

# MONTANA HISTORICAL SOCEITY

## Section E

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### JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

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-----Agencies-----

Office of Public Instruction	Montana Arts Council
Board of Public Education	Montana State Library
Office of Commissioner of Higher Education	Montana Historical Society
Montana School for Deaf & Blind	

-----Committee Members-----

House

Representative David Bedey (Chair)  
Representative Brad Barker  
Representative Llew Jones  
Representative Connie Keogh  
Representative Eric Matthews

Senate

Senator John Fuller (Vice Chair)  
Senator Matt Regier  
Senator Jonathan Windy Boy

-----Fiscal Division Staff-----

Julia Pattin  
Katie Guenther  
Kurt Swimley  
Alexandra Ghosh

## Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	78.84	79.84	79.84	1.00	0.6%
General Fund	3,859,910	2,524,661	2,503,241	(2,691,918)	(34.9%)
State/Other Special Rev. Funds	3,420,963	4,949,778	4,950,830	3,058,682	44.7%
Federal Spec. Rev. Funds	1,024,101	1,013,471	1,015,570	(19,161)	(0.9%)
Proprietary Funds	1,046,527	1,042,926	1,043,259	(6,869)	(0.3%)
<b>Total Funds</b>	<b>9,351,501</b>	<b>9,530,836</b>	<b>9,512,900</b>	<b>340,734</b>	<b>1.8%</b>
Personal Services	6,018,272	6,139,413	6,149,760	252,629	2.1%
Operating Expenses	2,963,309	2,971,503	2,993,220	38,105	0.6%
Equipment & Intangible Assets	94,886	94,886	94,886		0.0%
Grants	87,120	87,120	87,120		0.0%
Debt Service	187,914	237,914	187,914	50,000	13.3%
<b>Total Expenditures</b>	<b>9,351,501</b>	<b>9,530,836</b>	<b>9,512,900</b>	<b>340,734</b>	<b>1.8%</b>
<b>Total Ongoing</b>	<b>9,351,501</b>	<b>9,480,836</b>	<b>9,512,900</b>	<b>290,734</b>	<b>1.6%</b>
<b>Total One-Time-Only</b>	<b>107,535</b>	<b>50,000</b>		<b>(165,070)</b>	<b>(76.8%)</b>

Agency Highlights

<b>Montana Historical Society Major Budget Highlights</b>
<p>The executive requests an increase of approximately \$179,000 in FY 2026 and \$161,000 in FY 2027 over the FY 2025 base budget. Notable highlights include:</p> <ul style="list-style-type: none"> <li>• Proposed fund switches of approximately \$1.4 million in both FY 2026 and FY 2027 from general fund appropriations to state special revenue fund appropriations. These fund switches are proposed to shift fund sources to the new Montana Heritage Center state special revenue account, which receives a share of the distribution of accommodation taxes and is intended to be used for the operations and maintenance of the Montana Heritage Center</li> <li>• Statewide present law adjustment increases HB 2 personal services appropriations by approximately \$297,000 in FY 2026 and \$308,000 in FY 2027. These adjustments are discussed in more detail at the program level</li> <li>• Statewide present law adjustment decreases HB 2 operation expenses appropriations by approximately \$264,000 in FY2026 and \$240,000 in FY 2027. These adjustments are discussed in more detail at the program level</li> <li>• Budget adjustments to switch state special revenue sources from the accommodations tax account to the newly created Montana heritage center state special revenue account. Appropriation requests were incorrectly coded in several programs during the initial agency request, and several changes seek to change funding to the Montana Heritage Center Account, which designates funds to be used for the operation of the new heritage center</li> </ul>
<b>Legislative Action Items</b>
<ul style="list-style-type: none"> <li>• The executive base budget incorrectly funds some operations and maintenance appropriations with the state special revenue accommodations tax fund, rather than the newly created Montana Heritage Center Account. A fund switch (DP 5) is proposed in several programs to correct this issue</li> </ul>

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Montana Historical Society 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>3,859,910</b>	<b>3,420,963</b>	<b>1,024,101</b>	<b>9,351,501</b>	<b>98.1%</b>	<b>3,859,910</b>	<b>3,420,963</b>	<b>1,024,101</b>	<b>9,351,501</b>	<b>98.3%</b>
Statewide PL										
Personal Services	166,753	69,641	43,917	297,804	3.1%	172,851	71,803	45,753	308,150	3.2%
Fixed Costs	(189,124)	0	(54,246)	(264,464)	(2.8%)	(164,953)	0	(54,081)	(240,045)	(2.5%)
Inflation Deflation	0	0	(301)	(301)	(0.0%)	0	0	(203)	(203)	(0.0%)
<b>Total Statewide PL</b>	<b>(22,371)</b>	<b>69,641</b>	<b>(10,630)</b>	<b>33,039</b>	<b>0.3%</b>	<b>7,898</b>	<b>71,803</b>	<b>(8,531)</b>	<b>67,902</b>	<b>0.7%</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(1,312,878)	1,459,174	0	146,296	1.5%	(1,364,567)	1,458,064	0	93,497	1.0%
<b>Total HB 2 Adjustments</b>	<b>(1,335,249)</b>	<b>1,528,815</b>	<b>(10,630)</b>	<b>179,335</b>	<b>1.9%</b>	<b>(1,356,669)</b>	<b>1,529,867</b>	<b>(8,531)</b>	<b>161,399</b>	<b>1.7%</b>
<b>Total Requested Budget</b>	<b>2,524,661</b>	<b>4,949,778</b>	<b>1,013,471</b>	<b>9,530,836</b>		<b>2,503,241</b>	<b>4,950,830</b>	<b>1,015,570</b>	<b>9,512,900</b>	

The executive requests an increase of \$179,000 in FY 2026 and \$161,000 in FY 2027 over the FY 2025 base appropriations. Statewide present law personal services appropriation adjustments account for the majority of the requested increases and are proposed to increase by approximately \$606,000 throughout the 2027 biennium. These proposed increases are offset by statewide present law fixed cost adjustments which would decrease operation expense appropriations by approximately \$505,000 throughout the 2027 biennium.

A new proposal for a fund switch would replace approximately \$2.8 million of general fund appropriations with state special revenue account appropriations from the Montana Heritage Center state special revenue account. This is discussed in further detail in the funding section below.

The executive request includes proposals that would re-authorize appropriations for the state special revenue MTHS membership fund and the state special revenue original governor’s mansion fund, as well as a reduction in appropriations for the Lewis & Clark license plate fund. These are discussed in more detail at the program level.

The executive requests 1.00 PB for the 2027 biennium, contingent on the passage of funding for customer service database software in HB 10. This is discussed in further detail in the Administration Program section below.

The executive requests several funding switches between the accommodations tax state special revenue account and the newly created Montana Heritage Center state special revenue account. These would correct the original funding request from the agency and are discussed in more detail at the program level.

*Statewide Present Law Adjustment for Personal Services*

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP1) has been broken down into three categories, as follows:

- Legislative changes - This category includes adjustments explicitly approved by the legislature, such as, changes to benefit rates, longevity adjustments required by statute, and changes in rates for workers' compensation and unemployment insurance
- Management changes - This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications - This category includes other modifications to the FY 2025 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or movement of personal services funding to or from another expenditure category (e.g. moving funding from operating expenses to personal services)

The figure below shows the analysis of the executive budget for personal services for each program.

MT Historical Society				
FY 2026 Statewide Present Law Adjustment for Personal Services (DP1)				
Program	Legislative Changes	Management Decisions	Budget Modifications	Total DP 1
01 Administration Program	\$ 503	\$ 45,577	\$ -	\$ 46,080
02 Library & Archives Program	24,910	55,560	-	80,470
03 Museum Program	(4,450)	28,623	-	24,173
04 Publications Program	13,714	25,412	-	39,126
05 Outreach & Education Program	22,983	41,055	-	64,038
06 State Historic Preservation Office Program	17,583	26,334	-	43,917
<b>Total</b>	<b>\$ 75,243</b>	<b>\$ 222,561</b>	<b>\$ -</b>	<b>\$ 297,804</b>

Personal services account for \$6.0 million, or 64.4% of the FY 2025 appropriation. The executive proposes a statewide present law increase of \$298,000 for FY 2026 and \$308,000 for FY 2027. These personal services adjustments are a result of several activities that occurred during the last session and during FY 2024 and FY 2025:

- The 2023 legislature approved funding for 24.46 additional PB in the 2025 biennium, with 12.64 added in FY 2024 and 11.82 more phased in for FY 2025. Pay changes and benefits expenses associated with these positions are accounted for in the personal services adjustment
- The Montana Historical Society negotiated with the Montana Federation of Public Employees union and agreed upon salary adjustments to ensure adequate pay and to maintain current employees. Various negotiated pay adjustments, reclassification pay adjustments, retention pay adjustments, and supervisory pay adjustments, resulted in personal services adjustments across programs. Some benefits expenditures are also associated with salaries and also increased as a result

The executive is also proposing 1.00 PB to increase staffing on the agency, contingent on the passage of legislation in HB 10. This is discussed below in the Administration program.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Montana Historical Society Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
<b>01100 General Fund</b>	<b>4,977,902</b>	<b>50,000</b>			<b>5,027,902</b>	<b>23.8%</b>
02853 Accommodation Tax	5,332,052				5,332,052	25.3%
02850 Montana Heritage Center Operat	4,565,098				4,565,098	21.6%
02123 Sites & Signs				1,798,099	1,798,099	8.5%
02041 MHS Membership				258,878	258,878	1.2%
02045 Original Governor's Mansion				5,772	5,772	0.0%
Other State Special Revenue	3,458			2,200	5,658	0.0%
<b>State Special Revenue Total</b>	<b>9,900,608</b>	<b>-</b>	<b>-</b>	<b>2,064,949</b>	<b>11,965,557</b>	<b>56.7%</b>
03021 Historic Sites Preservation	2,029,041				2,029,041	9.6%
<b>Federal Special Revenue Total</b>	<b>2,029,041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,029,041</b>	<b>9.6%</b>
06002 MHS Publications Enterprise	759,681				759,681	3.6%
06071 Merchandise - Historical Soc	669,460				669,460	3.2%
06013 SHPO ENTERPRISE FUND	449,130				449,130	2.1%
06073 Historical Society Management	77,356				77,356	0.4%
06022 MHS Education Enterprise Funds	53,960				53,960	0.3%
Other Proprietary Fund	76,598				76,598	0.4%
<b>Proprietary Fund Total</b>	<b>2,086,185</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,086,185</b>	<b>9.9%</b>
<b>Total of All Funds</b>	<b>18,993,736</b>	<b>50,000</b>	<b>-</b>	<b>2,064,949</b>	<b>21,108,685</b>	
<b>Percent of All Sources of Authority</b>	<b>90.0%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>9.8%</b>		

HB 2 Appropriations

General Fund

Approximately \$4.9 million, or 26.2%, of HB 2 ongoing appropriations proposed by the executive for the FY 2027 biennium are funded with state general fund. General fund appropriations are distributed to each program except the State Historic Preservation Office Program.

State Special Revenue Funds

The Montana Historical Society receives revenues from the lodging facility use tax (15-65-121, MCA). After the general fund receives its portion of the lodging facility use tax, 2.6% is distributed the MTHS for historical interpretation, 1.0% is distributed to the agency for the roadside signage program, and 2.7% or \$1.0 million, whichever is less, is deposited in the heritage preservation and development account that must be used to pay costs associated with historical interpretation and the Robert Scriver collection.

Before December 31, 2024, a 20.0% portion of the revenue collected on the sale or use of accommodations and campgrounds was deposited into an account for the construction of the Montana Heritage Center. This account no longer receives deposits. Beginning in January 2025 the distribution of accommodations taxes changed, and the Montana Heritage Center Operations Account now receives a 6.0% portion of the revenue collected on the sale or use of accommodations and campgrounds (15-68-102, MCA). This money may only be used for expenses incurred in the operation and maintenance of the Montana Heritage Center.

**LFD  
ISSUE**

The executive is proposing to utilize funds from the 02853 Accommodation Tax state special revenue account across several programs in FY 2024 and FY 2025. The table below shows the projected fund balances in FY 2026 and FY 2027 using the HJ 2 revenue estimates as adopted by the Revenue Interim Committee and expenditures as proposed by the executive.

Montana Historical Society Historical Interpretation Account 2027 Biennium Projections				
	Actual FY 2024	Appropriated FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$ 2,626,685	\$ 2,626,685	\$ 1,621,248	\$ 594,604
Revenue	1,632,753	1,589,867	1,638,301	1,706,681
Expenditures	(1,252,875)	(2,595,304)	(2,664,945)	(2,667,107)
Ending Fund Balance	\$ 2,626,685	\$ 1,621,248	\$ 594,604	\$ (365,822)

The revenues projected in FY 2026 and FY 2027 for this account grow moderately based upon total accommodation tax collections across Montana. It is projected that there is sufficient fund balance and revenues in FY 2026 to support the proposed expenditures from the historical interpretation account. In FY 2027, it is estimated that the fund will be negative by approximately \$366,000. Options include:

- Reduce the 02853 Accommodations Tax account appropriation in FY 2026 or FY 2027 and increase general fund appropriations to cover proposed expenditures
- Reduce the 02853 Accommodations Tax account appropriation in FY 2026 or FY 2027 and increase 02850 Heritage Center Operations & Maintenance account appropriations for permissible expenditures
- Adopt the appropriations as requested by the executive

In FY 2025 the Heritage Center Operations and Maintenance account will begin receiving disbursements of accommodations taxes. Through several decision packages discussed at the individual program level, the executive is proposing to fund the Montana Heritage Center operations and maintenance, which may include the Veterans' and Pioneer Memorial Building. The table below shows the projected fund balances in FY 2026 and FY 2027 using the HJ 2 revenue estimates as adopted by the Revenue Interim Committee and expenditures as proposed by the executive.

Montana Historical Society Heritage Center Operations & Maintenance Account 2027 Biennium Projections				
	Actual FY 2024	Appropriated* FY 2025	Proposed FY 2026	Proposed FY 2027
Beginning Fund Balance	\$ -	\$ -	\$ 745,546	\$ 2,311,062
Revenue	-	1,569,476	3,848,620	4,006,418
Expenditures	-	(823,930)	(2,283,104)	(2,281,994)
Ending Fund Balance	\$ -	\$ 745,546	\$ 2,311,062	\$ 4,035,487
*Appropriations for this account begin on Jan 1 2025. The FY 2025 appropriation only appropriates funds for part of the fiscal year.				

The Montana Historical Society receives a receives a small amount of state special revenue from the sale of Lewis and Clark medallions and bronze replicas of the “We Proceeded On” bronze relief located in the Senate chamber. This state special revenue funding is used for the care and maintenance of the original bronze relief.

Federal Special Revenue Funds

The Montana Historical Society receives federal special revenue appropriations in HB 2 for historic sites and preservation. The majority of these revenues fund the state historic preservation office program, but a portion is also distributed to the administration program.

Proprietary Funds

The Montana Historical Society has several HB 2 proprietary funds. Proprietary revenues are fees for goods and services to external customers and support the costs of providing those goods and services. Proprietary fund revenues include magazine subscriptions, the sale of books published by the Historical Society, merchandise sales, and photography sales.

*Statutory Appropriations*

The Montana Historical Society has several state special revenue funds that are statutorily appropriated. These include:

- Sites and signs state special revenue fund
- Lewis and Clark license plates state special revenue fund

The statutory appropriations will be discussed in further detail at the program level.



**Agency Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	78.84	78.84	79.84	79.84
Personal Services	4,253,142	5,100,622	6,018,272	6,139,413	6,149,760
Operating Expenses	2,172,815	2,585,568	3,070,844	2,971,503	2,993,220
Equipment & Intangible Assets	115,348	144,886	94,886	94,886	94,886
Grants	86,978	87,120	87,120	87,120	87,120
Transfers	10,000	10,000	0	0	0
Debt Service	312,608	326,022	187,914	237,914	187,914
<b>Total Expenditures</b>	<b>\$6,950,891</b>	<b>\$8,254,218</b>	<b>\$9,459,036</b>	<b>\$9,530,836</b>	<b>\$9,512,900</b>
General Fund	4,014,120	4,440,172	3,967,445	2,524,661	2,503,241
State/Other Special Rev. Funds	1,299,373	1,914,642	3,420,963	4,949,778	4,950,830
Federal Spec. Rev. Funds	879,414	982,345	1,024,101	1,013,471	1,015,570
Proprietary Funds	757,984	917,059	1,046,527	1,042,926	1,043,259
<b>Total Funds</b>	<b>\$6,950,891</b>	<b>\$8,254,218</b>	<b>\$9,459,036</b>	<b>\$9,530,836</b>	<b>\$9,512,900</b>
<b>Total Ongoing</b>	<b>\$6,758,076</b>	<b>\$8,046,395</b>	<b>\$9,351,501</b>	<b>\$9,480,836</b>	<b>\$9,512,900</b>
<b>Total OTO</b>	<b>\$192,815</b>	<b>\$207,823</b>	<b>\$107,535</b>	<b>\$50,000</b>	<b>\$0</b>

*Agency Description*

The Montana Historical Society (MTHS) is an agency of state government that exists for the use, learning, culture and enjoyment of the citizens of, and visitors to, the State of Montana. MTHS acquires, preserves and protects historical records, art, archives, museum objects, historical places, sites and monuments. MTHS maintains a library and historical museum, provides educational programs and services for teachers and the general public and publishes the state historical magazine and books. MTHS administers the preservation and antiquities acts, supports commissions with state historical orientation and provides technical assistance to all Montana museums, historical societies, preservation programs and owners of historic resources.

Please refer to the agency profile at <https://www.legmt.gov/lfd/committees/section-e/montana-historical-society/> for additional information about the agency’s organization structure, historical expenditures, goals and objectives, and recent studies and audits.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

Significant Differences

The HB 2 budget of approximately \$8.3 Million was 83.7% expended as of the end of FY 2024.

The Administration Program had approximately \$2.7 million in HB 2 appropriations in FY 2024 which were 75.3% expended as of the end of FY 2024. Personal Services appropriations comprised 68.7% of the program’s HB 2 appropriations and were 72.5% utilized. Fewer PB were filled than were budgeted for during much of FY 2024. 15.00 of the 24.46 additional PB authorized for the 2025 Biennium were in the Administration Program. Many newly authorized PB were not filled until later in FY 2024, and there was some turnover within the agency.

Appropriations from the accommodation tax state special revenue account of approximately \$1.9 million were 66.8% expended. Of the approximately \$614,000 remaining appropriations from the accommodation tax distribution, approximately \$548,000 of unexpended authority was designated for personal services.

Minor Differences

Approximately \$190,000 of appropriations from the sites and signs special revenue account granted to the Museum Program was transferred to the State Historic Preservation Office (SHPO) as jurisdiction was determined for SHPO for some projects to meet the criteria for installation or maintenance of roadside historical signs and historic sites.

Approximately \$78,000, or 41.3% of the \$190,000 of transferred authority was expended at the end of the fiscal year.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

The overall FY 2025 appropriation is approximately \$1.1 million, or 13.4% higher than the FY 2024 appropriation. General fund appropriations are budgeted at approximately \$533,000 less in FY 2025 than in FY 2024. This is offset by an increase in appropriations of approximately \$1.6 million of state special revenues from accommodations taxes. Beginning on January 1, 2025, the distribution of accommodations tax revenues changed, and a portion of the accommodation tax revenues are distributed into a fund for the operations and maintenance of the Montana Heritage Center.

*Comparison of FY 2025 Legislative Budget to FY 2025 Base*

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Montana Historical Society				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
	Legislative Budget	Executive Modifications	Base Budget	% Change
<b>Administration Program</b>				
Personal Services	\$ 2,267,361	\$ 67,863	\$ 2,335,224	3.0%
Operating Expenses	907,376	-	907,376	0.0%
Total	3,174,737	67,863	3,242,600	2.1%
<b>Library &amp; Archives Program</b>				
Personal Services	1,254,096	-	1,254,096	0.0%
Operating Expenses	659,715	1,124	660,839	0.2%
Equipment & Intangible Assets	89,215	(1,124)	88,091	-1.3%
Total	2,003,026	-	2,003,026	0.0%
<b>Museum Program</b>				
Personal Services	928,682	-	928,682	0.0%
Operating Expenses	478,996	-	478,996	0.0%
Equipment & Intangible Assets	6,795	-	6,795	0.0%
Debt Service	187,914	-	187,914	0.0%
Total	1,602,387	-	1,602,387	0.0%
<b>Publications Program</b>				
Personal Services	390,227	-	390,227	0.0%
Operating Expenses	276,746	-	276,746	0.0%
Total	666,973	-	666,973	0.0%
<b>Outreach &amp; Education Program</b>				
Personal Services	464,358	-	464,358	0.0%
Operating Expenses	265,303	-	265,303	0.0%
Total	729,661	-	729,661	0.0%
<b>State Historic Preservation Office</b>				
Personal Services	713,548	(67,863)	645,685	-9.5%
Operating Expenses	374,049	-	374,049	0.0%
Grants	87,120	-	87,120	0.0%
Total	1,174,717	(67,863)	1,106,854	-5.8%
<b>Agency Total</b>	<b>\$ 9,351,501</b>	<b>\$ -</b>	<b>\$ 9,351,501</b>	<b>0.0%</b>

The Montana Historical Society had two budget modifications to the FY 2025 base budget. One of these was a program transfer that moved 1.00 PB from the State Historic Preservation Office Program to the Administration program. This position's duties were determined to fit better within the Administration program after restructuring within the agency. The other change moved approximately \$1,000 from the equipment and intangible assets account to the operating expenses account within the Library & Archives program. The dollar amounts in that account had been determined as not sufficient to capitalize equipment, as per governmental accounting standards. These adjustments affected several programs but had a net-zero overall impact across the agency.

**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	30.68	31.68	31.68	1.00	1.6%
General Fund	1,574,637	312,616	284,094	(2,552,564)	(81.1%)
State/Other Special Rev. Funds	1,154,651	2,556,939	2,556,842	2,804,479	121.4%
Federal Spec. Rev. Funds	141,812	141,812	141,812		0.0%
Proprietary Funds	371,500	373,343	373,473	3,816	0.5%
<b>Total Funds</b>	<b>3,242,600</b>	<b>3,384,710</b>	<b>3,356,221</b>	<b>255,731</b>	<b>3.9%</b>
Personal Services	2,335,224	2,204,641	2,207,876	(257,931)	(5.5%)
Operating Expenses	907,376	1,130,069	1,148,345	463,662	25.5%
Debt Service		50,000		50,000	0.0%
<b>Total Expenditures</b>	<b>3,242,600</b>	<b>3,384,710</b>	<b>3,356,221</b>	<b>255,731</b>	<b>3.9%</b>
<b>Total Ongoing</b>	<b>3,242,600</b>	<b>3,334,710</b>	<b>3,356,221</b>	<b>205,731</b>	<b>3.2%</b>
<b>Total One-Time-Only</b>	<b>107,535</b>	<b>50,000</b>		<b>(165,070)</b>	<b>(76.8%)</b>

**Program Highlights**

<b>Administration Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The administration program’s 2027 biennial budget request includes \$206,000 more ongoing appropriations than the base budget</li> <li>• As of Jan 1, 2025, the administration program receives funding from the 4% sales tax on accommodations and campgrounds for the operations and maintenance of the Montana Heritage center. With this funding, the executive requests a fund switch from general fund appropriations to state special revenue appropriations                         <ul style="list-style-type: none"> <li>◦ The request includes a decrease in general fund appropriations of approximately \$1.3 million in FY 2026 and in FY 2027</li> <li>◦ The request includes an increase in state special revenue appropriations of approximately \$1.3 million in FY 2026 and in FY 2027</li> </ul> </li> <li>• The administration program request includes an increase of 1.00 PB and approximately \$96,000 in FY 2026 and \$93,000 of funding in FY 2027 to employ a database administrator, contingent on the passage and approval of customer service management software in HB 10</li> <li>• The request includes restricted one-time-only general fund in FY 2026 to extend the lease of facilities while renovations continue at the Heritage Center and Veteran's Building</li> </ul>
<b>Legislative Action Items</b>
<ul style="list-style-type: none"> <li>• The executive base budget incorrectly funds some operations and maintenance appropriations with the state special revenue accommodations tax fund, rather than the newly created Montana Heritage Center Operations &amp; Maintenance Account. A fund switch (DP 5) is proposed to correct this issue</li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Administration Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>1,574,637</b>	<b>1,154,651</b>	<b>141,812</b>	<b>3,242,600</b>	<b>95.8%</b>	<b>1,574,637</b>	<b>1,154,651</b>	<b>141,812</b>	<b>3,242,600</b>	<b>96.6%</b>
Statewide PL										
Personal Services	21,868	22,369	0	46,080	1.4%	23,921	23,420	0	49,314	1.5%
Fixed Costs	(50,266)	0	0	(50,266)	(1.5%)	(29,190)	0	0	(29,190)	(0.9%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total Statewide PL</b>	<b>(28,398)</b>	<b>22,369</b>	<b>0</b>	<b>(4,186)</b>	<b>(0.1%)</b>	<b>(5,269)</b>	<b>23,420</b>	<b>0</b>	<b>20,124</b>	<b>0.6%</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(1,233,623)	1,379,919	0	146,296	4.3%	(1,285,274)	1,378,771	0	93,497	2.8%
<b>Total HB 2 Adjustments</b>	<b>(1,262,021)</b>	<b>1,402,288</b>	<b>0</b>	<b>142,110</b>	<b>4.2%</b>	<b>(1,290,543)</b>	<b>1,402,191</b>	<b>0</b>	<b>113,621</b>	<b>3.4%</b>
<b>Total Requested Budget</b>	<b>312,616</b>	<b>2,556,939</b>	<b>141,812</b>	<b>3,384,710</b>		<b>284,094</b>	<b>2,556,842</b>	<b>141,812</b>	<b>3,356,221</b>	

The Administration Program requests an increase of approximately \$142,000 in FY 2026 and \$114,000 in FY 2027 over the FY 2025 base appropriations.

Proposed changes include:

- A fund shift of approximately \$1.3 million each fiscal year from general fund to the Montana heritage center state special revenue fund
- Approximately \$15,000 in FY 2026 and \$39,000 in FY 2027 of statewide present law adjustments for personal services and fixed costs
- \$50,000 of one-time-only appropriations in FY 2026 to extend the lease of facilities while renovations at the Heritage Center and Veteran's Building continue
- An additional 1.00 PB to be funded with \$199,000 of state special revenue fund

**LFD COMMENT** The executive has separately proposed the re-authorization of the Montana historical society membership state special revenue fund. This fund is set to statutorily terminate as of FY 2026. The executive proposes re-authorizing the program at similar funding of \$129,000 of special revenue funds for both FY 2026 and FY 2027. These funds are not appropriated in HB 2.

Funding

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 01-Administration Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	546,710	50,000	0	0	596,710	8.5%
02041 MHS Membership	0	0	0	258,878	258,878	4.8%
02188 Senate Art	3,458	0	0	0	3,458	0.1%
02850 Montana Heritage Center Operat	3,299,008	0	0	0	3,299,008	61.4%
02853 Accommodation Tax	1,811,315	0	0	0	1,811,315	33.7%
<b>State Special Total</b>	<b>\$5,113,781</b>	<b>\$0</b>	<b>\$0</b>	<b>\$258,878</b>	<b>\$5,372,659</b>	<b>76.8%</b>
03021 Historic Sites Preservation	283,624	0	0	0	283,624	100.0%
<b>Federal Special Total</b>	<b>\$283,624</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$283,624</b>	<b>4.1%</b>
06071 Merchandise - Historical Soc	669,460	0	0	0	669,460	89.6%
06073 Historical Society Management	77,356	0	0	0	77,356	10.4%
<b>Proprietary Total</b>	<b>\$746,816</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$746,816</b>	<b>10.7%</b>
<b>Total All Funds</b>	<b>\$6,690,931</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$258,878</b>	<b>\$6,999,809</b>	

HB 2 Appropriations

The Administration Program is primarily funded in HB 2 with general fund. The program receives additional funding from the Lodging Facilities Use tax for historical interpretation and the Scriver collection. As of January 1, 2025, the program receives funding from the 4.0% sales tax on accommodations and campgrounds for the operations and maintenance of the Montana Heritage Center. The program receives a small amount of state special revenue from the sale of Lewis and Clark medallions and bronze replicas of the “We Proceeded On” bronze relief located in the Senate chamber. This state special revenue funding is used for the care and maintenance of the original bronze relief.

The program also receives proprietary funds from museum entrance fees, lobby rentals, and merchandise sales.

<b>LFD COMMENT</b>	In previous fiscal years, the Administration Program had one statutorily appropriated state special revenue fund. The Montana Historical Society membership fund received revenue from the purchase of memberships to the MTHS. The funding was used for the improvement, development, and operation of the MTHS. As of June 30, 2025, this account is set to terminate, and appropriations are set to cease. The executive has requested a separate decision package to re-authorize the account at similar funding levels. These funds are not appropriated in HB 2.
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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	30.68	30.68	31.68	31.68
Personal Services	1,332,301	1,836,561	2,335,224	2,204,641	2,207,876
Operating Expenses	533,300	689,480	1,014,911	1,130,069	1,148,345
Transfers	10,000	10,000	0	0	0
Debt Service	138,108	138,108	0	50,000	0
<b>Total Expenditures</b>	<b>\$2,013,709</b>	<b>\$2,674,149</b>	<b>\$3,350,135</b>	<b>\$3,384,710</b>	<b>\$3,356,221</b>
General Fund	1,506,727	1,745,908	1,682,172	312,616	284,094
State/Other Special Rev. Funds	171,384	498,509	1,154,651	2,556,939	2,556,842
Federal Spec. Rev. Funds	109,817	131,026	141,812	141,812	141,812
Proprietary Funds	225,781	298,706	371,500	373,343	373,473
<b>Total Funds</b>	<b>\$2,013,709</b>	<b>\$2,674,149</b>	<b>\$3,350,135</b>	<b>\$3,384,710</b>	<b>\$3,356,221</b>
<b>Total Ongoing</b>	<b>\$1,878,886</b>	<b>\$2,539,326</b>	<b>\$3,242,600</b>	<b>\$3,334,710</b>	<b>\$3,356,221</b>
<b>Total OTO</b>	<b>\$134,823</b>	<b>\$134,823</b>	<b>\$107,535</b>	<b>\$50,000</b>	<b>\$0</b>

*Program Description*

The Administration Program provides supervision, administration, and coordination of the six programs in the Montana Historical Society. Program staff are responsible for the management, planning, direction, and leadership of the society. Activities include public information, payroll/personnel, fund raising, financial reporting, business management, security, building management, information technology, community outreach, and the society store.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The Administration Program was budgeted at approximately \$2.7 million of appropriations for FY 2024 and expended approximately \$2.0 million. The largest difference in appropriations and expenditures was in personal services, which was budgeted at approximately \$1.8 million and expended approximately \$1.5 million. Much of this was because many of the new positions that had been approved for in FY 2024 were not directed to be filled until partway through the fiscal year. There were also some internal turnovers and hiring setbacks midway through FY 2024.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

The Administration Program is budgeted at approximately \$3.4 million for FY 2025, or approximately \$676,000 more than FY 2024. Most of this increase is funded through state special revenue funds. The Montana Heritage Center operations state special revenue account appropriated approximately \$270,000 for Heritage Center operations which are currently budgeted for personal services. The accommodation tax account provides approximately \$386,000 more appropriations in FY 2025, most of which are budgeted for personal services to support 7.00 additional PB in FY 2025.



**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	21,868	22,369	0	46,080	0.00	23,921	23,420	0	49,314
DP 2 - Fixed Costs	0.00	(50,266)	0	0	(50,266)	0.00	(29,190)	0	0	(29,190)
DP 5 - Standard Budget Adjustment	0.00	0	0	0	0	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$28,398)</b>	<b>\$22,369</b>	<b>\$0</b>	<b>(\$4,186)</b>	<b>0.00</b>	<b>(\$5,269)</b>	<b>\$23,420</b>	<b>\$0</b>	<b>\$20,124</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Administration Program Montana Historical Society FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$ 503
Management Changes	45,577
Total Budget Modifications	-
<b>Total</b>	<b>\$ 46,080</b>

Legislative changes in this program account for reduced appropriations for longevity and increased appropriations for benefits. Upwards adjustments captured as management changes are a result of pay adjustments and salary adjustments for newly approved positions in the FY 2025 biennium.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 5 - Standard Budget Adjustment -

The executive requests a zero-impact package that moves \$270,159 personal services authority from the state special revenue accommodations tax fund (02853) to the state special revenue Montana Heritage Center Operations account (02850) in 22-3-1304, MCA, to be used only for expenses incurred in the operation and maintenance of the Montana Heritage Center, which may include the Veterans' and Pioneer Memorial Building. This funding was miscoded in the agency standard budget which developed the starting point for the 2027 budget.

**New Proposals**

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 11 - Fund Switch to O&M Accom Tax	0.00	(1,283,623)	1,283,623	0	0	0.00	(1,285,274)	1,285,274	0	0
DP 12 - Temporary Relocation Rent (RST/OTO)	0.00	50,000	0	0	50,000	0.00	0	0	0	0
DP 5170101 - Museum CSM Database Manager	1.00	0	96,296	0	96,296	1.00	0	93,497	0	93,497
<b>Total</b>	<b>1.00</b>	<b>(\$1,233,623)</b>	<b>\$1,379,919</b>	<b>\$0</b>	<b>\$146,296</b>	<b>1.00</b>	<b>(\$1,285,274)</b>	<b>\$1,378,771</b>	<b>\$0</b>	<b>\$93,497</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11 - Fund Switch to O&M Accom Tax -

15-68-820, MCA, directs 6.0% of the accommodation sales and use tax to MTHS for operation and maintenance of the Montana Heritage Center beginning January 1, 2025. This request switches personal services appropriations and operating expense appropriations in the administration program from general fund to the state special revenue Montana Heritage Center operations fund.

DP 12 - Temporary Relocation Rent (RST/OTO) -

This request is for restricted one-time-only general fund of \$50,000 in FY 2026 to extend the lease of facilities while renovations continue at the Heritage Center and Veteran's Building.

DP 5170101 - Museum CSM Database Manager -

Contingent on passage and approval of related customer service management (CSM) software in HB 10, MTHS requests 1.00 PB for a database administrator to manage the CSM. This includes one-time-only funding in FY 2027 of \$2,800 for the new employee office package. This would be funded by state special revenue Montana heritage operations accommodations tax.

**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	16.50	16.50	16.50	0.00	0.0%	
General Fund	1,205,140	1,203,070	1,207,189	(21)	(0.0%)	
State/Other Special Rev. Funds	762,666	776,346	776,953	27,967	1.8%	
Proprietary Funds	35,220	35,220	35,220		0.0%	
<b>Total Funds</b>	<b>2,003,026</b>	<b>2,014,636</b>	<b>2,019,362</b>	<b>27,946</b>	<b>0.7%</b>	
Personal Services	1,254,096	1,334,566	1,338,136	164,510	6.6%	
Operating Expenses	660,839	591,979	593,135	(136,564)	(10.3%)	
Equipment & Intangible Assets	88,091	88,091	88,091		0.0%	
<b>Total Expenditures</b>	<b>2,003,026</b>	<b>2,014,636</b>	<b>2,019,362</b>	<b>27,946</b>	<b>0.7%</b>	
<b>Total Ongoing</b>	<b>2,003,026</b>	<b>2,014,636</b>	<b>2,019,362</b>	<b>27,946</b>	<b>0.7%</b>	
<b>Total One-Time-Only</b>					<b>0.0%</b>	

**Program Highlights**

<p><b>Library &amp; Archives Program Major Budget Highlights</b></p>
<ul style="list-style-type: none"> <li>• The executive requests approximately \$28,000 additional funding in the FY 2027 biennium over the FY 2025 base budget</li> <li>• Increased expenditures in each fiscal year are due to statewide present law adjustments totaling approximately \$12,000 in FY 2026 and \$16,000 in FY 2027                         <ul style="list-style-type: none"> <li>◦ The statewide personal services adjustment increases appropriations by \$80,000 in FY 2026 and by \$84,000 in FY 2027</li> <li>◦ The statewide fixed costs adjustment decreases appropriations by \$69,000 in FY 2026 and by \$68,000 in FY 2027</li> </ul> </li> </ul>
<p><b>Legislative Action Items</b></p>
<ul style="list-style-type: none"> <li>• The executive base budget incorrectly funds some operations and maintenance appropriations with the state special revenue accommodations tax fund, rather than the newly created Montana Heritage Center Operations &amp; Maintenance Account. A fund switch (DP 5) is proposed to correct this issue.</li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Library and Archives Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>1,205,140</b>	<b>762,666</b>	<b>0</b>	<b>2,003,026</b>	<b>99.4%</b>	<b>1,205,140</b>	<b>762,666</b>	<b>0</b>	<b>2,003,026</b>	<b>99.2%</b>
Statewide PL										
Personal Services	66,790	13,680	0	80,470	4.0%	69,753	14,287	0	84,040	4.2%
Fixed Costs	(68,860)	0	0	(68,860)	(3.4%)	(67,704)	0	0	(67,704)	(3.4%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total Statewide PL</b>	<b>(2,070)</b>	<b>13,680</b>	<b>0</b>	<b>11,610</b>	<b>0.6%</b>	<b>2,049</b>	<b>14,287</b>	<b>0</b>	<b>16,336</b>	<b>0.8%</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>(2,070)</b>	<b>13,680</b>	<b>0</b>	<b>11,610</b>	<b>0.6%</b>	<b>2,049</b>	<b>14,287</b>	<b>0</b>	<b>16,336</b>	<b>0.8%</b>
<b>Total Requested Budget</b>	<b>1,203,070</b>	<b>776,346</b>	<b>0</b>	<b>2,014,636</b>		<b>1,207,189</b>	<b>776,953</b>	<b>0</b>	<b>2,019,362</b>	

The Library & Archives program requests appropriations that are \$12,000 higher in FY 2026 and \$16,000 in FY 2027 than the FY 2025 base budget. This is due to increased personal services adjustments of \$80,000 in FY 2026 and \$84,000 in FY 2027 and fixed cost reductions of \$69,000 in FY 2026 and \$68,000 in FY 2027. Statewide present law adjustments are discussed further below.

**Funding**

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 02-Library and Archives Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	2,410,259	0	0	0	2,410,259	59.7%	
02850 Montana Heritage Center Operat	605,584	0	0	0	605,584	39.0%	
02853 Accommodation Tax	947,715	0	0	0	947,715	61.0%	
<b>State Special Total</b>	<b>\$1,553,299</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,553,299</b>	<b>38.5%</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
06072 MHS Photo Archives Enterprise	33,628	0	0	0	33,628	47.7%	
06076 MHS Library Enterprise Funds	36,812	0	0	0	36,812	52.3%	
<b>Proprietary Total</b>	<b>\$70,440</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$70,440</b>	<b>1.7%</b>	
<b>Total All Funds</b>	<b>\$4,033,998</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,033,998</b>		

*HB 2 Appropriations*

The Research Center is primarily funded with general fund. The program also receives state special revenue from the lodging facility use tax for historical interpretation and the Robert Scriver collection, the lodging sales tax for the operations and maintenance of the Montana Heritage Center, and funding from two proprietary funds that receive revenue from the sale of historical photo reproductions and images and research requests.

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	16.50	16.50	16.50	16.50
Personal Services	883,967	1,026,975	1,254,096	1,334,566	1,338,136
Operating Expenses	491,110	572,760	660,839	591,979	593,135
Equipment & Intangible Assets	109,500	138,091	88,091	88,091	88,091
<b>Total Expenditures</b>	<b>\$1,484,577</b>	<b>\$1,737,826</b>	<b>\$2,003,026</b>	<b>\$2,014,636</b>	<b>\$2,019,362</b>
General Fund	1,183,008	1,312,328	1,205,140	1,203,070	1,207,189
State/Other Special Rev. Funds	274,047	390,273	762,666	776,346	776,953
Proprietary Funds	27,522	35,225	35,220	35,220	35,220
<b>Total Funds</b>	<b>\$1,484,577</b>	<b>\$1,737,826</b>	<b>\$2,003,026</b>	<b>\$2,014,636</b>	<b>\$2,019,362</b>
<b>Total Ongoing</b>	<b>\$1,436,577</b>	<b>\$1,689,826</b>	<b>\$2,003,026</b>	<b>\$2,014,636</b>	<b>\$2,019,362</b>
<b>Total OTO</b>	<b>\$48,000</b>	<b>\$48,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Program Description*

The Library & Archives Program consists of the library, archives, and photograph archives functions. This program acquires, organizes, preserves, makes accessible to the public, and assists researchers with published materials, historic records and manuscripts, photographs and related media, digitized materials available online, and oral histories illustrative of the history of Montana and the surrounding region. By statute, this program houses the official archives of state government.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The Library & Archives program expended approximately \$1.5 million of its \$1.7 million FY 2024 appropriation. Most of the unspent authority was budgeted for personal services and was not expended due to delayed hiring of some new positions that were approved for FY 2024 and internal turnover within the agency.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

Overall, the FY 2025 appropriation is approximately \$265,000 higher than the FY 2024 appropriation. The primary difference is in personal services and was due to additional 2.00 PB which were appropriated for FY 2025.

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	66,790	13,680	0	80,470	0.00	69,753	14,287	0	84,040
DP 2 - Fixed Costs	0.00	(68,860)	0	0	(68,860)	0.00	(67,704)	0	0	(67,704)
DP 5 - Standard Budget Adjustment	0.00	0	0	0	0	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$2,070)</b>	<b>\$13,680</b>	<b>\$0</b>	<b>\$11,610</b>	<b>0.00</b>	<b>\$2,049</b>	<b>\$14,287</b>	<b>\$0</b>	<b>\$16,336</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Library & Archives Montana Historical Society FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$ 24,910
Management Changes	55,560
Total Budget Modifications	-
Total	\$ 80,470

Legislative changes in this program account for reduced appropriations for longevity and increased appropriations for benefits. Upwards adjustments captured as management changes are a result of negotiated pay adjustments, retention adjustments and salary adjustments for newly approved positions as of the 2025 biennium.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 5 - Standard Budget Adjustment -

The executive requests a zero-impact impact package that moves \$302,792 operating expense authority from the state special revenue accommodations tax fund (02853) to the state special revenue Montana Heritage Center Operations account (02850) in 22-3-1304, MCA, to be used only for expenses incurred in the operation and maintenance of the Montana Heritage Center, which may include the Veterans' and Pioneer Memorial Building. This funding was miscoded in the agency standard budget which developed the starting point for the 2027 budget.

**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	11.75	11.75	11.75	0.00	0.0%	
General Fund	457,179	364,575	366,869	(182,914)	(20.0%)	
State/Other Special Rev. Funds	1,142,129	1,229,361	1,229,674	174,777	7.7%	
Proprietary Funds	3,079	3,079	3,079		0.0%	
<b>Total Funds</b>	<b>1,602,387</b>	<b>1,597,015</b>	<b>1,599,622</b>	<b>(8,137)</b>	<b>(0.3%)</b>	
Personal Services	928,682	952,855	953,688	49,179	2.6%	
Operating Expenses	478,996	449,451	451,225	(57,316)	(6.0%)	
Equipment & Intangible Assets	6,795	6,795	6,795		0.0%	
Debt Service	187,914	187,914	187,914		0.0%	
<b>Total Expenditures</b>	<b>1,602,387</b>	<b>1,597,015</b>	<b>1,599,622</b>	<b>(8,137)</b>	<b>(0.3%)</b>	
<b>Total Ongoing</b>	<b>1,602,387</b>	<b>1,597,015</b>	<b>1,599,622</b>	<b>(8,137)</b>	<b>(0.3%)</b>	
<b>Total One-Time-Only</b>					<b>0.0%</b>	

**Program Highlights**

<b>Museum Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The executive request for the Museum Program reduces expenditures by approximately \$8,000 from the previous biennium</li> <li>• The request includes statewide present law personal services adjustments of \$49,000 over the FY 2027 biennium</li> <li>• The request includes statewide present law fixed cost reductions of \$57,000 over the FY 2027 biennium</li> <li>• The executive requests a fund switch that would                             <ul style="list-style-type: none"> <li>◦ Increase appropriations from the state special revenue Montana heritage center account by \$79,000 in both FY 2026 and FY 2027</li> <li>◦ Reduce general fund appropriations by \$79,000 in both FY 2026 and FY 2027</li> </ul> </li> </ul>
<b>Legislative Action Items</b>
<ul style="list-style-type: none"> <li>• The executive base budget incorrectly funds some operations and maintenance appropriations with the state special revenue accommodations tax fund, rather than the newly created Montana Heritage Center Operations &amp; Maintenance Account. A fund switch (DP 5) is proposed to correct this issue.</li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Museum Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>457,179</b>	<b>1,142,129</b>	<b>0</b>	<b>1,602,387</b>	<b>100.3%</b>	<b>457,179</b>	<b>1,142,129</b>	<b>0</b>	<b>1,602,387</b>	<b>100.2%</b>
Statewide PL										
Personal Services	16,196	7,977	0	24,173	1.5%	16,754	8,252	0	25,006	1.6%
Fixed Costs	(29,545)	0	0	(29,545)	(1.9%)	(27,771)	0	0	(27,771)	(1.7%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total Statewide PL</b>	<b>(13,349)</b>	<b>7,977</b>	<b>0</b>	<b>(5,372)</b>	<b>(0.3%)</b>	<b>(11,017)</b>	<b>8,252</b>	<b>0</b>	<b>(2,765)</b>	<b>(0.2%)</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(79,255)	79,255	0	0	0.0%	(79,293)	79,293	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>(92,604)</b>	<b>87,232</b>	<b>0</b>	<b>(5,372)</b>	<b>(0.3%)</b>	<b>(90,310)</b>	<b>87,545</b>	<b>0</b>	<b>(2,765)</b>	<b>(0.2%)</b>
<b>Total Requested Budget</b>	<b>364,575</b>	<b>1,229,361</b>	<b>0</b>	<b>1,597,015</b>		<b>366,869</b>	<b>1,229,674</b>	<b>0</b>	<b>1,599,622</b>	

The Museum program requests HB 2 appropriations that are approximately \$5,000 less in FY 2026 and \$3,000 less in FY 2027 than the FY 2025 base appropriation. Reductions are due to statewide present law fixed cost reductions of approximately \$30,000 in FY 2026 and \$28,000 in FY 2027. These reductions are offset by increased statewide present law personal service adjustments of \$24,000 in FY 2026 and \$25,000 in FY 2027.

The executive requests a fund switch of approximately \$79,000 in both FY 2026 and FY 2027. This proposal would reduce general fund appropriations to this program and increase state special revenue funds from the state special revenue Montana Heritage Center account by an equivalent amount.

**LFD COMMENT**      On January 1, 2025, per SB 338 (2019), the distribution of accommodation tax changed. Previously, 20.0% of the accommodation tax went to the long-range building program for construction of the Heritage Center. In 2025, the Historical Society receives a 6.0% distribution of total accommodation tax for the staffing, operations, and maintenance of the Heritage Center. For more information on the accommodation tax please see this [brochure](#).



**Funding**

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 03-Museum Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	731,444	0	0	0	731,444	16.7%	
02045 Original Governor's Mansion	0	0	0	5,772	5,772	0.2%	
02123 Sites & Signs	0	0	0	1,187,693	1,187,693	32.5%	
02850 Montana Heritage Center Operat	660,506	0	0	0	660,506	18.1%	
02853 Accommodation Tax	1,798,529	0	0	0	1,798,529	49.2%	
02986 Lewis & Clark License Plates	0	0	0	2,200	2,200	0.1%	
<b>State Special Total</b>	<b>\$2,459,035</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,195,665</b>	<b>\$3,654,700</b>	<b>83.2%</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
06077 MHS Museum Enterprise Funds	6,158	0	0	0	6,158	100.0%	
<b>Proprietary Total</b>	<b>\$6,158</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,158</b>	<b>0.1%</b>	
<b>Total All Funds</b>	<b>\$3,196,637</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,195,665</b>	<b>\$4,392,302</b>		

*HB 2 Appropriations*

The Museum Program is primarily funded in HB 2 with general fund and the accommodation tax state special revenue fund. This program receives some funding from Lodging Sales Tax disbursements. This program also has proprietary funding, which receives revenue from the sale of books, copies, and photographs, as well as the rental of traveling exhibits.

*Statutory Appropriations*

The Museum Program has two state special revenue funds that are statutorily appropriated. These include:

- The sites and signs account, which is established in 15-65-121(2)(a), MCA. This fund receives 1.0% of the lodging facility use tax for the installation or maintenance of roadside historical signs and historic sites
- The Lewis and Clark license plates account, which is established in 90-1-115, MCA. This fund receives 25.0% of the revenue from the sale of Lewis and Clark bicentennial license plates. Funding must be used to support projects related to Lewis and Clark

**LFD COMMENT** The executive has separately requested a reduction of approximately \$62,000 per year of appropriations for the Lewis & Clark license plate state special revenue account. These funds are not appropriated in HB 2.

**LFD COMMENT** The Original Governor’s Mansion fund has been a statutorily appropriated state special revenue fund in previous biennia. The account is set to terminate on June 30, 2025. Money was allocated into the account from tours of the mansion and was used for the improvement, development, and operation of the mansion. The executive has separately requested to re-establish the Original Governor’s Mansion fund in FY 2026 and FY 2027 and authorize appropriations of approximately \$3,000 of state special revenue in each fiscal year. These funds are not appropriated in HB 2.

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	11.75	11.75	11.75	11.75
Personal Services	604,902	691,688	928,682	952,855	953,688
Operating Expenses	540,086	575,525	478,996	449,451	451,225
Equipment & Intangible Assets	5,848	6,795	6,795	6,795	6,795
Debt Service	174,500	187,914	187,914	187,914	187,914
<b>Total Expenditures</b>	<b>\$1,325,336</b>	<b>\$1,461,922</b>	<b>\$1,602,387</b>	<b>\$1,597,015</b>	<b>\$1,599,622</b>
General Fund	675,048	725,083	457,179	364,575	366,869
State/Other Special Rev. Funds	647,917	733,760	1,142,129	1,229,361	1,229,674
Proprietary Funds	2,371	3,079	3,079	3,079	3,079
<b>Total Funds</b>	<b>\$1,325,336</b>	<b>\$1,461,922</b>	<b>\$1,602,387</b>	<b>\$1,597,015</b>	<b>\$1,599,622</b>
<b>Total Ongoing</b>	<b>\$1,315,344</b>	<b>\$1,436,922</b>	<b>\$1,602,387</b>	<b>\$1,597,015</b>	<b>\$1,599,622</b>
<b>Total OTO</b>	<b>\$9,992</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Program Description*

The Museum Program collects, preserves, and interprets the history of Montana through its material culture by collecting fine art and historical, archaeological, and ethnological artifacts from Montana and the general geographic region. The program interprets its collections through exhibits, tours, and traveling exhibits. The program also coordinates with the society's education program to orchestrate events, programs, and materials on Montana history for learners of all ages.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The Museum Program is funded in HB 2 with general fund, state special revenue, and proprietary funds. The HB 2 modified budget of \$1.5 million was 90.7% expended at the end of FY 2024.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

The FY 2025 appropriation was approximately \$140,000 greater than the FY 2024 appropriation. The majority of the increase was in personal services funding and was used to fund an additional 2.00 PB in FY 2025. In FY 2025 the Museum Program was appropriated approximately \$408,000 more state special revenue funds and general fund appropriations were reduced by approximately \$268,000.

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	16,196	7,977	0	24,173	0.00	16,754	8,252	0	25,006
DP 2 - Fixed Costs	0.00	(29,545)	0	0	(29,545)	0.00	(27,771)	0	0	(27,771)
DP 5 - Standard Budget Adjustment	0.00	0	0	0	0	0.00	0	0	0	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$13,349)</b>	<b>\$7,977</b>	<b>\$0</b>	<b>(\$5,372)</b>	<b>0.00</b>	<b>(\$11,017)</b>	<b>\$8,252</b>	<b>\$0</b>	<b>(\$2,765)</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Museum Program Montana Historical Society FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$ (4,450)
Management Changes	28,623
Total Budget Modifications	-
<b>Total</b>	<b>\$ 24,173</b>

Legislative changes in this program account for reduced appropriations for longevity and increased appropriations for benefits. Upwards adjustments captured as management changes are largely a result of negotiated pay adjustments and retention adjustments.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 5 - Standard Budget Adjustment -

The executive requests a zero-impact package that moves \$250,979 operating expense authority from the state special revenue accommodations tax fund (02853) to the state special revenue Montana Heritage Center Operations account (02850) in 22-3-1304, MCA, to be used only for expenses incurred in the operation and maintenance of the Montana Heritage Center, which may include the Veterans' and Pioneer Memorial Building. This funding was miscoded in the agency standard budget which developed the starting point for the 2027 budget.

**New Proposals**

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 11 - Fund Switch to O&M Accom Tax	0.00	(79,255)	79,255	0	0	0.00	(79,293)	79,293	0	0
<b>Total</b>	<b>0.00</b>	<b>(\$79,255)</b>	<b>\$79,255</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>(\$79,293)</b>	<b>\$79,293</b>	<b>\$0</b>	<b>\$0</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 11 - Fund Switch to O&M Accom Tax -

15-68-820, MCA, directs 6.0% of the accommodation sales and use tax to MTHS for operation and maintenance of the Montana Heritage Center beginning January 1, 2025. This request switches \$79,255 in FY 2026 and \$79,293 in FY 2027 for personal services in the museum program from general fund to the state special revenue Montana Heritage Center operations fund.

**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	5.00	5.00	5.00	0.00	0.0%	
General Fund	281,790	305,266	305,446	47,132	8.4%	
Proprietary Funds	385,183	379,739	379,942	(10,685)	(1.4%)	
<b>Total Funds</b>	<b>666,973</b>	<b>685,005</b>	<b>685,388</b>	<b>36,447</b>	<b>2.7%</b>	
Personal Services	390,227	429,353	429,653	78,552	10.1%	
Operating Expenses	276,746	255,652	255,735	(42,105)	(7.6%)	
<b>Total Expenditures</b>	<b>666,973</b>	<b>685,005</b>	<b>685,388</b>	<b>36,447</b>	<b>2.7%</b>	
<b>Total Ongoing</b>	<b>666,973</b>	<b>685,005</b>	<b>685,388</b>	<b>36,447</b>	<b>2.7%</b>	
<b>Total One-Time-Only</b>					<b>0.0%</b>	

**Program Highlights**

<b>Publications Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The executive's FY 2027 biennial request is approximately \$36,000 over the FY 2025 base budget. The request includes:                             <ul style="list-style-type: none"> <li>◦ Increases of \$39,000 in both FY 2026 and FY 2027 for statewide present law personal services adjustments</li> <li>◦ Decreases of \$21,000 in both FY 2026 and FY 2027 for statewide present law fixed cost adjustments</li> </ul> </li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Publications Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>281,790</b>	<b>0</b>	<b>0</b>	<b>666,973</b>	<b>97.4%</b>	<b>281,790</b>	<b>0</b>	<b>0</b>	<b>666,973</b>	<b>97.3%</b>
Statewide PL										
Personal Services	23,476	0	0	39,126	5.7%	23,656	0	0	39,426	5.8%
Fixed Costs	0	0	0	(21,094)	(3.1%)	0	0	0	(21,011)	(3.1%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total Statewide PL</b>	<b>23,476</b>	<b>0</b>	<b>0</b>	<b>18,032</b>	<b>2.6%</b>	<b>23,656</b>	<b>0</b>	<b>0</b>	<b>18,415</b>	<b>2.7%</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>23,476</b>	<b>0</b>	<b>0</b>	<b>18,032</b>	<b>2.6%</b>	<b>23,656</b>	<b>0</b>	<b>0</b>	<b>18,415</b>	<b>2.7%</b>
<b>Total Requested Budget</b>	<b>305,266</b>	<b>0</b>	<b>0</b>	<b>685,005</b>		<b>305,446</b>	<b>0</b>	<b>0</b>	<b>685,388</b>	

The Publications program requests increased appropriations totaling approximately \$18,000 in FY 2026 and \$18,000 in FY 2027 over the FY 2025 base appropriation. Changes include:

- Increased appropriations due to statewide present law adjustments for personal services of \$39,000 in FY 2026 and \$39,000 in FY 2027. Proposed increases are split between general fund and proprietary funds, with proposed general fund increases of approximately \$23,000 in FY 2026 and \$24,000 in FY 2027, and proposed proprietary fund increases of \$16,000 in both FY 2026 and FY 2027
- Decreased proprietary fund appropriations in operating expenses due to statewide present law adjustments for fixed costs of \$21,000 in FY 2026 and \$21,000 in FY 2027.

**Funding**

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 04-Publications Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	610,712	0	0	0	610,712	44.6%	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
06002 MHS Publications Enterprise	759,681	0	0	0	759,681	100.0%	
<b>Proprietary Total</b>	<b>\$759,681</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$759,681</b>	<b>55.4%</b>	
<b>Total All Funds</b>	<b>\$1,370,393</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,370,393</b>		

*HB 2 Appropriations*

The Publications Program is funded with general fund and proprietary funds. The proprietary funding receives revenues from subscription sales for the magazine and sales of books published by the program.

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	5.00	5.00	5.00	5.00
Personal Services	392,976	395,154	390,227	429,353	429,653
Operating Expenses	208,788	253,655	276,746	255,652	255,735
<b>Total Expenditures</b>	<b>\$601,764</b>	<b>\$648,809</b>	<b>\$666,973</b>	<b>\$685,005</b>	<b>\$685,388</b>
General Fund	289,863	292,365	281,790	305,266	305,446
Proprietary Funds	311,901	356,444	385,183	379,739	379,942
<b>Total Funds</b>	<b>\$601,764</b>	<b>\$648,809</b>	<b>\$666,973</b>	<b>\$685,005</b>	<b>\$685,388</b>
<b>Total Ongoing</b>	<b>\$601,764</b>	<b>\$648,809</b>	<b>\$666,973</b>	<b>\$685,005</b>	<b>\$685,388</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Program Description*

The Publications Program promotes the study of Montana history and education through lectures, publications, and curriculum materials. The program publishes quarterly editions of the magazine *Montana The Magazine of Western History*. It also publishes books under the Montana Historical Society Press imprint.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The Publications Program expended approximately \$602,000, or 92.7% of its approximately \$649,000 appropriations in FY 2024.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

The Publications Program received approximately \$667,000 of appropriations in FY 2025, or 2.8% more than in FY 2024. The increase was due to Statewide Present Law Adjustments.

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	23,476	0	0	39,126	0.00	23,656	0	0	39,426
DP 2 - Fixed Costs	0.00	0	0	0	(21,094)	0.00	0	0	0	(21,011)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$23,476</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,032</b>	<b>0.00</b>	<b>\$23,656</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,415</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Publications Program Montana Historical Society FY 2026 Statewide Present Law Adjustment for Personal Services		
Legislative Changes	\$	13,714
Management Changes		25,412
Total Budget Modifications		-
Total	\$	39,126

Legislative changes in this program account for a small increase in appropriations for longevity and increased appropriations for benefits. Upwards adjustments captured as management changes are largely a result of negotiated pay adjustments and retention adjustments.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.



**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	6.91	6.91	6.91	0.00	0.0%	
General Fund	341,164	339,134	339,643	(3,551)	(0.5%)	
State/Other Special Rev. Funds	361,517	387,132	387,361	51,459	7.1%	
Proprietary Funds	26,980	26,980	26,980		0.0%	
<b>Total Funds</b>	<b>729,661</b>	<b>753,246</b>	<b>753,984</b>	<b>47,908</b>	<b>3.3%</b>	
Personal Services	464,358	528,396	528,969	128,649	13.9%	
Operating Expenses	265,303	224,850	225,015	(80,741)	(15.2%)	
<b>Total Expenditures</b>	<b>729,661</b>	<b>753,246</b>	<b>753,984</b>	<b>47,908</b>	<b>3.3%</b>	
<b>Total Ongoing</b>	<b>729,661</b>	<b>753,246</b>	<b>753,984</b>	<b>47,908</b>	<b>3.3%</b>	
<b>Total One-Time-Only</b>					<b>0.0%</b>	

**Program Highlights**

<b>Outreach &amp; Education Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The executive request for the Outreach &amp; Education program budget is approximately \$48,000 greater than the FY 2025 base budget. This request includes:                             <ul style="list-style-type: none"> <li>◦ Increased personal services appropriations of \$129,000 throughout the FY 2027 biennium due to statewide present law personal services adjustments</li> <li>◦ Decreased operating expenses appropriations of \$81,000 throughout the FY 2027 biennium due to statewide present law fixed cost adjustments</li> </ul> </li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Outreach and Education Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>341,164</b>	<b>361,517</b>	<b>0</b>	<b>729,661</b>	<b>96.9%</b>	<b>341,164</b>	<b>361,517</b>	<b>0</b>	<b>729,661</b>	<b>96.8%</b>
Statewide PL										
Personal Services	38,423	25,615	0	64,038	8.5%	38,767	25,844	0	64,611	8.6%
Fixed Costs	(40,453)	0	0	(40,453)	(5.4%)	(40,288)	0	0	(40,288)	(5.3%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total Statewide PL</b>	<b>(2,030)</b>	<b>25,615</b>	<b>0</b>	<b>23,585</b>	<b>3.1%</b>	<b>(1,521)</b>	<b>25,844</b>	<b>0</b>	<b>24,323</b>	<b>3.2%</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>(2,030)</b>	<b>25,615</b>	<b>0</b>	<b>23,585</b>	<b>3.1%</b>	<b>(1,521)</b>	<b>25,844</b>	<b>0</b>	<b>24,323</b>	<b>3.2%</b>
<b>Total Requested Budget</b>	<b>339,134</b>	<b>387,132</b>	<b>0</b>	<b>753,246</b>		<b>339,643</b>	<b>387,361</b>	<b>0</b>	<b>753,984</b>	

The Outreach & Education program requests increased appropriations amounting to approximately \$24,000 in FY 2026 and \$24,000 in FY 2027 over the FY 2025 base budget. Changes are due to statewide present law adjustments for personal services and fixed costs. These include:

- Increased appropriations of \$64,000 in FY 2026 and \$65,000 in FY 2027 for statewide present law personal services adjustments. These increases are split between general fund and state special revenue funds, with proposed general fund appropriation increases of \$38,000 in FY 2026 and \$39,000 in FY 2027, and proposed state special revenue increases of \$26,000 in FY 2026 and \$26,000 in FY 2027
- Decreased general fund appropriations for operating expenses of approximately \$40,000 in both FY 2026 and FY 2027 for statewide present law fixed cost adjustments

**Funding**

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 05-Outreach and Education Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	678,777	0	0	0	678,777	32.1%	
02123 Sites & Signs	0	0	0	610,406	610,406	44.1%	
02853 Accommodation Tax	774,493	0	0	0	774,493	55.9%	
<b>State Special Total</b>	<b>\$774,493</b>	<b>\$0</b>	<b>\$0</b>	<b>\$610,406</b>	<b>\$1,384,899</b>	<b>65.4%</b>	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
06022 MHS Education Enterprise Funds	53,960	0	0	0	53,960	100.0%	
<b>Proprietary Total</b>	<b>\$53,960</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$53,960</b>	<b>2.5%</b>	
<b>Total All Funds</b>	<b>\$1,507,230</b>	<b>\$0</b>	<b>\$0</b>	<b>\$610,406</b>	<b>\$2,117,636</b>		

*HB 2 Appropriations*

The Education Program is primarily funded in HB 2 with general fund and the accommodation tax state special revenue fund. This program also has proprietary funding, which receives revenue from:

- The Montana Historical Conference; the revenues are used for expenses associated with the conference
- Special tours; revenues are used for operating expenses associated with the tours
- Elementary and middle school textbook sales; revenues are used for expenses related to textbook reproduction and teacher training

*Statutory Appropriations*

The Education Program has one state special revenue fund that is statutorily appropriated. The sites and signs fund established in 15-65-121(2)(a), MCA, receives 1.0% of the lodging facility use tax for the installation or maintenance of roadside historical signs and historic sites.

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	6.91	6.91	6.91	6.91
Personal Services	366,044	442,561	464,358	528,396	528,969
Operating Expenses	211,490	238,263	265,303	224,850	225,015
<b>Total Expenditures</b>	<b>\$577,534</b>	<b>\$680,824</b>	<b>\$729,661</b>	<b>\$753,246</b>	<b>\$753,984</b>
General Fund	356,841	361,856	341,164	339,134	339,643
State/Other Special Rev. Funds	206,025	292,100	361,517	387,132	387,361
Proprietary Funds	14,668	26,868	26,980	26,980	26,980
<b>Total Funds</b>	<b>\$577,534</b>	<b>\$680,824</b>	<b>\$729,661</b>	<b>\$753,246</b>	<b>\$753,984</b>
<b>Total Ongoing</b>	<b>\$577,534</b>	<b>\$680,824</b>	<b>\$729,661</b>	<b>\$753,246</b>	<b>\$753,984</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Program Description*

The Outreach & Education Program is comprised of three primary activities: outreach and interpretation, historic signs, and the volunteer program. The Outreach & Education Program provides educational public programming of all types, both at the society’s headquarters and throughout the state, for a wide range of audiences; plans and produces educational publications, curriculum materials, and instructional literature for broad distribution; plans and produces interpretive, place-based publications, articles, brochures, and tours for statewide distribution/implementation; reference services to the general public, teachers, students, technical users, and other like-minded institutions and organizations; oversees the National Register Sign Program for the State of Montana, producing interpretive signage for eligible structures and sites in all parts of the state; assists in the planning, production, and placement of non-register permanent and/or temporary signage in all parts of the state; and oversees the society's volunteer program, coordinating volunteers, and volunteer activities society wide.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The Outreach & Education Program expended approximately \$578,000, or 84.8% of its approximately \$681,000 appropriations in FY 2024.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

The Publications Program received approximately \$730,000 of appropriations in FY 2025, or 7.2% more than in FY 2024. The increase was due to Statewide Present Law Adjustments and an additional 0.82 PB budgeted in FY 2025.

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	38,423	25,615	0	64,038	0.00	38,767	25,844	0	64,611
DP 2 - Fixed Costs	0.00	(40,453)	0	0	(40,453)	0.00	(40,288)	0	0	(40,288)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$2,030)</b>	<b>\$25,615</b>	<b>\$0</b>	<b>\$23,585</b>	<b>0.00</b>	<b>(\$1,521)</b>	<b>\$25,844</b>	<b>\$0</b>	<b>\$24,323</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Education Program Montana Historical Society FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$ 22,983
Management Changes	41,055
Total Budget Modifications	-
<b>Total</b>	<b>\$ 64,038</b>

Legislative changes in this program account for a small increase in appropriations for longevity and increased appropriations for benefits. Upwards adjustments captured as management changes due to a combination of negotiated pay adjustments, retention adjustments, promotion adjustments, and pay adjustments for positions that are new for the FY 2025 biennium or went through a transfer or rehiring process.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

**Program Base Budget Comparison**

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	8.00	8.00	8.00	0.00	0.0%	
Federal Spec. Rev. Funds	882,289	871,659	873,758	(19,161)	(1.1%)	
Proprietary Funds	224,565	224,565	224,565		0.0%	
<b>Total Funds</b>	<b>1,106,854</b>	<b>1,096,224</b>	<b>1,098,323</b>	<b>(19,161)</b>	<b>(0.9%)</b>	
Personal Services	645,685	689,602	691,438	89,670	6.9%	
Operating Expenses	374,049	319,502	319,765	(108,831)	(14.5%)	
Grants	87,120	87,120	87,120		0.0%	
<b>Total Expenditures</b>	<b>1,106,854</b>	<b>1,096,224</b>	<b>1,098,323</b>	<b>(19,161)</b>	<b>(0.9%)</b>	
<b>Total Ongoing</b>	<b>1,106,854</b>	<b>1,096,224</b>	<b>1,098,323</b>	<b>(19,161)</b>	<b>(0.9%)</b>	
<b>Total One-Time-Only</b>					<b>0.0%</b>	

**Program Highlights**

<p><b>State Historic Preservation Office Program Major Budget Highlights</b></p>
<p>The State Historic Preservation Office (SHIPO) Program's request reduces appropriations by approximately \$19,000 through the FY 2027 biennium from the FY 2025 base year. Changes include:</p> <ul style="list-style-type: none"> <li>• Statewide present law personal services increases of \$90,000 through the 2027 biennium</li> <li>• Statewide present law fixed cost decreases of \$109,000 through the 2027 biennium</li> </ul>

**Executive Request**

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

State Historic Preservation Office Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>0</b>	<b>0</b>	<b>882,289</b>	<b>1,106,854</b>	<b>101.0%</b>	<b>0</b>	<b>0</b>	<b>882,289</b>	<b>1,106,854</b>	<b>100.8%</b>
Statewide PL										
Personal Services	0	0	43,917	43,917	4.0%	0	0	45,753	45,753	4.2%
Fixed Costs	0	0	(54,246)	(54,246)	(4.9%)	0	0	(54,081)	(54,081)	(4.9%)
Inflation Deflation	0	0	(301)	(301)	(0.0%)	0	0	(203)	(203)	(0.0%)
<b>Total Statewide PL</b>	<b>0</b>	<b>0</b>	<b>(10,630)</b>	<b>(10,630)</b>	<b>(1.0%)</b>	<b>0</b>	<b>0</b>	<b>(8,531)</b>	<b>(8,531)</b>	<b>(0.8%)</b>
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>0</b>	<b>0</b>	<b>(10,630)</b>	<b>(10,630)</b>	<b>(1.0%)</b>	<b>0</b>	<b>0</b>	<b>(8,531)</b>	<b>(8,531)</b>	<b>(0.8%)</b>
<b>Total Requested Budget</b>	<b>0</b>	<b>0</b>	<b>871,659</b>	<b>1,096,224</b>		<b>0</b>	<b>0</b>	<b>873,758</b>	<b>1,098,323</b>	

The SHIPO program overall requests decreased federal special revenue appropriations of approximately \$11,000 in FY 2026 and \$9,000 in FY 2027 from the FY 2025 base year. Notable changes include:

- Increased federal special revenue appropriations of \$44,000 in FY 2026 and \$46,000 in FY 2027 for statewide present law personal services adjustments
- Decreased federal special revenue appropriations in operating expenses of \$54,000 in FY 2026 and \$54,000 in FY 2027 for statewide present law fixed cost adjustments

**Funding**

The following table shows proposed program funding for all sources of authority.

Montana Historical Society, 06-State Historic Preservation Office Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	0	0	0	0	0	0.0%	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	
03021 Historic Sites Preservation	1,745,417	0	0	0	1,745,417	100.0%	
<b>Federal Special Total</b>	<b>\$1,745,417</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,745,417</b>	<b>79.5%</b>	
06013 SHPO ENTERPRISE FUND	449,130	0	0	0	449,130	100.0%	
<b>Proprietary Total</b>	<b>\$449,130</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$449,130</b>	<b>20.5%</b>	
<b>Total All Funds</b>	<b>\$2,194,547</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,194,547</b>		

*HB 2 Appropriations*

The Historic Preservation Program is primarily funded with federal special revenue. This funding is from the National Parks Service for historic site preservation. The program also receives funding from a proprietary fund. The proprietary fund receives revenue from fees for historical preservation assistance and services and is used to enhance and maintain the agency’s antiquities database.

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	8.00	8.00	8.00	8.00
Personal Services	672,952	707,683	645,685	689,602	691,438
Operating Expenses	188,041	255,885	374,049	319,502	319,765
Grants	86,978	87,120	87,120	87,120	87,120
<b>Total Expenditures</b>	<b>\$947,971</b>	<b>\$1,050,688</b>	<b>\$1,106,854</b>	<b>\$1,096,224</b>	<b>\$1,098,323</b>
General Fund	2,633	2,632	0	0	0
Federal Spec. Rev. Funds	769,597	851,319	882,289	871,659	873,758
Proprietary Funds	175,741	196,737	224,565	224,565	224,565
<b>Total Funds</b>	<b>\$947,971</b>	<b>\$1,050,688</b>	<b>\$1,106,854</b>	<b>\$1,096,224</b>	<b>\$1,098,323</b>
<b>Total Ongoing</b>	<b>\$947,971</b>	<b>\$1,050,688</b>	<b>\$1,106,854</b>	<b>\$1,096,224</b>	<b>\$1,098,323</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Program Description*

The State Historic Preservation Office administers the Montana Antiquities Act and Montana's participation in the National Historic Preservation Act of 1966, as amended. Staff provide technical assistance to all Montana property owners, including agencies, organizations, and the public. Staff maintain a statewide inventory of recorded historic and archaeological sites; review state agencies' compliance with the state antiquities act; review and comment on all proposed federally funded or permitted projects within the state to determine their effect on properties listed or eligible for listing in the National Register of Historic Places; and administer the National Register of Historic Places program in Montana through the State Preservation Review Board. The office recommends certification of historic structures and rehabilitation projects for federal tax credits to citizens and businesses, as authorized by the Tax Reform Act of 1976. The program awards and administers pass-through federal grants to local governments participating in the federal Certified Local Government Program and may also award funds for historic survey and planning for historic areas and for bricks-and-mortar rehabilitation when funds are available.

*FY 2024 Appropriation Compared to FY 2024 Actual Expenditures*

The SHIPO Program expended approximately \$948,000, or 90.2% of its FY 2024 HB 2 appropriation. The majority of unexpended funds had been appropriated to operating expenses, with some additional unexpended personal services appropriations. During this period, 1.00 PB was transferred from the SHIPO Program to the Administration Program, which reduced general fund personal services appropriations and expenditures for this program.

*FY 2024 Appropriations Compared to FY 2025 Appropriations*

FY 2025 appropriations are approximately \$56,000, or 5.3% greater than the FY 2024 appropriation. This increase was due to higher statewide present law adjustments for personal services, operating expenses, and inflation budgeted for FY 2025.

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	43,917	43,917	0.00	0	0	45,753	45,753
DP 2 - Fixed Costs	0.00	0	0	(54,246)	(54,246)	0.00	0	0	(54,081)	(54,081)
DP 3 - Inflation Deflation	0.00	0	0	(301)	(301)	0.00	0	0	(203)	(203)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,630)</b>	<b>(\$10,630)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$8,531)</b>	<b>(\$8,531)</b>

\*\*Total Funds\* amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

State Historic Preservation Office Program	
Montana Historical Society	
FY 2026 Statewide Present Law Adjustment for Personal Services	
Legislative Changes	\$ 17,583
Management Changes	26,334
Total Budget Modifications	-
<b>Total</b>	<b>\$ 43,917</b>

Increased personal services adjustments attributable to legislative changes are primarily a result of increased appropriations for benefits and some increases in appropriations for longevity. Increased personal services adjustments attributable to management decisions are primarily the result of negotiated pay adjustment, position reclassification adjustments, and retention adjustments.

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.