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BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

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TO: Amy Carlson, Legislative Fiscal Analyst
Legislative Fiscal Division

FROM: Ryan Osmundson, Budget Director
Office of Budget and Program Planning

DATE: December 16, 2024

RE: Amendments to Governor Gianforte's 2027 Biennium Executive Budget

In accordance with 17-7-112, MCA, I am submitting the following formal written amendments to the November 15 preliminary 2025 biennium Executive Budget. The changes are broken out between substantive changes, technical corrections, and narrative updates. Most, if not all, of these changes have already been discussed with your staff. In fact, many of the technical and narrative changes came at the request of your staff. Changes are reflected in the H02 version in IBARS.

Substantive Changes

- In the Department of Transportation, PL 705 in the Motor Pool Program was removed.
- Language was added for the Department of Corrections and the Office of Public Defender related to biennial appropriations and NP 380 was increased by $2.65 million each fiscal year.
- In the Office of Public Instruction, state special revenue was increased, and general fund was decreased in PL 918, and funding for PL 919 was increased by $13,913,031 general fund in FY 2027.
- In the Department of Justice, funding for SWPL 2 (program 6) was changed from general fund to proprietary funds and NP 1901 was added.
- In the Department of Natural Resources and Conservation, funding was changed in NP 24020 from $500,000 for the biennium to $500,000 each year.
- In the Department of Environmental Quality, state special revenue was increased in DP 50003 so that the change package includes $500,000 each year rather than for the biennium.
- Changes made to HB 5 that are reflected in the introduced bill include eliminating a project for the Department of Corrections ($1,050,000), increasing operations and maintenance expenses for the Department of Corrections ($368,555), eliminating the general fund transfer, adding an appropriation for the Department of Administration from the Capital Land Grant account, adding operations and

maintenance expenses for the Governor's Office ($270,250), and adding $1 million federal funds for the Department of Military Affairs.

- A change was made to HB 10 that is reflected in the introduced bill adding a project for the Department of Corrections ($1,500,000).
- Change packages were added to move Adult Basic Education from the Office of Public Instruction to the Department of Labor and Industry, contingent on the passage and approval of legislation.
- In the Department of Revenue, more detail was provided for the change packages to implement property tax cuts. In addition, $2.3 million over the biennium was added to the change packages.

Technical Corrections

- In the Department of Public Health and Human Services funding was moved between reporting levels in IBARS for NP10701 (10-30-01 to 10-01-06), NP 10703 (10-01-02 to 10-30-01), NP 10709 (10-30-01 to 10-01-09), NP 10717 (10 – 30-01 to 10-01-06), NP 10718 (10-30-01 to 10-30-05), and NP 10722 (10-30-01 to 10-01-01, 10-01-06, 10-01-07, and 10-20-03).
- In the Department of Commerce, PL 7405 was eliminated, and language was added instead.
- In the Department of Corrections, NP 311 was removed as it included no expenses or funding.
- In the Department of Military Affairs, the expenses were adjusted in NP 31010 (62000 to 69000), PL 4001 was changed to NP 4001, and expenses were adjusted in NP 3001 (from 62000 to 68000).
- In the Department of Agriculture, general fund base authority was moved from reporting level 62010-50-01-53 to 62010-50-01-?? due to a mapping issue with base budget data.
- In the Montana School for the Deaf and Blind, NP 15 was moved from program 1 to program 4.
- In the Department of Public Health and Human Services, NP 10704 was reduced by $1 million in FY 2026 and NP 2111 was added to create a statutory appropriation for SNAP benefits, contingent on passage and approval of authorizing legislation.
- In the Department of Transportation, personnel services and operating expenses were removed from NP 309.
- Adjustments were made to the SABHRS and eGOV proprietary fund schedules in the Department of Administration.

Narrative Adjustments:

- In the Department of Fish, Wildlife & Parks, missing narratives were added for SWPL 1 (programs 4 and 8), SWPL 3 (programs 4 and 8), and PL 912 and PL 913 (program 5).
- In the Department of Labor and Industry, narratives were added or amended for PL 103, SWPL 3 (program 6) and NP 302.
- In the Department of Commerce, the narrative was amended for PL 5105.

- In the Department of Administration, the narrative was amended for PL 702.
- In the Department of Public Health and Human Services, narratives were amended for NP 6001, NP 11803, NP 1007, NP 22991, NP 22997, PL 10054, NP 11803, PL 3998, PL 11995, and PL 10557.
- In the Montana School for the Deaf and Blind, the change package description for PL 400 was revised.

IBARS has been updated as needed to reflect these changes in the H02 version. A revised general fund balance sheet has been included. If you have any questions, please feel free to contact me or my staff.

State of Montana 2027 Biennium Executive General Fund Budget (Millions $)

12/16/2024 12:39	Actual	Proposed	Proposed	
Description	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**
Revenues and Assets				
Beginning General Fund Balance	**851.211**	**1,028.008**	**533.351**	**822.676**
Governor's November 15th Revenue Estimate	3,322.371	3,294.005	3,454.367	3,508.093
Governor's Tax and Revenue Proposals		(1.672)	(119.700)	(276.691)
Prior Year Revenue Adjustments	3.388			
Total Funds Available	**4,176.970**	**4,320.341**	**3,868.019**	**4,054.077**
Investments, Expenditures and Liabilities				
General Appropriations Act				
HB 2 Base Budget	2,109.408	2,295.759	2,297.537	2,297.537
HB 2 Statewide Present Law			18.225	17.215
HB 2 Present Law			29.864	139.373
HB 2 New Proposals			87.377	96.292
HB 2 One-Time-Only			37.896	38.002
HB 2 Language Appropriations	-	2.000	-	-
Non-HB 2 Disbursements				
HB 1 - Feed Bill	3.095	14.300	3.714	17.160
HB 3 - Supplemental	-	52.997		
HB 5 Transfer-Out			76.774	76.774
HB 10 - Information Technology	32.408	112.822	*19.852*	*19.852*
HB 13 - Pay Plan			26.809	52.690
Transfer-Out to Fire Fund Suppression Fund	10.298	49.368		59.242
Title 17 - Transfer Out to Budget and Capital Reserves	30.417	70.421		
2027 Biennium One-Time-Only Proposed		571.046	100.000	320.000
Other Appropriation Bills - 2023 Legislative Session	111.736	85.832		
Other Disbursements				
Statutory Appropriations - Ongoing	312.861	332.066	337.685	346.256
Statutory Appropriations - One-Time-Only	152.545	192.366		
Statutory Appropriations - New Proposals			2.606	3.880
Transfers - Present Law	11.134	13.087	11.885	11.973
2023 Session Transfers - One-Time-Only	556.045			
Other (Carry Forward, Admin Transfers, Other)	3.056	1.374		
Estimated Reversions		(6.449)	(4.880)	(5.594)
Prior Year Expenditure Adjustments	5.741			
Total Investments, Expenditures and Liabilities	**3,338.744**	**3,786.989**	**3,045.343**	**3,490.651**
Fund Balance Adjustments	189.782			
Ending General Fund Balance	**1,028.008**	**533.351**	**822.676**	**563.426**
Structural Balance				**160.7**