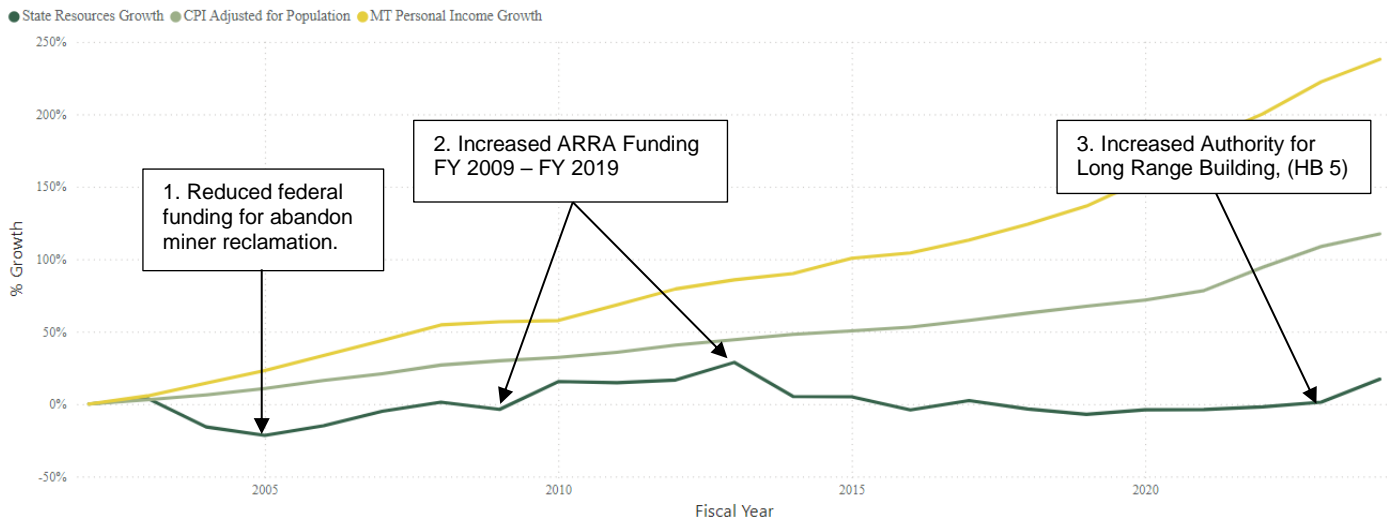


Department of Environmental Quality

The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



This report includes a series of charts that compare state resource expenditure growth to the growth in personal income and growth in inflation adjusted for population. Montana statute, 17-8-106, MCA, recommends using growth in personal income for comparison purposes. Personal income is a measure for growth in the economy. Comparing growth allows financial planners to consider past and future demands in services or changes in revenues.

Appropriation

Over the past five biennia, the agency's funding comes primarily from HB 2 which accounts for approximately 74.1% of total authority. Statutorily appropriated funding makes up about 12.8% of the agency's budget. The agency also has the authority to amend its budget for federal grants, which accounts for about 9.5% of the total funding. The remaining 3.6% of the agency's appropriation is derived from various other sources.

Growth

Expenditures from state resources have remained relatively flat over the period shown in the chart. The decline in expenditures observed in FY 2005 is due to a reduction in federal funding for abandoned mine programs. From FY 2009 through FY 2013, there was a temporary increase in funding due to federal allocations provided through the American Recovery and Reinvestment Act. The increase in 2024 is associated with expanded authority granted by HB 5, the long-range building program which provided funding for several initiatives, including school drinking water programs, energy efficiency programs, and petroleum tank cleanup efforts.

State Special Revenue

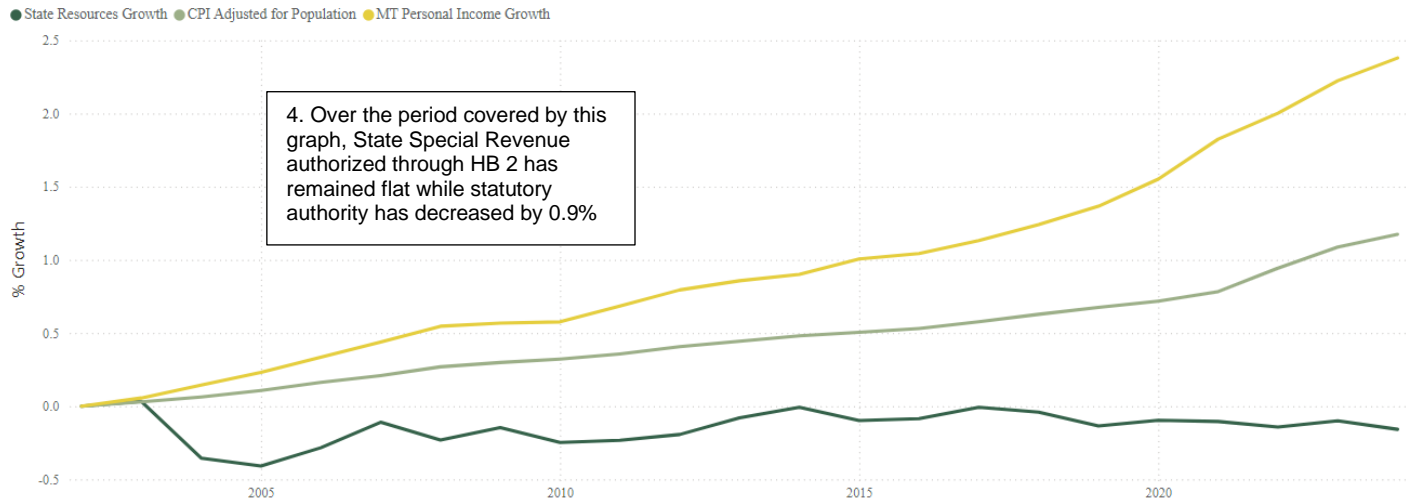
The legislature appropriates 90.3% of the state special revenue expended by the agency through HB 2, the main appropriations bill. HB 2 authority has remained flat over the period shown in the chart. Statutory authority is primarily from the Petroleum Storage Tank Cleanup Fund and accounts for 8.4% of expenditures. Expenditures from the cleanup fund have decreased at an annualized rate of 0.9% from FY 2002 through FY 2024. The remaining authority comes from bills passed by the legislature and various other sources of authority.



State special revenues are used by the agency to fund clean-up of leaking petroleum storage tanks, air quality programs, permitting and regulating wastewater discharge, junk vehicle disposal, mining reclamation, drinking water programs, and various other programs.

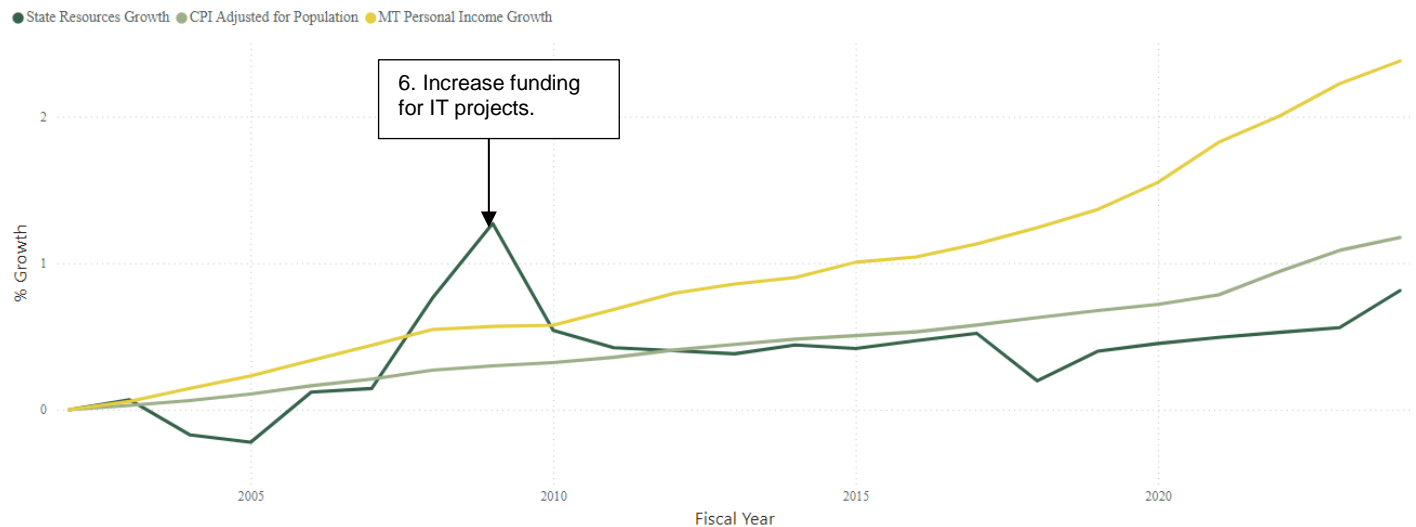
State Special Only

The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



General Fund Only

The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



General fund is appropriated almost entirely through HB 2 and expended primarily on personal services and operating expenditures. Growth over the period of the chart has been 2.7% annually. Increases in general fund from FY 2008 through FY 2010 are related to one-time-only appropriations for IT projects and reclamation projects.

In Summary:

1. Reduced federal funding for abandon miner reclamation
2. Increased ARRA Funding FY 2009 – FY 2019
3. Increased Authority for Long Range Building, (HB 5)
4. State Special Revenue authorized through HB 2 has remained flat while statutory authority has decreased by 0.9%
6. Increase funding for IT projects.

