | \$978 |
| FY 2011 | \$848 | \$848 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This decision package is for \$1,826 of general funds across the biennium.

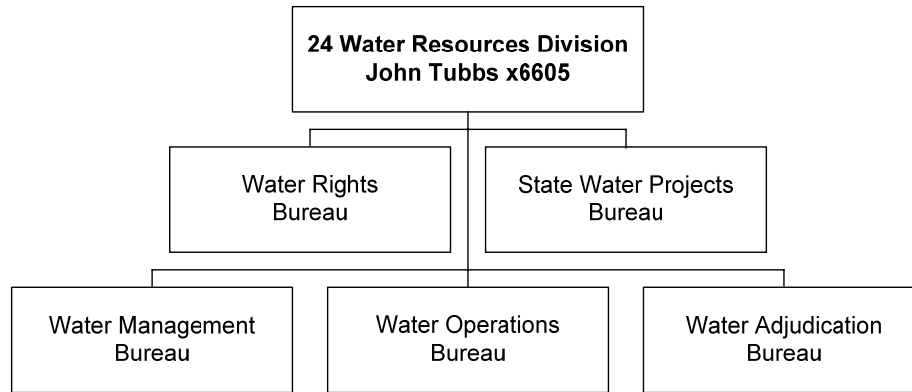
Language Recommendations - "The department is appropriated up to \$600,000 for the 2011 biennium from the state special revenue account established in 85-1-604, MCA, for the purchase of prior liens on property held as loan security as required by 85-1-618, MCA."

"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 has been expended or federal funds and bond proceeds will be used for other program purposes."

"There is appropriated up to \$1 million of state special revenue for the 2011 biennium from the coal bed methane account to fund potential landowner or water right holder claims for emergency loss of water related to coal bed methane development."

"If Montana Rural Water Systems receives federal funding during the 2011 biennium, Montana Rural Water Systems (Bien/OTO) is reduced by a like amount."

**DEPT NAT RESOURCE/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 five bureaus: Water Management Bureau, Water Rights Bureau, Water Adjudication 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 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 157.00 | 5.00 | 0.00 | 162.00 | 5.00 | 0.00 | 162.00 |
| Personal Services | 8,634,298 | 1,179,808 | 0 | 9,814,106 | 1,216,088 | 0 | 9,850,386 |
| Operating Expenses | 2,915,678 | 162,855 | 313,805 | 3,392,338 | 223,488 | 312,966 | 3,452,132 |
| Equipment & Intangible Assets | 103,602 | 0 | 0 | 103,602 | 8,300 | 0 | 111,902 |
| Capital Outlay | 3,000 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| Debt Service | 378,960 | 90,784 | 0 | 469,744 | 90,784 | 0 | 469,744 |
| Total Costs | \$12,035,538 | \$1,433,447 | \$313,805 | \$13,782,790 | \$1,538,660 | \$312,966 | \$13,887,164 |
| General Fund | 7,518,992 | 1,141,111 | 6,305 | 8,666,408 | 1,200,095 | 5,466 | 8,724,553 |
| State/Other Special | 4,378,928 | 260,042 | 307,500 | 4,946,470 | 306,247 | 307,500 | 4,992,675 |
| Federal Special | 137,618 | 32,294 | 0 | 169,912 | 32,318 | 0 | 169,936 |
| Total Funds | \$12,035,538 | \$1,433,447 | \$313,805 | \$13,782,790 | \$1,538,660 | \$312,966 | \$13,887,164 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$167,107 | \$47,110 |
| FY 2011 | \$243,429 | \$94,220 |

PL- 2402 - Water Resources Operating Adjustment -

This budget request is for \$167,107 in FY 2010 and \$243,429 in FY 2011 of general, state special, and federal special funds. This will restore funding for zero-based overtime, contract services, supplies, copier and computer replacements, debt service, rent increases, and other equipment replacement.

**DEPT NAT RESOURCE/CONSERVATION-5706
WATER RESOURCES DIVISION-24**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,000 | \$0 |
| FY 2011 | \$50,000 | \$0 |

PL- 2403 - Community Assistance Program Federal -

This federal special revenue request is for \$100,000 in authority for the 2011 biennium for the annual award of funds from the Federal Emergency Management Agency (FEMA). FEMA funds the Community Assistance Program of the National Flood Insurance Program.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$505,797 | \$505,797 |
| FY 2011 | \$498,290 | \$498,290 |

PL- 2404 - Reserved Water Rights Implementation -

The 2007 Legislature approved a transfer of authority from Reserved Water Rights Compact Commission (RWRCC) to the Water Resources Division to transition the commission from negotiation to implementation activities after the commission sunsets on July 1, 2009; but because the 2007 Legislature approved the switch for FY 2009, it does not appear in the base budget. This request is for 5 FTE and \$505,797 in FY 2010 and \$498,290 in FY 2011 of general fund to establish the base for compact implementation. If there is successful legislation during the 2009 session to extend the sunset of the compact commission, as has occurred 6 times in the 30 year life of the commission, this decision package is void. The Executive Budget contains contingent funding in the event such an extension occurs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$171,924) | \$0 |
| FY 2011 | (\$171,924) | \$0 |

PL- 2451 - Water Rights Adjustment -

This request is to reduce the Water Rights Bureau funding by \$171,924 per year of state special revenue. The Water Rights Ownership Project was a one-time cost and does not need to be carried forward in the base budget.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$307,500 | \$0 |
| FY 2011 | \$307,500 | \$0 |

NP- 2401 - State Water Projects Rehabilitation-BIEN-OTO -

The executive recommends a one-time-only biennial appropriation of \$615,000 in state special revenue for rehabilitation work to bring Deadman's Basin outlet extension in compliance with dam safety standards, repair Middle Creek railing for public safety concerns, and for ongoing repairs at the Broadwater-Toston Dam.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$6,305 | \$6,305 |
| FY 2011 | \$5,466 | \$5,466 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This decision package is for \$11,771 of general funds across the biennium.

DEPT NAT RESOURCE/CONSERVATION-5706
WATER RESOURCES DIVISION-24

Language Recommendations - "During the 2011 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 2011 biennium, up to \$100,000 of interest earned on the Broadwater water users account is appropriated to the department for the purpose of repair, improvement, or rehabilitation of the Broadwater-Missouri diversion project."

"During the 2011 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 NAT RESOURCE/CONSERVATION-5706
RESERVED WATER RIGHTS COMP COM-25**

**25 Reserved Water Rights
Compact Commission
Susan Cottingham x6841**

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 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 7.50 | (7.50) | 0.00 | 0.00 | (7.50) | 0.00 | 0.00 |
| Personal Services | 588,760 | (588,760) | 0 | 30,000 | (588,760) | 0 | 0 |
| Operating Expenses | 129,537 | (129,537) | 0 | 0 | (129,537) | 0 | 0 |
| Total Costs | \$718,297 | (\$688,297) | \$0 | \$30,000 | (\$718,297) | \$0 | \$0 |
| General Fund | 718,297 | (688,297) | 0 | 30,000 | (718,297) | 0 | 0 |
| Total Funds | \$718,297 | (\$688,297) | \$0 | \$30,000 | (\$718,297) | \$0 | \$0 |

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

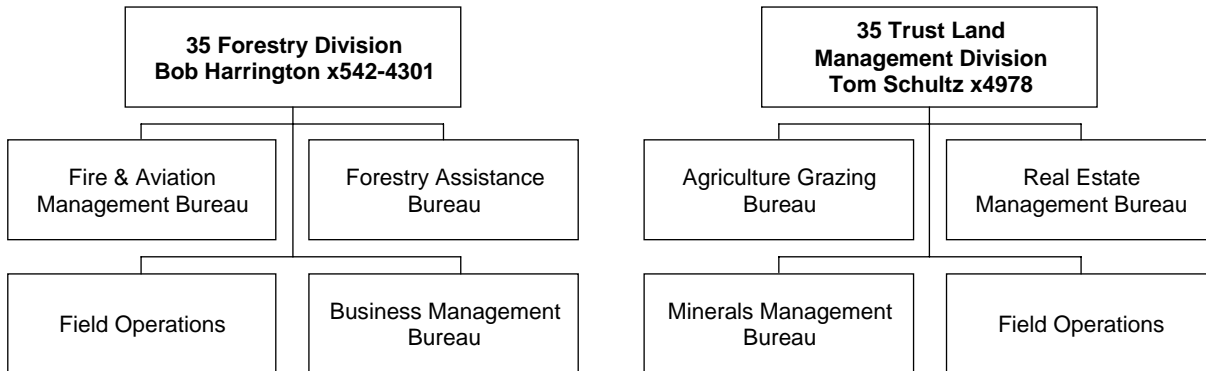
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | (\$691,319) | (\$691,319) |
| FY 2011 | (\$725,697) | (\$725,697) |

PL- 2501 - Reserved Water Rights Compact Commission Sunset -

The Reserved Water Rights Compact Commission (RWRCC) will sunset July 1, 2009 and an implementation bureau will be created in the Water Resources Division. This budget request is for the reduction due to the sunset and removes 7.50 FTE and \$691,319 in FY 2010 and \$725,697 in FY 2011 in general fund from the RWRCC Program. If there is successful legislation during the 2009 session to extend the sunset of the compact commission, as has occurred 6 times in the 30 year life of the commission, this decision package is void. The executive budget contains contingent funding in the event such an extension occurs.

DEPT NAT RESOURCE/CONSERVATION-5706 FORESTRY/TRUST LANDS-35

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



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

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

| Program Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 293.37 | 0.00 | 11.82 | 305.19 | 0.00 | 11.82 | 305.19 |
| Personal Services | 15,415,265 | 1,415,277 | 394,899 | 17,225,441 | 1,476,414 | 395,201 | 17,286,880 |
| Operating Expenses | 6,768,623 | 1,293,006 | 250,035 | 8,311,664 | 1,442,372 | 165,437 | 8,376,432 |
| Equipment & Intangible Assets | 1,014,138 | 34,310 | 23,000 | 1,071,448 | 33,969 | 23,000 | 1,071,107 |
| Capital Outlay | 66,788 | 0 | 0 | 66,788 | 0 | 0 | 66,788 |
| Grants | 184,491 | 0 | 0 | 184,491 | 0 | 0 | 184,491 |
| Transfers | 959,895 | 258,495 | 0 | 1,218,390 | 268,549 | 0 | 1,228,444 |
| Debt Service | 8,323 | 0 | 0 | 8,323 | 0 | 0 | 8,323 |
| Total Costs | \$24,417,523 | \$3,001,088 | \$667,934 | \$28,086,545 | \$3,221,304 | \$583,638 | \$28,222,465 |
| General Fund | 8,864,201 | 1,056,372 | 514,802 | 10,435,375 | 1,131,508 | 514,187 | 10,509,896 |
| State/Other Special | 14,304,681 | 1,876,065 | 153,132 | 16,333,878 | 2,018,815 | 69,451 | 16,392,947 |
| Federal Special | 1,248,641 | 68,651 | 0 | 1,317,292 | 70,981 | 0 | 1,319,622 |
| Total Funds | \$24,417,523 | \$3,001,088 | \$667,934 | \$28,086,545 | \$3,221,304 | \$583,638 | \$28,222,465 |

**DEPT NAT RESOURCE/CONSERVATION-5706
FORESTRY/TRUST LANDS-35**

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$367,970 | \$224,759 |
| FY 2011 | \$412,031 | \$249,520 |

PL- 3501 - Forestry Operating Adjustment -

This budget request is for an operating adjustment using general, state special, and federal special funds totaling \$367,970 in FY 2010 and \$412,031 in FY2011. This request is due to increases including rental expense, fire protection contracted services, fire training and equipment maintenance needs, aircraft insurance, and inflation for equipment.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$24,482 | \$0 |
| FY 2011 | \$27,401 | \$0 |

PL- 3521 - Trust Land Management Operating Adjustment -

This budget request is for a restoration of weed control activities authorized by the 2007 Legislature in HB 37 and for an increase in operations budget for increased rent costs in Helena, Bozeman, Conrad, Dillon, Lewistown, Glasgow, Havre, Miles City, and the Billings offices. This state special revenue request totals \$24,482 in FY 2010 and \$27,401 in FY 2011.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$200,000 | \$0 |
| FY 2011 | \$200,000 | \$0 |

PL- 3523 - Forest Improvement Projects and Monitoring -

This budget request is for an increase in funding for Forest Improvement (FI) activities such as planting, thinning, slash control, fire recovery, and other FI activities due to increased wildfire activity, contractor costs, and higher harvest levels associated with the 2004 sustained yield. Increased funding is necessary to promptly address wildfire restoration and reforestation needs. This state special revenue request is for \$200,000 in both FY 2010 and FY 2011.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$420,000 | \$0 |
| FY 2011 | \$490,000 | \$0 |

PL- 3552 - Restore Trust Land Mngmt Contract Harvesting Base -

The executive recommends a base adjustment for the Contract Harvest Program. The program was approved by the 2007 Legislature under Senate Bill 25 and began in FY 2009 at \$280,000. Total state special revenue authority of \$420,000 is needed for FY 2010 and \$490,000 for FY 2011.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$122,000 | \$0 |
| FY 2011 | \$122,000 | \$0 |

PL- 3553 - Land Banking Base Restoration Private Funds - BIEN -

This budget request is for restoration of biennial spending authority of \$244,000 in state special revenue in the Land Banking Program. Prospective purchasers deposit sale related expenses that necessitates spending authority to spend private funds for the contracted services.

**DEPT NAT RESOURCE/CONSERVATION-5706
FORESTRY/TRUST LANDS-35**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$150,000 | \$0 |
| FY 2011 | \$150,000 | \$0 |

PL- 3554 - Land Exchange Base Restoration Private Funds -

The executive recommends restoration of spending authority for private funds of \$150,000 each year in the land exchange program. The executive also requests converting \$50,000 each year from private fund authority to the Trust Administration Account to cover the costs of department initiated land exchange expenses.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$242,143 | \$242,143 |
| FY 2011 | \$242,210 | \$242,210 |

NP- 3503 - Engine Crew Extension -

The executive recommends an increase of DNRC seasonal engine crew staffing from five to seven days per week coverage for the core portion of the fire season. This addition is projected to provide for increased initial attack success, reduced overtime costs, and result in the probable prevention of two large (1000+ acre) fires per year. The cost of this proposal is an increase of 7.00 FTE and \$242,143 in FY 2010 and \$242,210 in FY 2011 using general fund.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$265,756 | \$265,756 |
| FY 2011 | \$265,991 | \$265,991 |

NP- 3504 - Aviation Crew Coverage Extension -

The executive recommends an increase in seasonal pilots, helicopter managers, crew members, and fuel truck drivers to enable full utilization of the DNRC helicopter fleet during fire season. This proposal will allow seven day per week coverage for quick response every day during the fire season. The cost of this proposal is an increase of 6.79 FTE and \$265,756 in FY 2010 and \$265,991 in FY 2011 in general fund. This proposal also requires additional funding from the air operations proprietary fund.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$65,000 | \$0 |
| FY 2011 | \$65,000 | \$0 |

NP- 3522 - Trust Land Management Database Upgrade - OTO -

This biennial one-time-only request is for \$65,000 of state special revenue in both FY 2010 and FY 2011 to cover programming costs to upgrade the Trust Land Management System (TLMS) to interface with SQL-server version upgrades due to incompatibility issues.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$83,000 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 3524 - Forest Management Software Integration - OTO -

This one-time-only state special revenue request is to increase funding for FY 2010 by \$83,000 for contracted services to develop a user-friendly interface into the Trust Land Management System (TLMS). This interface will improve user access and integrate forest management software into TLMS.

**DEPT NAT RESOURCE/CONSERVATION-5706
FORESTRY/TRUST LANDS-35**

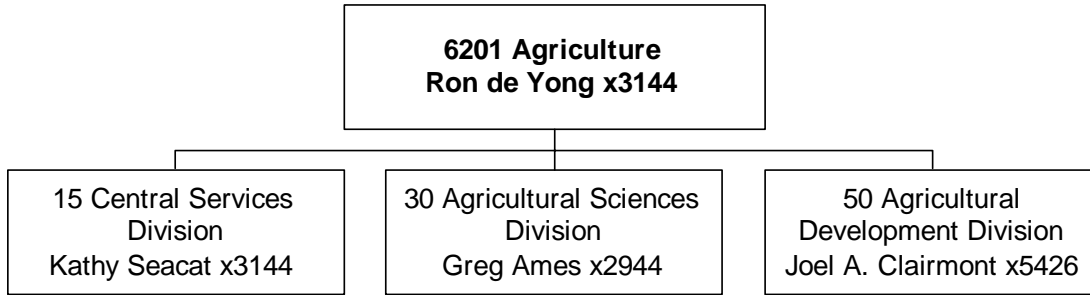
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$12,035 | \$6,903 |
| FY 2011 | \$10,437 | \$5,986 |

NP- 6101 - Fixed Cost Workers Comp Management Program Allocation -

The Workers' Compensation Management Program at the Department of Administration was funded by the 2007 Legislature with a one-time-only (OTO) general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. This decision package is for \$23,406 of general, state special revenue, and air operations proprietary funds across the biennium. The impact to the proprietary fund is negligible.

DEPARTMENT OF AGRICULTURE-6201

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



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

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

| Agency Proposed Budget | | | | | | | |
|-------------------------------|----------------------------|--------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 115.54 | 0.00 | 5.00 | 120.54 | 0.00 | 5.00 | 120.54 |
| Personal Services | 5,137,987 | 1,230,182 | 250,412 | 6,618,581 | 1,246,264 | 247,697 | 6,631,948 |
| Operating Expenses | 2,883,500 | 863,171 | 745,268 | 4,491,939 | 830,322 | 517,537 | 4,231,359 |
| Equipment & Intangible Assets | 207,276 | 430,000 | 150,000 | 787,276 | 60,000 | 150,000 | 417,276 |
| Grants | 4,482,273 | 416,250 | 1,267,962 | 6,166,485 | 420,000 | 1,267,962 | 6,170,235 |
| Debt Service | 2,281 | 0 | 0 | 2,281 | 0 | 0 | 2,281 |
| Total Costs | \$12,713,317 | \$2,939,603 | \$2,413,642 | \$18,066,562 | \$2,556,586 | \$2,183,196 | \$17,453,099 |
| General Fund | 781,165 | 128,606 | 680,618 | 1,590,389 | 89,559 | 680,484 | 1,551,208 |
| State/Other Special | 9,343,877 | 2,382,129 | 1,722,496 | 13,448,502 | 2,034,751 | 1,502,247 | 12,880,875 |
| Federal Special | 2,195,170 | 199,229 | 10,283 | 2,404,682 | 201,193 | 250 | 2,396,613 |
| Proprietary | 393,105 | 229,639 | 245 | 622,989 | 231,083 | 215 | 624,403 |
| Total Funds | \$12,713,317 | \$2,939,603 | \$2,413,642 | \$18,066,562 | \$2,556,586 | \$2,183,196 | \$17,453,099 |

DEPARTMENT OF AGRICULTURE-6201 CENTRALIZED SERVICES DIVISION-15

**15 Central Services
Division**
Kathy Seacat x3144

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 Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------|------------------|------------------|------------------|--------------------|------------------|-----------------|--------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 14.00 | 0.00 | 1.00 | 15.00 | 0.00 | 1.00 | 15.00 |
| Personal Services | 818,469 | 125,767 | 49,974 | 994,210 | 129,092 | 49,991 | 997,552 |
| Operating Expenses | 175,621 | 70,775 | 238,584 | 484,980 | 28,404 | 8,081 | 212,106 |
| Total Costs | \$994,090 | \$196,542 | \$288,558 | \$1,479,190 | \$157,496 | \$58,072 | \$1,209,658 |
| General Fund | 94,194 | 29,231 | 55,618 | 179,043 | (10,531) | 55,484 | 139,147 |
| State/Other Special | 715,768 | 56,636 | 222,412 | 994,816 | 57,292 | 2,123 | 775,183 |
| Federal Special | 96,144 | 52,812 | 10,283 | 159,239 | 52,844 | 250 | 149,238 |
| Proprietary | 87,984 | 57,863 | 245 | 146,092 | 57,891 | 215 | 146,090 |
| Total Funds | \$994,090 | \$196,542 | \$288,558 | \$1,479,190 | \$157,496 | \$58,072 | \$1,209,658 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$10,000 | \$0 |
| FY 2011 | \$10,000 | \$0 |

PL- 1501 - Program 15 Base Budget Adjustments -

This budget request of \$20,000 federal special revenue funding for the 2011 biennium will restore travel and training to base amounts due to vacancies in the Central Services Division.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$54,774 | \$54,774 |
| FY 2011 | \$54,791 | \$54,791 |

NP- 1503 - Network Administrator -

The executive recommends \$54,774 in FY2010 and \$54,791 in FY2011 general fund for 1.00 FTE and operating expenses for a network administrator position that was OTO in the 2009 biennium. The incumbent will continue to ensure that the department, producers, and consumers have access to information in the global agricultural market.

**DEPARTMENT OF AGRICULTURE-6201
CENTRALIZED SERVICES DIVISION-15**

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$60,000 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 1504 - Grant Application Management System - Bien - OTO -

The budget includes \$60,000 biennial one-time-only state special revenue funding for off the shelf grant application management software which utilizes information technology to appropriately assist the business processes of the Noxious Weed and Growth Through Agriculture programs.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$50,000 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 1505 - Content Management System for AGR.MT.GOV -Bien-OTO -

The budget includes \$50,000 biennial one-time-only state special revenue and federal special revenue funding to implement a content management system for updating information on the department's web site.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$120,000 | \$0 |
| FY 2011 | \$0 | \$0 |

NP- 1506 - Web Based AG Product Registration System-Bien- OTO -

This request is for \$120,000 biennial one-time-only state special revenue funding for upgrading an existing licensing and registration system to allow web based product and apiary registrations.

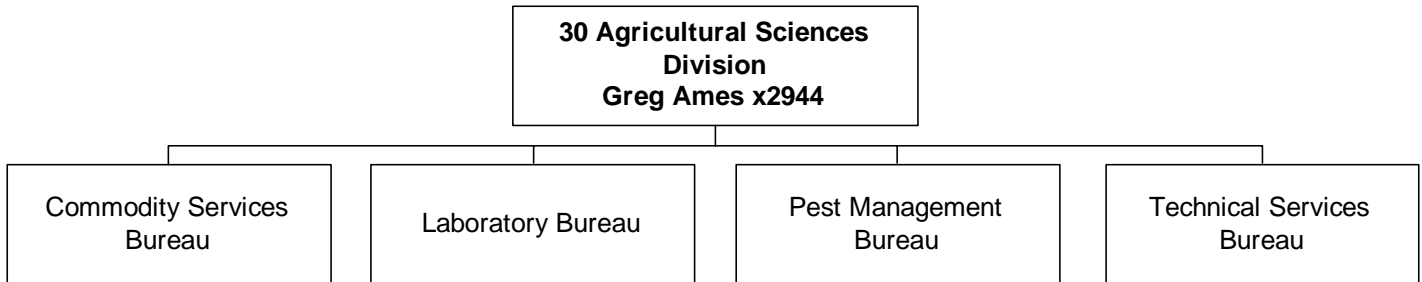
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$3,784 | \$844 |
| FY 2011 | \$3,281 | \$693 |

NP- 6101 - Fixed Cost Workers Comp Mgmt Program Allocation -

The Workers' Compensation Management program at the Department of Administration was funded by the 2007 Legislature with a one-time-only general fund appropriation. For the 2011 biennium and beyond, the program will be funded via a fixed cost allocation. Because the program was approved as an OTO for the current biennium, it must be presented as a new proposal for the next biennium. The budget includes \$3,784 in FY 2010 and \$3,281 in FY 2011 state special revenue and general fund for the Department of Agriculture's allocation of the fixed cost.

DEPARTMENT OF AGRICULTURE-6201 AGRICULTURAL SCIENCES DIVISION-30

Please note that this program also contains proprietary funding (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) seed, feed and fertilizer program; 6) organic certification; 7) nursery program; 8) apiary program; and 9) 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 Free Forage Advisory Council, Montana Noxious Weed Summit Advisory Council, Montana Organic Commodity Advisory Council, Montana Mint Committee, and the Cooperative Agricultural Pest Survey Advisory Council.

| Program Proposed Budget | | | | | | | |
|-------------------------------|-------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| Budget Item | Base Budget Fiscal 2008 | PL Base Adjustment Fiscal 2010 | New Proposals Fiscal 2010 | Total Exec. Budget Fiscal 2010 | PL Base Adjustment Fiscal 2011 | New Proposals Fiscal 2011 | Total Exec. Budget Fiscal 2011 |
| FTE | 63.17 | 0.00 | 3.00 | 66.17 | 0.00 | 3.00 | 66.17 |
| Personal Services | 3,079,773 | 584,249 | 145,895 | 3,809,917 | 594,050 | 143,147 | 3,816,970 |
| Operating Expenses | 1,286,857 | 287,163 | 226,684 | 1,800,704 | 289,931 | 229,456 | 1,806,244 |
| Equipment & Intangible Assets | 207,276 | 380,000 | 130,000 | 717,276 | 10,000 | 130,000 | 347,276 |
| Grants | 3,219,520 | 0 | 417,962 | 3,637,482 | 0 | 417,962 | 3,637,482 |
| Debt Service | 2,281 | 0 | 0 | 2,281 | 0 | 0 | 2,281 |
| Total Costs | \$7,795,707 | \$1,251,412 | \$920,541 | \$9,967,660 | \$893,981 | \$920,565 | \$9,610,253 |
| General Fund | 297,219 | 18,422 | 500,000 | 815,641 | 18,909 | 500,000 | 816,128 |
| State/Other Special | 5,414,738 | 1,111,557 | 420,541 | 6,946,836 | 751,706 | 420,565 | 6,587,009 |
| Federal Special | 2,083,750 | 121,433 | 0 | 2,205,183 | 123,366 | 0 | 2,207,116 |
| Total Funds | \$7,795,707 | \$1,251,412 | \$920,541 | \$9,967,660 | \$893,981 | \$920,565 | \$9,610,253 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$251,100 | \$3,000 |
| FY 2011 | \$231,100 | \$3,000 |

PL- 3001 - Program 30 Base Budget Adjustments -

The budget includes \$251,100 FY2010 and \$231,100 FY2011 general, state special revenue, and proprietary funds for base budget adjustments within the Agricultural Sciences Division. This base adjustment will reestablish per diem and cover increases in rent, travel, printing services, field inspection supplies, and replacement vehicles.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$350,000 | \$0 |
| FY 2011 | \$0 | \$0 |

PL- 3002 - Analytical Lab Equipment - Bien - OTO -

This request is for \$350,000 one-time-only biennial state special revenue funding to purchase a replacement Micromass Quattro Ultima LC/MS/MS instrument used for testing metabolite residues in pesticide and groundwater samples for the Analytical Laboratory in Bozeman. Since FY 2001 the lab has made a major effort to migrate as many pesticide analyses as possible to LC/MS/MS techniques resulting in more robust, defensible results. This piece of equipment has expanded our ability to report new information on metabolite residues and has resulted in lower pesticide reporting limits providing more helpful information to program regulators for decision making.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$420,541 | \$0 |
| FY 2011 | \$420,565 | \$0 |

NP- 3003 - Continue Noxious Weed Trust Fund Grants Increase -

This 2011 biennium request for \$841,106 is to continue state special authority for Noxious Weed Trust Fund Grants at levels established during the 2007 Montana Legislature that was flagged as OTO. This includes funding for 1.00 FTE to assist in managing and monitoring grant projects and the increase in program costs attributed to the increase of the noxious weed trust fund by \$5 million.

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

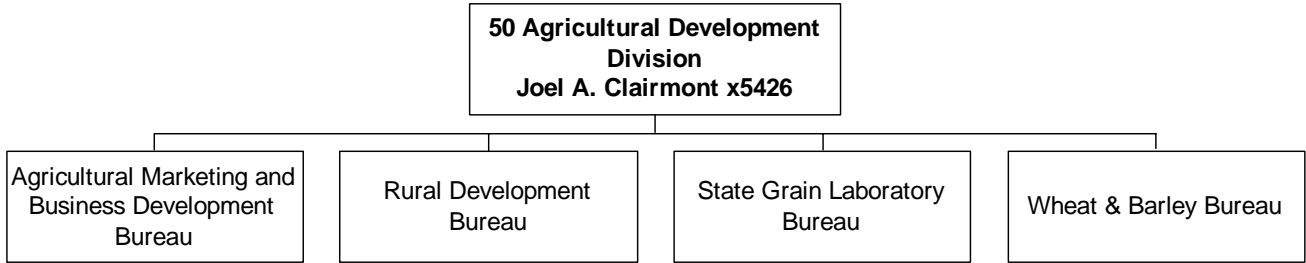
| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$500,000 | \$500,000 |
| FY 2011 | \$500,000 | \$500,000 |

NP- 3005 - Invasive Species Advisory Council Bien/OTO -

Knapweed and leafy spurge invasions of past years have inflicted untold costs on Montana, and the state faces new threats of harmful aquatic nuisance species from other regions. Eurasian water milfoil was recently discovered in Noxon Reservoir. Zebra and quagga mussels multiply geometrically, clog industrial, irrigation, and intake pipes, and have now moved west of the Mississippi. The Governors Weed/Invasive Species Initiative will develop a comprehensive Invasive Species Act to prevent introductions and avoid further economic and environmental harm. This request includes 2.00 FTE and \$500,000 general fund each year of the biennium to fund the Invasive Species Advisory Council and its efforts to stop the introduction and spread of invasive species in Montana. Funding is recommended as one-time-only and is contingent on passage and approval of LC 424.

DEPARTMENT OF AGRICULTURE-6201 AGRICULTURAL DEVELOPMENT DIVISION-50

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



Program Description - The Agricultural Development Division (ADD) administers programs to promote Montana agriculture. The division is comprised of the following bureaus: Rural Development, Wheat and Barley, Agriculture Marketing & Business Development, and the State Grain Laboratory. The division provides support to the Alfalfa Seed Committee, the Montana Wheat and Barley Committee, the Montana Agricultural Development Council, the Board of Hail Insurance, and advisory committees of cherry, potatoes, and pulse crops.

| Program Proposed Budget | Base Budget | PL Base | New | Total | PL Base | New | Total |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Budget Item | Fiscal 2008 | Adjustment | Proposals | Exec. Budget | Adjustment | Proposals | Exec. Budget |
| | Fiscal 2008 | Fiscal 2010 | Fiscal 2010 | Fiscal 2010 | Fiscal 2011 | Fiscal 2011 | Fiscal 2011 |
| FTE | 38.37 | 0.00 | 1.00 | 39.37 | 0.00 | 1.00 | 39.37 |
| Personal Services | 1,239,745 | 520,166 | 54,543 | 1,814,454 | 523,122 | 54,559 | 1,817,426 |
| Operating Expenses | 1,421,022 | 505,233 | 280,000 | 2,206,255 | 511,987 | 280,000 | 2,213,009 |
| Equipment & Intangible Assets | 0 | 50,000 | 20,000 | 70,000 | 50,000 | 20,000 | 70,000 |
| Grants | 1,262,753 | 416,250 | 850,000 | 2,529,003 | 420,000 | 850,000 | 2,532,753 |
| Total Costs | \$3,923,520 | \$1,491,649 | \$1,204,543 | \$6,619,712 | \$1,505,109 | \$1,204,559 | \$6,633,188 |
| General Fund | 389,752 | 80,953 | 125,000 | 595,705 | 81,181 | 125,000 | 595,933 |
| State/Other Special | 3,213,371 | 1,213,936 | 1,079,543 | 5,506,850 | 1,225,753 | 1,079,559 | 5,518,683 |
| Federal Special | 15,276 | 24,984 | 0 | 40,260 | 24,983 | 0 | 40,259 |
| Proprietary | 305,121 | 171,776 | 0 | 476,897 | 173,192 | 0 | 478,313 |
| Total Funds | \$3,923,520 | \$1,491,649 | \$1,204,543 | \$6,619,712 | \$1,505,109 | \$1,204,559 | \$6,633,188 |

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$684,100 | \$24,000 |
| FY 2011 | \$692,600 | \$24,000 |

PL- 5001 - Program 50 Base Budget Adjustments -

This 2011 biennium request for \$1,376,700 restores base budgets in the general, state special, federal special and enterprise funds for programs within the Agricultural Development Division. This proposal restores base budget authority for per diem, overtime, contracts, equipment, contracted temporary services, and grants.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$300,000 | \$0 |
| FY 2011 | \$300,000 | \$0 |

PL- 5006 - GTA Act Coal Severance Tax -OTO -

This one-time-only request is for \$300,000 each year for additional authority for loan appropriations from the coal severance tax shared state special revenue fund for the Montana Growth Through Agriculture program. Funding is based upon available revenue within the fund which is statutorily designated only for libraries, conservation districts, and Growth Through Agriculture. The Growth Through Agriculture program funds grants and operations of the Agriculture Development Council which is administratively attached to the Department of Agriculture.

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

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$0 | \$125,000 |
| FY 2011 | \$0 | \$125,000 |

NP- 5009 - State Grain Lab Funding Switch -

This request is for \$125,000 each year of the biennium from the general fund to ensure the viability of the State Grain Lab into the future. A 2008 Legislative Performance Audit of the State Grain Lab determined that it has limited ability to control its primary revenue stream from samples inspected and that it is an important asset to Montana. The audit recommended that the department seek additional or alternative funding sources to maintain the grain lab's viability.

| | <u>Total Agency Impact</u> | <u>General Fund Total</u> |
|---------|----------------------------|---------------------------|
| FY 2010 | \$1,204,543 | \$0 |
| FY 2011 | \$1,204,559 | \$0 |

NP- 5010 - Increase Wheat and Barley Authority -

This request is for an increase in state special revenue funding of \$1,204,543 in FY 2010 and \$1,204,559 in FY 2011 to support wheat and barley production in Montana. The Wheat and Barley Committee is administratively attached to the department per 2-15-3002, MCA. Support is provided through international marketing activities such as sponsoring and receiving trade delegations, by funding research on wheat and barley pests and diseases and improved production practices, and by paying dues to national organizations. The department is requesting that a modified 1.00 FTE, business development specialist currently coordinating marketing activities become permanent. This request includes one vehicle replacement per year and increased operating expenses for travel, contracts and training, as well as increased grant authority.